

Fiscal Year 2019 Final Appropriations Summary

After months of tense negotiations between the Trump administration and Congress over border security—which resulted in the longest government shutdown in history last month—Congress passed and President Trump signed legislation funding seven outstanding appropriations bills, include State/Foreign Operations, through the remainder of Fiscal Year 2019. Overall, the legislation provides \$56.1 billion for the international affairs budget, representing a modest increase (roughly \$200 million) above the FY’18 enacted level. As far as UN-related accounts are concerned, the legislation is a mixed bag: on the one hand, Congress continues to enforce an arbitrary 25% cap on U.S. contributions to UN peacekeeping operations, leading to nearly \$750 million in arrears; on the other, funding levels for the UN regular budget are mostly where they need to be (though the bill does not fully address some harmful funding withholdings), and the bill provides relatively robust funding for voluntary contributions to the UN.

Provided below is a detailed analysis of how individual UN-related accounts fare in the bill. Please do not hesitate to contact BWC if you have any questions.

Contributions for International Peacekeeping Activities (CIPA): \$1,551,000,000 (*includes \$562,344,000 in base funds and \$988,656,000 in OCO-designated funds*)

- The State Department’s CIPA account funds U.S. assessments for 12 UN peacekeeping operations and a portion of U.S. assessments for the UN Mechanism for International Criminal Tribunals (MICT), the successor entity to UN war crimes tribunals for Rwanda and the former Yugoslavia, whose mandates ended in 2015 and 2017, respectively. Two other peacekeeping operations (the UN Truce Supervision Organization and the UN Military Observer Group in India and Pakistan) are funded by the UN regular budget, and are therefore not included under CIPA. U.S. assessments for the UN Support Office in Somalia (UNSOS)—an entity that provides logistical support and equipment to AU forces operating in Somalia—are included under the Peacekeeping Operations (PKO) account.
- The FY’19 appropriation of \$1.551 billion exceeds the President’s request for CIPA by \$355 million, but is lower than the FY’19 SFOPS bills passed by the House and Senate Appropriations Committees last year, which allocated \$1.589 billion and \$1.683 billion for the account, respectively. From conversations with House Committee staff, we understand that there is an additional \$77 million in carryover funds (unspent balances) from FY’18 available, which will be applied to the U.S.’s FY’19 assessment. Therefore, the bill assumes a total of \$1.628 billion for CIPA in FY’19.
- UN peacekeeping operations are financed through member state assessments—payments that countries are legally obligated to make by virtue of their membership in the UN. These are determined by a complex formula also used to calculate assessments for the UN regular budget (discussed in greater detail as part of the CIO section below) that takes into account a member state’s gross national income (GNI), GNI per capita, debt burden, and several other factors. The five permanent members of the UN Security Council (U.S., China, UK, France, and Russia) are assessed at a slightly higher rate than what they pay for the regular budget, because they have veto power over the establishment of peacekeeping missions. Assessment

rates are renegotiated by the UN General Assembly every three years, and the current U.S. rate of 27.9% represents a reduction from the 1990s, when it paid nearly 32%.

- Nevertheless, since the mid-1990s, U.S. law has arbitrarily capped U.S. contributions to UN peacekeeping operations at 25%. While Congressional appropriators have frequently inserted language into annual appropriations bills temporarily waiving the cap and allowing the U.S. to pay its peacekeeping dues at the full assessed rate, since FY'17 the cap has remained in place. Not surprisingly, the final FY'19 bill continues this practice, and the explanatory statement accompanying the bill states that the level of funding provided to CIPA is sufficient to meet U.S. obligations at the 25% rate.
- As a result, the U.S. has now accrued \$750 million in cap-related peacekeeping arrears through the end of FY'19 (an average of \$250 million per year from FY'17-FY'19). U.S. arrears are already having a significant impact on the UN's ability to reimburse member states that contribute troops to peacekeeping missions. As these shortfalls grow, they are increasingly likely to damage the operational capacity of the missions themselves as well.
- Some in Congress—including Senate appropriators—have expressed growing unease at this state of affairs. For example, report language accompanying the FY'19 Senate SFOPS bill lauded the cost-effectiveness of UN peacekeeping operations and called on the Secretary of State to “consult with the appropriate congressional committees on the options for addressing current arrears.” In addition, last March 64 Members of the House—led by Representatives Eliot Engel and David Cicilline—authored a letter calling on House appropriators to fully fund our nation's peacekeeping assessments, including by lifting the cap and paying back arrears. Unfortunately, even with such expressions of support for peacekeeping, current political realities have made it difficult to gain traction on this issue. As a result, lifting the cap and paying back arrears will be a major advocacy push for BWC as we move into the FY'20 appropriations cycle.
- The FY'19 bill continues policy language from final FY'16, FY'17, and FY'18 legislation regarding human trafficking and sexual exploitation and abuse by UN peacekeepers. Specifically, the bill stipulates that no funds shall be made available under CIPA unless the Secretary of State certifies on a “peacekeeping mission-by-mission basis that the United Nations is implementing effective policies and procedures” to prevent and punish such crimes. While State has made these certifications, the need for mission-specific reports has delayed disbursement of funds from CIPA.

Peacekeeping Operations: \$488,670,000 *(includes \$163,457,000 in base funds and \$325,213,000 in OCO-designated funds)*

- PKO provides voluntary contributions to several regional peacekeeping initiatives and bilateral security assistance programs. Congress has also historically used the account to fund assessments for UNSOS, which provides logistical support and equipment to the African Union Mission in Somalia (the Administration requests these funds as part of CIPA). The final FY'19 bill continues this longstanding practice, stipulating that a portion of PKO's

OCO-designated money may be used to fund UNSOS up to the 25% cap applied to CIPA-funded missions.

- The final FY'19 figure is \$49 million below the FY'18 Omnibus (\$537.9 million), but \$197 million higher than the President's FY'19 request (\$291.4 million).
- The explanatory statement stipulates that \$71 million of the base funds are for the Global Peace Operations Initiative (GPOI), a State Department program that provides training and equipment to peacekeeping troops.

Contributions to International Organizations (CIO): \$1,360,270,000 *(includes \$1,264,030,000 in base funds and \$96,240,000 in OCO-designated funds)*

- The State Department's CIO account funds U.S. dues payments to the UN regular budget (UNRB) and the assessed budgets of more than 40 other UN and non-UN international organizations, including the IAEA, WHO, NATO, and the OAS, among a number of others.
- The total for this account exceeds the President's request by \$265 million and is roughly on par with the number included in the FY'19 House SFOPS bill (\$1.364 billion). The total for CIO is also around \$80 million below the Senate's FY'19 SFOPS bill (\$1.440 billion) and more than \$107 million less than the FY'18 enacted level (\$1.467 billion). While the gap between FY'18 and FY'19 enacted levels is concerning, there is often significant variability within CIO from year to year. Given the sheer number and diversity of international organizations covered by the account, there are usually changes in the UNRB due to re-costing, exchange rate fluctuations, and other factors. With regards to the FY'19 number specifically, we understand that the \$107 million reduction from FY'18 reflects at least several factors: (1) \$55 million in unspent FY'18 funds from the account; (2) a roughly \$20 million reduction in the U.S.'s UNRB assessment for Calendar Year 2018 versus Calendar Year 2017; (3) the strength of the U.S. dollar versus the Swiss franc (given the large UN presence in Geneva). State communicated to Congressional appropriators that \$1.360 billion would be sufficient to meet the account's FY'19 requirements.
- This is reflected in the explanatory statement accompanying the FY'19 bill, which states that the Congress "assumes the payment of the full United States assessment at each respective organization funded under this heading." While this is a welcome statement, it does not fully reflect administration intentions: in FY'18, the administration withheld almost \$27 million from the UNRB (out of a total U.S. assessment of just under \$600 million), reflecting what State calculated at the time to be the U.S. share of regular budget funding for the UN Human Rights Council (UNHRC) and the Office of the UN High Commissioner for Human Rights (OHCHR). While the UNHRC withholding is based on a longstanding provision in Section 7048 of annual appropriations bills (described in greater detail in the "UN Reform Provisions" section of this summary), the OHCHR withholding is new and not derived from any specific legislative authority. As a result, the decision by Congressional appropriators to include the following additional language in their explanatory statement is potentially significant: "The Secretary of State shall consult with the Committees on Appropriations...with respect to any decision not to include...the full assessed amount for

any organization funded under this heading.” This appears to be an attempt to place some guardrails on State’s ability to unilaterally withhold or slow-walk the disbursement of funds from CIO, possibly prompted, in part, by its actions on OHCHR.

- Despite the inclusion of this language, however, we fully expect the administration to once again withhold the “OHCHR” portion of the U.S.’s regular budget assessment in FY’19, given that the bill and explanatory statement do not expressly prohibit them from doing so.

International Organizations and Programs (IO&P): \$364,000,000 (*all base funds*)

- The State Department’s IO&P account provides voluntary contributions to a range of UN entities focused on humanitarian, development, environmental, human rights, and gender equality issues, including UNICEF, UNDP, UN Women, the UN Environment Program (UNEP), UNFPA, and OHCHR, among others.
- The bill provides \$339 million directly to IO&P and requires State to transfer an additional \$25 million in Economic Support Fund money to the account to fund the UN resident coordinator system and the Montreal Protocol Multilateral Fund (described in greater detail under the “UN Reform Provisions” section of this summary). This puts the final appropriation for the account well above all other FY’19 markers: the President requested the elimination of IO&P, while the House bill provided \$213.8 million, and the Senate bill allocated \$351.75 million. The account received \$339 million in FY’18.
- A detailed table laying out funding levels for entities funded by this account is provided at the end of this document. FY’19 funding levels for some key UN agencies include:
 - UNICEF: \$137.5 million (same as FY’18)
 - OHCHR: \$9.5 million (\$1 million higher than FY’18)
 - UNDP: \$80 million (same as FY’18)
 - UN Women: \$8.5 million (same as FY’18)
 - UNEP: \$10 million (same as FY’18)
- The bill also includes \$32.5 million for UNFPA. However, due to the Administration’s Kemp-Kasten determination on UNFPA, this funding will not ultimately go to UNFPA and will instead be reprogrammed to the Global Health Program account, as was the case in FY’17 and FY’18.
- The explanatory statement includes some interesting language on how Congress expects IO&P funding to be spent: “Funds appropriated under this heading shall be made available for core contributions for each entity listed...unless: (1) otherwise provided for in the Act or such table; or **(2) the Secretary of State justifies the proposed uses of funds other than for core contributions in the congressional notification submitted for funds under this heading.** The Secretary shall consult with the Committees on Appropriations prior to submitting such notification, which shall be submitted not later than June 30, 2019.”
- What makes the IO&P account unique is that while most voluntary funding for the UN comes from other budgetary sources, most of that funding is earmarked for specific activities or emergencies. By contrast, State has generally used IO&P to finance the core budgets of

the agencies included under the account, unless otherwise directed by Congress. In FY'18, however, the administration tried to curtail this longstanding practice, sending letters to several agencies seeking to earmark what had long been treated as IO&P core funds for specific activities. Fortunately, inclusion of report language requiring State to “justify the proposed uses of funds other than for core contributions” appears to be their attempt to put guardrails around State’s use of these funds. This is an important positive development for the UN agencies involved.

Global Health Programs (GHP): \$8.69 billion

- The Global Health Programs account provides funding for family planning, polio, malaria, and other bipartisan programs that the U.S. has long championed. The omnibus does funds this account at the FY'18 level.
- International family planning funds were maintained at FY'18 enacted levels at \$575 million. The bill is silent on the Global Gag Rule, even though it was legislatively enacted in the House legislation.
- The President’s Malaria Initiative received level funding from FY'18 enacted levels at \$755 million.
- Polio funding also received flat funding in the SFOPS, with \$51.5 million in the GHP account and \$7.5 million in Economic Support Funds. Outside of the GHP account, polio programs did see a \$2 million increase from FY'18 in the Labor/HHS bill (\$174 million to \$176 million). With the Labor/HHS bill there was flat funding for measles from FY'17 at \$50 million.
- The Global Fund for AIDS, Tuberculosis, and Malaria received level funding from FY'18 at \$1.35 billion.
- GAVI, the Vaccine Alliance, saw an increase of \$15 million over FY'17 at \$290 million.

Migration and Refugee Assistance (MRA): \$3,432,000,000 (\$2,027,876,000 in base funds, \$1,404,124,000 in OCO-designated funds)

- The MRA account is a critical source of voluntary funding for several UN agencies focused on refugees and migrants: the UN Refugee Agency (UNHCR), International Organization for Migration (IOM), and UN Relief and Works Agency for Palestine Refugees (UNRWA). Congress does not specify how much each agency receives from the account: rather, the actual apportionment of MRA funds to international organizations and NGOs is determined by the State Department.
- The final FY'19 appropriation for MRA is equivalent to what was included under the House and Senate FY'19 bills and the FY'18 Omnibus. It is more than \$600 million higher than the President’s FY'19 budget request.

- As a reminder, last year the administration announced that it would end all U.S. funding for UNRWA. The final FY'19 bill does not address this issue, so it looks like the administration's decision here will stand. This means that the severe funding difficulties currently facing UNRWA will continue through the end of the fiscal year.

UN Reform Provisions

- Sec. 7048 of the legislation contains language related to UN reform, the majority of which is similar, if not identical, to provisions enacted in FY'18 and prior fiscal years. A summary of these provisions is provided below.
 - Subsection (a) of the bill requires the U.S. to withhold 15% of all contributions to the UN and UN agencies (including DPKO) unless the Secretary of State certifies that the UN is: (1) posting on a publicly available website regular financial and programmatic audits and providing the U.S. Government with necessary access to such reports; (2) effectively implementing and enforcing best practices for the protection of whistleblowers from retaliation; (3) effectively implementing and enforcing policies and procedures on the appropriate use of travel funds, including restrictions on first class and business travel.
 - The first two requirements are identical to reform-related language included in the final FY'16, FY'17, and FY'18 appropriations bills. As a result of these requirements, the State Department has been compelled to report on UN compliance with these provisions during the last three fiscal years. Ultimately, the UN Secretariat and most UN agencies were passed under the State Department certification, and the provision did not affect their funding. Nevertheless, the U.S. has withheld funding to WIPO as a result of their noncompliance with the law.
 - The third requirement—on first class and business travel—first appeared in the final FY'18 bill, prompted by unfavorable media reports about the travel expenses of WHO staff.
 - As in past years, the bill allows State to waive these funding restrictions on a case-by-case basis in order to avert or respond to a humanitarian crisis.
 - Subsection (b) continues previous years' restrictions on funding for UN bodies presided over by state sponsors of terrorism. Also similar to previous years, the FY'19 bill allows State to waive the funding restrictions if doing so is determined to be in the U.S. "national interest."
 - Subsection (c) includes language related to funding for the UN Human Rights Council (UNHRC). Specifically, the bill stipulates that no funds shall be made available in support of the Council unless the Secretary of State determines and reports to the House and Senate Appropriations Committees that: (1) participation in the Council is important to U.S. national interests; (2) the Council "is taking significant steps to remove Israel as a permanent agenda item and ensure integrity in the election of members."
 - This language has been present, in some form or another, in annual appropriations bills for a number of years. While the Obama administration made the required certifications and funds were ultimately disbursed, the Trump administration has taken U.S. policy in a different direction. In FY'17 and FY'18, State withheld \$7.67 million from the CIO account, an amount equivalent to the U.S. share of funding for

- the Council under the UN regular budget. The FY'19 bill language, as written, allows them to continue this practice, so we will likely see State withhold an additional \$7.67 million from CIO this year as well.
- The bill does not address the administration's June 2018 decision to withdraw from the Council. The fact that Congress has seen fit to continue the certification language in almost identical form suggests that there is a consensus around not using the appropriations process to directly challenge the administration's UNHRC policies.
 - Subsection (d) requires the Secretary of State to submit a report on whether UNRWA is in compliance with a number of reform measures before disbursing funds to the humanitarian agency, a provision that is unchanged from FY'18. The bill includes no language on the administration's decision, formalized in September, to end all funding for UNRWA. As a result, this provision is largely meaningless for practical purposes.
 - Subsection (j) is carried over from the FY'18 Omnibus. The provision stipulates that State shall withhold 5% of funds appropriated under the CIO account for any UN agency or entity if the Secretary of State, in consultation with the U.S. Permanent Representative to the UN, reports that the organization in question "has taken an official action that is against the national security interest of the United States or an ally of the United States, including Israel". State may release any withheld funds if the Secretary reports to Congress that the agency is "taking steps to address the action that resulted in the withholding of such funds". The bill further states that "Should the Secretary...be unable to make a determination...regarding the release of withheld funds, such funds may be reprogrammed for other purposes" under the CIO account. The bill provides State with authority to waive this requirement if the Secretary determines that doing so is "in the national interest."
 - Subsection (k) is new, providing for the transfer of \$25 million from the Economic Support Fund to IO&P, of which \$23 million "shall be for a contribution to support the United Nations resident coordinator system." The remaining \$2 million is for an additional contribution to the Montreal Protocol Multilateral Fund, which is already receiving \$29 million from IO&P. This is significant, as it more or less represents an acknowledgment—and vote of confidence in—a key element of the SG's development system reform agenda.

Table I: CIPA, CIO, & PKO

Account	FY'17 Omnibus	FY'18 Omnibus	FY'19 President's Request	FY'19 House SFOPS	FY'19 Senate SFOPS	FY'19 Omnibus
CIPA	\$1.907 billion (\$553 million base \$1.354 billion OCO)	\$1.382 billion (\$414.6 million base, \$967.5 million OCO)	\$1.196 billion (all base)	\$1.589 billion (all base)	\$1.683 billion (\$716.4 million base, \$967.4 million OCO)	\$1.551 billion (\$562.3 million base, \$988.7 million OCO)
CIO	\$1.359 billion (\$1.263 billion base \$96 million OCO)	\$1.467 billion (\$1.371 billion base, \$96.2 million OCO)	\$1.095 billion (all base)	\$1.364 billion (all base)	\$1.440 billion (1.51 billion base, \$96.2 million OCO)	\$1.360 billion (\$1.264 billion base, \$96.24 million OCO)
PKO	\$659 million (\$135 million base \$474 million OCO, plus \$50 million in supplemental funding)	\$537.9 million (\$212.7 million base, \$325.2 million OCO) **Roughly \$145.5 million of this is for UNSOS	\$291.4 million (all base)	\$490.4 million (all base)	\$477.4 million (\$152.2 million base, \$325.2 million OCO)	\$488.7 million (\$163.5 million base, \$325.2 million OCO)

Table II: IO&P Detailed Breakdown

Organization	FY'17 Omnibus	FY'18 Omnibus	FY'19 President's Request	FY'19 House SFOPS	FY'19 Senate SFOPS	FY'19 Omnibus
Total IO&P	\$339,000,000	\$339,000,000	\$0	\$213,800,000	\$351,750,000	\$364,000,000
International Contributions for UNESCO Activities	\$0	\$0		\$0	\$0	\$0
International Panel on Climate Change (IPCC)/UN Framework Convention on Climate Change (UNFCCC)	\$0	\$0		\$0	\$3,000,000	\$0
UN Capital Development Fund (UNCDF)	\$500,000	\$500,000		\$0	\$1,500,000	\$1,100,000
UN Children's Fund (UNICEF)	\$137,500,000	\$137,500,000		\$132,500,000	\$137,500,000	\$137,500,000
UN Democracy Fund (UNDF)	\$3,000,000	\$3,000,000		\$0	\$3,500,000	\$3,000,000
UN Women	\$8,500,000	\$8,500,000		\$7,500,000	\$10,000,000	\$8,500,000
UN Development Program (UNDP)	\$80,000,000	\$80,000,000		\$60,000,000	\$80,000,000	\$80,000,000
UN Environment Program (UNEP)	\$7,000,000	\$10,000,000		\$0	\$7,500,000	\$10,000,000
UN Office for Coordination of Humanitarian Affairs (OCHA)	\$2,500,000	\$2,500,000		\$0	\$2,500,000	\$2,500,000

UN High Commissioner for Human Rights (OHCHR)	\$10,500,000	\$8,500,000		\$0	\$10,000,000	\$9,500,000
UN Voluntary Fund for Technical Cooperation in the Field of Human Rights	\$1,150,000	\$1,150,000		\$0	\$1,150,000	\$1,150,000
UN Voluntary Fund for Victims of Torture	\$6,550,000	\$6,550,000		\$6,550,000	\$6,550,000	\$6,550,000
UN Population Fund (UNFPA)**	\$32,500,000	\$32,500,000		\$0	\$37,500,000	\$32,500,000
Montreal Protocol Multilateral Fund	\$32,000,000	\$31,000,000		\$0	\$32,000,000	\$31,000,000
World Meteorological Organization (WMO)	\$1,000,000	\$1,000,000		\$0	\$1,000,000	\$1,000,000
International Maritime Organization (IMO)	\$325,000	\$325,000		\$0	\$325,000	\$325,000
International Civil Aviation Organization (ICAO)	\$800,000	\$800,000		\$1,200,000	\$800,000	\$1,200,000
UN Special Representative of the Secretary-General for Sexual Violence in Conflict	\$1,750,000	\$1,750,000		\$0	\$1,750,000	\$1,750,000
UN Trust Fund to End Violence Against Women	\$1,000,000	\$1,000,000		\$1,000,000	\$1,000,000	\$1,000,000
UN Haiti Cholera Multi-Partner Trust Fund	N/A	N/A		\$0	\$1,750,000	\$0
UN Resident Coordinator System	N/A	N/A		\$0	\$0	\$23,000,000

** Was reprogrammed due to Kemp-Kasten determination.