

GAO

Report to the Chairman, Committee on
International Relations, House of
Representatives

July 1999

UNITED NATIONS

Status of U.S.
Contributions and
Arrears



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United States General Accounting Office
Washington, D.C. 20548

National Security and
International Affairs Division

B-282243

July 28, 1999

The Honorable Benjamin Gilman
Chairman, Committee on International Relations
House of Representatives

Dear Mr. Chairman:

For several years the United States has been in arrears in the payment of its assessed contributions for the U.N. regular budget, international tribunals, and peacekeeping operations. Assessed contributions—which are levied on U.N. members to fund the organization's activities—are considered to be in arrears if unpaid by December 31 of the year they came due. Article 19 of the U.N. Charter states that a member shall lose its right to vote in the U.N. General Assembly if the amount of its arrears equals or exceeds the amount of its assessed contributions for the preceding 2 years.

You were concerned that the United States could lose its right to vote on January 1, 2000, unless it reduces its arrears before the end of 1999. As you requested, this report (1) estimates the amount the United States will need to pay before the end of 1999 to avoid losing its right to vote, taking into account currently anticipated payments; (2) discusses the trend in U.S. assessed contributions and arrears that has led to the current situation; (3) discusses current U.S. arrears and the amounts withheld for legislative and policy reasons; and (4) describes the status of member states that lost their right to vote in the General Assembly at the beginning of 1999. This report updates information contained in our prior report to you on U.N. financial issues and U.S. arrears.¹

Results in Brief

We estimate that the United States will need to pay about \$153 million in addition to the \$508 million that the Department of State currently anticipates paying before the end of 1999 to reduce its arrears sufficiently to avoid losing its right to vote in the General Assembly on January 1, 2000. Our estimate reflects the difference between projected U.S. arrears on that date of \$1,435 million and projected assessed contributions for the preceding 2 years (1998 and 1999) of \$1,282 million. Anticipated U.S.

¹United Nations: Financial Issues and U.S. Arrears (GAO/NSIAD-98-201BR, June 18, 1998).

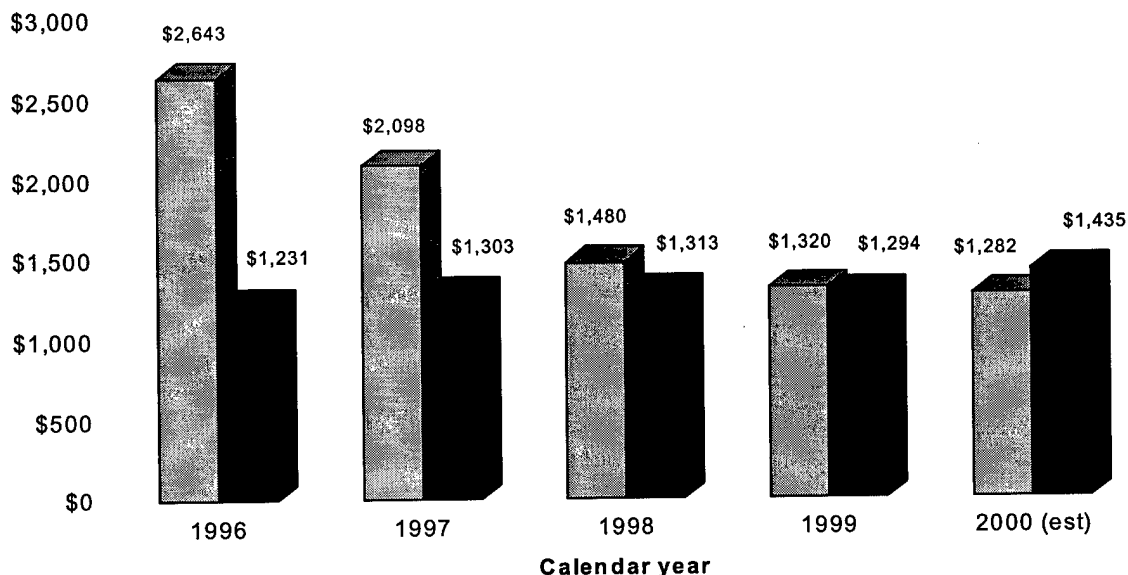
payments during 1999 consist of \$3 million from fiscal year 1998 funds, \$301 million from fiscal year 1999 funds, and \$204 million from fiscal year 2000 funds.² The Department of State has requested congressional authorization to reprogram \$66 million of fiscal year 1999 funds to pay expected additional assessments for the U.N. peacekeeping operations in Kosovo and East Timor recently authorized by the U.N. Security Council. Payment of this amount would reduce our estimate of the needed additional U.S. payment to \$87 million. Changes in these assumptions or U.N. financial needs during the remainder of 1999, particularly changes in the amount of peacekeeping assessments that the United States pays, would affect our estimate.

The United States faces the loss of its vote in the General Assembly in January 2000 because the sum of its assessed contributions for the prior 2 years—the “yardstick” for measuring U.S. arrears when applying article 19—has declined each year since 1996. This decline largely reflects a decrease in assessments for U.N. peacekeeping operations since 1995. In essence, the United States now faces the loss of its right to vote in the General Assembly because its assessed contributions are substantially less than in 1996 while its arrears have remained about the same. This explains why, with basically the same level of arrears as in past years, the United States narrowly avoided losing its right to vote on January 1, 1999, and will lose its right to vote on January 1, 2000, unless it reduces its arrears. Figure 1 shows the decline in U.S. assessed contributions for the prior 2 years relative to U.S. arrears on January 1, 1996-2000.

²The anticipated payment from fiscal year 2000 funds assumes that Congress will appropriate the \$304 million requested for payment of the U.N. regular budget for 1999, subject to a \$100 million withholding pending executive branch certification that the U.N.'s biennium regular budget remains below \$2.533 billion. The United States has paid its calendar year assessments with funds appropriated for the following fiscal year since 1983.

Figure 1: Comparison of U.S. Assessed Contributions for the United Nations for the Prior 2 Years and U.S. Arrears on January 1, 1996-2000

Dollars in millions



■ Assessed contributions for prior 2 years ■ Arrears balance

Note: Article 19 of the U.N. Charter states that a member shall lose its right to vote in the U.N. General Assembly if its arrears balance exceeds its assessed contributions for the prior 2 years. Estimated arrears balance for 1999 assumes that the Department of State will make all currently anticipated payments before the end of 1999, including a \$204 million payment from fiscal year 2000 funds.

Source: Compiled by GAO from U.N. and Department of State financial data.

As reflected in figure 1, U.N. records showed that U.S. arrears for the regular budget, international tribunals, and peacekeeping operations were \$1,294 million on January 1, 1999. This amount accounted for about 64 percent of the \$2 billion of arrears owed by U.N. members on that date for the U.N. regular budget, international tribunals, and peacekeeping operations. Of its \$1,294 million of arrears, the United States has determined it will not pay \$472 million (about 36 percent) for legislative and policy reasons.

In February 1999, the United Nations reported that 44 of 185 U.N. members had arrears equaling or exceeding their assessed contributions for the preceding 2 full years as of January 1, 1999. As of mid-May, six of these

members had paid enough to regain their right to vote in the U.N. General Assembly; and eight others were permitted to vote temporarily, because their failure to pay was judged to be due to conditions beyond their control, such as civil war or severe natural disasters. The remaining 30 members lost the right to vote in the General Assembly. Based on past experience, the Chief of the U.N. Contributions Service expects that, by the end of the year, most of the remaining members will make at least the minimum payment necessary to regain their right to vote in the General Assembly.

Background

Article 17 of the U.N. Charter states that the U.N.'s expenses shall be borne by its members as apportioned by the General Assembly. Basic U.N. operations, including most headquarters activities, are funded through regular budget assessments paid by member states. Currently, the United States is assessed at a rate of 25 percent for the U.N. regular budget. Member states are assessed separately—and at different rates—for the budgets of international criminal tribunals³ and U.N. peacekeeping operations. Currently, the United States is assessed at an average rate of 27.7 percent of the amount budgeted for international tribunals⁴ and about 30.4 percent of the amount budgeted for peacekeeping operations.⁵ Regular budget assessments are due on January 31 of each year and assessments for international tribunals and peacekeeping operations are due within 30 days of the date they are billed. These assessed contributions are considered to be in arrears if unpaid by December 31 of the year they came due. Table 1 shows U.N. assessments for the U.N. regular budget, international tribunals, and peacekeeping operations for the 10 largest contributors for 1999, as of June 30, 1999.

³The United Nations has established international criminal tribunals for the former Yugoslavia and Rwanda to investigate and prosecute persons responsible for genocide and other serious violations of international humanitarian law committed in those regions.

⁴The United States is assessed at the regular budget rate (25 percent) for one-half of the tribunals' budgets and at the peacekeeping rate (currently about 30.4 percent) for the other half, for an average rate of about 27.7 percent.

⁵U.S. payments for U.N. peacekeeping after fiscal year 1995 are capped at 25 percent of the total of all assessed contributions for an operation under Section 404(b)(2) of the Foreign Relations Authorization Act of 1994-95 (P.L. 103-236). The United Nations, however, continues to assess the U.S. at the higher rate because the U.N. General Assembly has not changed its methodology for calculating the U.S. and other members' peacekeeping assessment rates.

Table 1: U.N. Assessments for the Regular Budget, International Tribunals, and Peacekeeping Operations for 1999, as of June 30, 1999

Dollars in millions

Member state	Regular budget	International tribunals	Peacekeeping operations ^a	Total
United States	\$304.4	\$45.3	\$72.4	\$422.1
Japan	207.7	30.3	44.9	282.8
Germany	101.9	14.9	22.4	139.2
France	68.0	11.0	15.2	94.1
Italy	56.4	8.2	12.4	77.1
United Kingdom	52.9	8.5	14.2	75.6
Canada	28.6	4.2	6.4	39.1
Spain	26.9	3.9	5.9	36.8
Netherlands	16.9	2.5	3.7	23.2
Russian Federation	15.5	2.5	4.9	22.9
All others	204.6	23.6	29.6	257.8
Total	\$1,083.7	\$154.8	\$232.1	\$1,470.7

^aPartial year assessment through June 30, 1999.

Source: United Nations.

Article 19 of the U.N. Charter states that a member will lose its right to vote in the General Assembly if the amount of its arrears equals or exceeds the sum of its assessed contributions for the preceding 2 full years. The General Assembly may, nevertheless, permit such a member to vote if it judges that the member's failure to pay was due to conditions beyond its control. A member regains its right to vote as soon as it reduces its arrears below the level of its assessed contributions for the preceding 2 years. A member's loss of its right to vote in the General Assembly does not affect its right to vote in the U.N. Security Council or in several U.N. specialized agencies.

Although article 19 specifies that a member state's arrears must not exceed its assessed contributions for the prior 2 years, it does not specify how the amount of a member's arrears and assessed contributions should be calculated or the timing of the calculation and application of the sanction (loss of vote). In practice, a member state is considered to be subject to article 19 if its arrears as of January 1 of a given year equal or exceed the amount of its assessed contributions for the preceding 2 full calendar years. (See app. I for additional details about the calculation of arrears and assessed contributions under article 19.)

Our Estimate of the U.S. Shortfall

We estimate that the United States will need to pay about \$153 million in addition to currently anticipated payments of \$508 million before the end of 1999 to reduce its arrears sufficiently to avoid losing its right to vote in the General Assembly on January 1, 2000. Our estimate of this shortfall reflects the difference between a projected arrears balance on January 1, 2000, of \$1,435 million and projected assessed contributions for 1998 and 1999 of \$1,282 million (see table 2). Changes in these assumptions or U.N. financial needs during the remainder of 1999, particularly changes in the amount of peacekeeping assessments that the United States receives and pays, could affect our estimate.

Table 2: Estimated U.S. Contributions Shortfall on January 1, 2000

Dollars in millions	
	Amount
U.S. assessed contributions due through 1999 (estimated)	\$1,963
Arrears (outstanding contributions for 1998 and prior periods)	(1,294)
1999 assessed contributions (estimated)	(669)
Less estimated payments during 1999	\$508
Fiscal year 2000 appropriations (estimated)	(204)
Fiscal year 1999 appropriations (estimated)	(301)
Fiscal year 1998 appropriations	(3)
Less U.N. credits (estimated)	20
Subtotal (projected arrears balance on January 1, 2000)	\$1,435
Less projected assessed contributions due for most recent 2-year period	\$1,282
1998 assessed contributions	(613)
1999 assessed contributions (estimated)	(669)
Estimated shortfall on January 1, 2000	\$153

Source: Compiled by GAO from U.N. and Department of State financial data.

The projected arrears balance on January 1, 2000, shown in table 2 reflects anticipated payments before the end of 1999 of \$3 million from fiscal year 1998 funds, \$301 million from fiscal year 1999 funds, and \$204 million from fiscal year 2000 funds; and credits that the United States may receive for unspent contributions to U.N. peacekeeping. Anticipated U.S. payments during 1999 are comprised of the following elements:

- \$100 million in fiscal year 1999 funds appropriated to pay assessed contributions for the 1998 U.N. regular budget,⁶
- \$41 million in fiscal year 1999 funds appropriated to pay assessed contributions for the international tribunals in Yugoslavia and Rwanda,⁷
- \$160 million in fiscal year 1999 funds⁸ and \$3 million in fiscal year 1998 funds appropriated to pay assessed contributions for U.N. peacekeeping operations,⁹ and
- \$204 million in fiscal year 2000 funds that the Department of State anticipates will be appropriated to pay assessed contributions for the 1999 U.N. regular budget.

In addition to these payments, the Department of State estimates that the United States will receive about \$20 million in credits from the United Nations by the end of 1999, as shown in table 2. These credits are for unspent balances from U.S. payments toward U.N. peacekeeping operations in prior financial periods.¹⁰

The projected assessed contributions for the most recent 2-year period shown in table 2—the “yardstick” for measuring U.S. arrears when applying article 19 on January 1, 2000—is the sum of expected U.S. assessed contributions for 1998 and 1999 for the U.N. regular budget, international tribunals for Yugoslavia and Rwanda, and U.N. peacekeeping operations. Table 3 shows the calculation of the projected U.S. assessed contributions for the 2-year period ending on January 1, 2000.

⁶These funds are available in two parts of \$50 million each, subject to executive branch certification in spring and summer 1999 that the U.N. 1998-1999 regular budget will not exceed \$2.533 billion. The United States paid the balance of fiscal year 1999 funds appropriated for the U.N. regular budget (about \$198 million) in late 1998 to avoid a contribution shortfall and loss of vote on January 1, 1999. The U.N. budget certification requirement is contained in the Fiscal Year 1999 Commerce, State, and the Judiciary Appropriations Act as contained in the Fiscal Year 1999 Omnibus Appropriations Act (P.L. 105-277).

⁷This amount is comprised of about \$25 million for the tribunal for the former Yugoslavia and \$16 million for the tribunal for Rwanda.

⁸Congress appropriated \$231 million in fiscal year 1999 for payments for contributions to international peacekeeping activities.

⁹The fiscal year 1998 funds were a payment for the U.N. Observation Mission in Sierra Leone made in March 1999.

¹⁰The United Nations refers to these as “unencumbered balances.”

Table 3: Estimated U.S. Assessed Contributions for the 2-Year Period Ending on January 1, 2000

Dollars in millions				
Period	Regular budget	International tribunals	Peacekeeping operations	Total
1998 assessed contributions	\$298	\$30	\$285	\$613
1999 assessed contributions (estimated)	304	45	320	669
2-year total (estimated)	\$602	\$75	\$605	\$1,282

Note: 1999 assessments are estimated through December 31, 1999. As of June 30, 1999, the United States had been assessed \$304 million for the regular budget, \$45 million for international tribunals, and about \$72 million for peacekeeping operations.

Source: Compiled by GAO from U.N. and Department of State financial data.

According to Department of State officials, potential sources of funding to cover the shortfall include \$575 million in fiscal year 1998 and 1999 funds appropriated for arrears reduction contingent on congressional authorization and/or \$446 million included in the President's fiscal year 2000 budget request for arrears payment. Congress would need to enact new legislation for the Department of State to reduce U.S. arrears using any of these funds.¹¹

Estimate Would Be Affected by Changes in U.S. Payments

The estimated shortfall of about \$153 million assumes that, during 1999, the United States will be assessed a total of \$669 million for the U.N. regular budget, international tribunals, and peacekeeping; make payments against those assessed contributions of \$508 million; and receive credits of \$20 million. Changes in the amount of U.S. payments or U.N. credits would alter the estimated shortfall. Of these two items, the amount of U.S. payments for assessed contributions for U.N. peacekeeping is most susceptible to change during the rest of the year, according to Department

¹¹Congress appropriated \$100 million in fiscal year 1998 and \$475 million in fiscal year 1999 to pay U.N. arrears contingent on authorization language. However, the President vetoed the fiscal year 1998-99 Department of State authorization bill (H.R. 1757), and the Fiscal Year 1999 Omnibus Appropriations Act (P.L. 105-277) continued to make arrears payments contingent on authorization language. The President's fiscal year 2000 budget requests an additional \$446 million to pay arrears. The Balanced Budget Act of 1997 (P.L. 105-33) allows federal budget spending caps to be adjusted to accommodate appropriations for arrears payments through fiscal year 2000.

of State officials.¹² As shown in table 3, our estimate assumes that the United States will be assessed about \$320 million for peacekeeping in 1999, including about \$80 million for the U.N. operations in Kosovo and East Timor recently authorized by the U.N. Security Council. As of June 30, 1999, the United States had been assessed \$72.4 million for peacekeeping for 1999.

U.S. payments could change substantially in response to changes in assessed contributions for U.N. peacekeeping. Additional U.S. payments during 1999 in response to increased U.N. assessments would decrease the estimated shortfall by the amount of the additional payment.¹³ In June 1999, the Department of State requested congressional authorization to reprogram \$66 million of fiscal year 1999 funds to pay for the recently authorized U.N. operations in Kosovo and East Timor. Payment of this amount during 1999 would reduce the estimated shortfall from about \$153 million to \$87 million. In contrast, decreased U.S. payments in response to a reduction in expected U.N. assessments for other operations would increase the estimated shortfall.

Peacekeeping assessments could increase substantially over those assumed in our estimate for several reasons. First, the U.N. Security Council could authorize additional operations later this year, for example, a follow-on operation in East Timor,¹⁴ or expand existing operations, for example, the ongoing operation in Sierra Leone. Second, the timing and amount of assessments for the newly authorized U.N. operation in Kosovo could increase substantially. The Department of State's reprogramming notice to Congress estimates that this new operation will cost about \$500 million annually and assumes that the United Nations will assess member states for half of this amount during 1999. However, according to Department of State officials, the United Nations could assess member states for the entire annual cost in 1999. In addition, these officials told us

¹²Department of State officials are confident that actual credits received for unspent peacekeeping balances will not vary substantially from their estimate. However, we note that the United States received an unexpected \$42 million credit in July 1998 for unspent balances from prior financial periods for U.N. peacekeeping operations. Increased credits would reduce the estimated shortfall dollar for dollar; decreased credits would have the reverse effect.

¹³As of early June 1999, about \$71 million of the \$231 million of fiscal year 1999 funds appropriated for contributions for international peacekeeping activities were available to pay additional peacekeeping assessments. Additional payments above this amount would require additional appropriations.

¹⁴According to Department of State officials, a follow-on U.N. operation would be likely if East Timor moves toward independence from Indonesia. In addition, the U.N. Security Council could authorize new peacekeeping operations in the Democratic Republic of Congo or Eritrea/Ethiopia.

that the operation's annual cost could be as high as \$800 million to \$1 billion.

Peacekeeping assessments also could decrease substantially from those assumed in our estimate if, for example, the Security Council ended some operations earlier than expected—as it recently did for the operation in Angola—or shortened their mandates—as it recently did for the operation in the Western Sahara. According to the U.N. Under Secretary General for Management, forecasting needs for peacekeeping operations is very difficult because the levels of assessments change, the frequency of assessments is unpredictable, the timing of the receipt of credits of unspent funds from closed operations is uncertain, and the troop and equipment requirements change.

Assessed Contributions “Yardstick” Declines

The sum of U.S. assessed contributions for the prior 2 calendar years—the “yardstick” for measuring U.S. arrears when applying article 19 each year—declined by about \$1.4 billion between 1996 and 2000. Over the same period, U.S. arrears as calculated by the United Nations remained relatively stable, increasing by \$138 million. The decline in U.S. assessed contributions explains why, despite basically the same level of arrears, the United States narrowly avoided losing its right to vote in the General Assembly in 1999 and faces the loss of its right to vote in 2000.

On January 1, 1996, the sum of U.S. assessed contributions for the prior 2 years (1994 and 1995) was about \$2.6 billion. By January 1, 2000, we estimate that the sum of U.S. assessed contributions for the prior 2 years (1998 and 1999) will have fallen to about \$1.3 billion. This decline largely reflects a decrease in assessments for U.N. peacekeeping operations between 1995 and 1999, from about \$1 billion to an estimated \$320 million.¹⁵ Peacekeeping assessments have declined because the U.N. Security Council has approved fewer and/or smaller peacekeeping operations in recent years.¹⁶ Figure 2 shows U.S. assessments for the U.N.

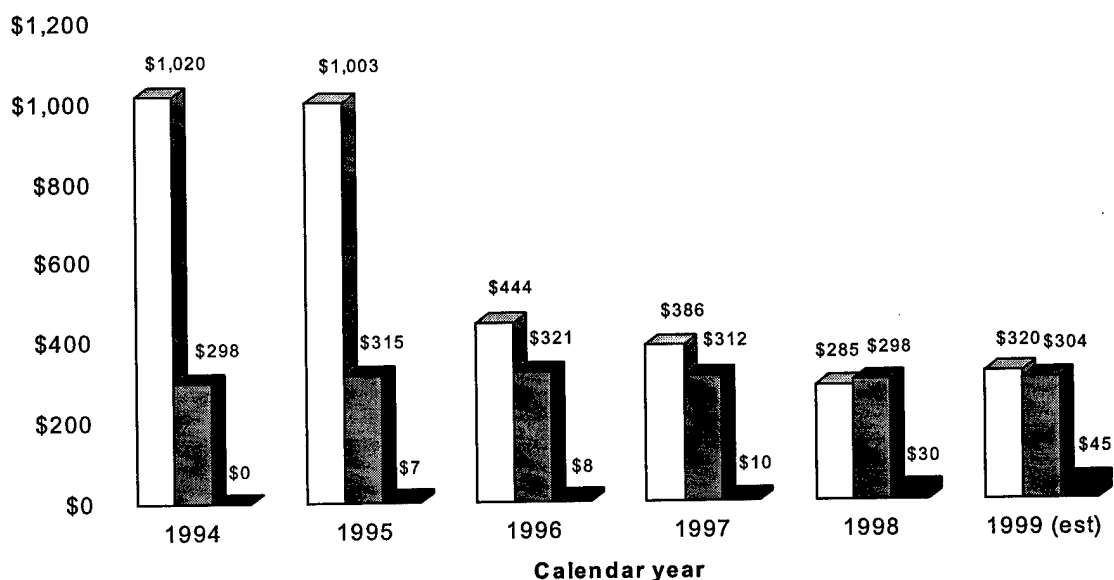
¹⁵The decline in assessments reflects the substantial fall in the number of U.N. peacekeepers in the field over the same period—from almost 70,000 in early 1995 to about 12,500 by the end of May 1999.

¹⁶U.S. policy on authorizing U.N. peacekeeping operations is discussed in Presidential Decision Directive-25, a classified document issued in May 1994. An unclassified summary was issued at the same time. Among the factors to be considered under this directive in deciding to authorize or continue operations are whether (1) U.N. involvement advances U.S. interests; (2) there is a threat to or breach of international peace and security; and (3) the operation has clear and practical objectives, a mandate appropriate to its mission, realistic exit criteria, and an identified end point for U.N. involvement.

regular budget, international tribunals, and peacekeeping operations between 1994 and 1999.

Figure 2: U.S. Assessments for the U.N. Regular Budget, International Tribunals, and Peacekeeping Operations, 1994-99

Dollars in millions



□ Peacekeeping operations ■ Regular budget ■ International tribunals

Source: Compiled by GAO from U.N. and Department of State financial data.

In contrast, U.S. arrears have been relatively stable between 1996 and 2000, increasing from about \$1.2 billion to an estimated \$1.4 billion.¹⁷ This increase reflects both the difference between the higher U.N. assessment rate and the lower U.S. payment rate for peacekeeping and U.S. decisions not to pay its assessed contributions for certain U.N. operations, such as the current U.N. operation in the Central African Republic—although the U.S. voted in favor of authorizing this operation in the U.N. Security Council.

¹⁷U.S. arrears increased by \$762 million between 1995 and 1996, from \$469 million to \$1,231 million.

Table 4 shows the decline in assessed contributions for the prior 2 years relative to U.S. arrears on January 1, 1996-2000. As depicted, the United States narrowly avoided losing its right to vote on January 1, 1999, and will lose its right to vote on January 1, 2000, unless it reduces its arrears.

Table 4: Comparison of U.S. Assessed Contributions for the United Nations for the Prior 2 Years and the U.S. Arrears on January 1, 1995-2000

Dollars in millions	Calendar year				
	1996	1997	1998	1999	2000 (estimated)
Assessed contributions for prior 2 years	\$2,643	\$2,098	\$1,480	\$1,320	\$1,282
Arrears balance	1,231	1,303	1,313	1,294	1,435
Difference (shortfall)	\$1,412	\$795	\$167	\$26	(\$153)

Note: Article 19 of the U.N. Charter states that a member shall lose its right to vote in the U.N. General Assembly if its arrears balance exceeds its assessed contributions for the prior 2 years. Estimated arrears balance for 1999 assumes that the Department of State will make all currently anticipated payments before the end of 1999, including a \$204 million payment from fiscal year 2000 funds.

Source: Compiled by GAO from U.N. and Department of State financial data.

Analysis of U.S. Arrears

As reflected in table 4, U.N. records show that U.S. arrears for contributions to the U.N. regular budget, international tribunals, and peacekeeping were about \$1.3 billion on January 1, 1999. This amount accounted for about 64 percent of the \$2 billion of arrears owed by U.N. members on that date for the U.N. regular budget, international tribunals, and peacekeeping operations. For legislative and policy reasons, the United States has determined it will not pay \$472 million (about 36 percent) of its total arrears of about \$1.3 billion. As of December 31, 1998, the United Nations owed about \$1.1 billion to member states for their participation in U.N. peacekeeping operations.

U.S. Arrears for the U.N. Regular Budget

U.N. records showed that, on January 1, 1999, the United States was in arrears \$316 million for assessed contributions to the U.N. regular budget for 1998 and prior periods. U.S. arrears accounted for about 76 percent of the \$417 million total arrears owed by U.N. members for the U.N. regular budget. Table 5 shows U.S. and other countries' U.N. regular budget arrears for 1998 and prior financial periods.

Table 5: U.S. and Other Member States' U.N. Regular Budget Arrears, 1998 and Prior Periods

Dollars in millions		
Member state	Arrears	Percent of total
United States	\$316	75.7
Withheld for legislative and policy reasons	(162)	
Undisputed amount ^a	(154)	
Brazil	31	7.4
All others	71	16.9
Total	\$417	100.0

Note: Dollar amounts reflect payments received by the United Nations through December 31, 1998; these amounts may not add due to rounding.

^aUndisputed amount includes \$100 million withheld from fiscal year 1999 funds pending certification of a \$2.533 billion U.N. biennium budget plus \$54 million that would be paid under the proposed arrears payment plan.

Source: Compiled by GAO from U.N. and Department of State financial data.

Since the early 1980s, the United States has declined to pay a portion of its assessed contributions for the U.N. regular budget for legislative and policy reasons. The \$162 million that the United States has declined to pay to date accounts for about 51 percent of the U.S. arrears shown in table 5. The United States has withheld an additional \$100 million pending executive branch certification that the U.N. regular budget for the 1998-99 biennium will not exceed \$2.533 billion, bringing the total currently withheld to \$262 million. Department of State officials expect to be able to meet this certification requirement and pay this \$100 million in 1999. As previously noted, our estimate of the shortfall assumes that the Department of State will make this payment as planned. Table 6 shows the amounts the United States had declined to pay and withheld from U.N. regular budget through the end of 1998.

Table 6: Amounts the United States Has Declined to Pay and Withheld From the U.N. Regular Budget

Dollars in millions	
Purpose	Amount
Amounts not paid due to legislative prohibitions	
U.N. General Assembly approval of the construction of the Conference Center for the Economic Commission of Africa (Addis Ababa) in the mid-1980s during the famine in Africa ^a	\$28.8
U.N. assistance to the Palestine Liberation Organization ^a	16.8
Sundquist Amendment prohibiting a portion of the U.S. payment to the U.N. because of kickbacks paid from Soviet nationals' salaries to their governments ^a	6.3
Kasten Amendment of the mid-1980s preventing payment for excessive U.N. post adjustments ^b	1.3
U.N. activities relating to the South-West Africa People's Organization ^a	0.7
Temporary increase in "effective" assessment rate increase in 1992 following the breakup of Czechoslovakia	0.3
Subtotal	\$54.2
Amounts not paid due to policy decisions	
Withheld payment to the U.N. Tax Equalization Fund because of alleged excessive tax reimbursements paid to U.S. nationals employed by the U.N.	\$100.4
Law of the Sea Preparatory Commission	7.5
Subtotal	\$107.9
Amounts withheld until U.N. meets reform conditions^c	
U.N. regular budget not to exceed \$2.533 billion	\$100.0
Subtotal	\$100.0
Total	\$262.1

Note: Dollar amounts reflect withholdings through December 31, 1998.

^aProhibitions codified as a note to 22 USCA 287e.

^bP.L. 98-473

^cThese amounts are not disputed.

Source: Compiled by GAO from Department of State financial data.

U.S. Arrears for International Tribunals

U.N. records showed that, on January 1, 1999, the United States was in arrears about \$3 million for payments to international tribunals. U.S. arrears accounted for about 15 percent of the nearly \$20 million of total arrears owed by U.N. members for international tribunals. U.S. arrears reflect the Department of State's application of the 25 percent cap on U.S. payments for U.N. peacekeeping¹⁸ to the half of the tribunals' budgets that

¹⁸Section 404(b)(2) of the Foreign Relations Authorization Act of 1994-95 (P.L. 103-236).

are assessed at the higher rate for peacekeeping operations, currently 30.4 percent.

U.S. Arrears for U.N. Peacekeeping

U.N. records showed that, as of January 1, 1999, the United States had arrears of about \$976 million for assessed contributions to U.N. peacekeeping operations.¹⁹ U.S. arrears accounted for about 61 percent of the \$1,594 million total arrears owed by U.N. members for U.N. peacekeeping. Table 7 shows U.S. and other countries' peacekeeping arrears for 1998 and prior periods.

Table 7: U.S. and Other Member States' U.N. Peacekeeping Arrears, 1998 and Prior Periods

Dollars in millions

Member state	Arrears	Percent of total
United States	\$976	61.2
Withheld for legislative and policy reasons	(307)	
Undisputed amount	(669)	
Russia	126	7.9
Japan	98	6.2
Brazil	14	0.9
All others	380	23.8
Total	\$1,594	100.0

Note: Dollar amounts reflect payments received by the United Nations through December 31, 1998.
Source: Compiled by GAO from U.N. and Department of State financial data.

Since the 1980s, the United States has declined to pay a portion of its assessed contributions for U.N. peacekeeping for legislative and policy reasons. In 1994, for example, Congress enacted legislation to cap U.S. payments for peacekeeping at 25 percent of the total of all assessed contributions for an operation.²⁰ Amounts the United States has declined to pay accounted for about 31 percent of the U.S. arrears shown in table 7.

¹⁹Two U.N. peacekeeping operations—the U.N. Truce Supervision Organization (in the Middle East) and the U.N. Military Observer Group in India and Pakistan (in Kashmir)—are financed through the U.N. regular budget.

²⁰Section 404(b)(2) of the Foreign Relations Authorization Act of 1994-95 (P.L. 103-236).

Table 8 shows the amounts the United States has declined to pay for U.N. peacekeeping operations through the end of 1998.

Table 8: Amount the United States Has Declined to Pay for U.N. Peacekeeping Operations

Dollars in millions	
Purpose	Amount
Amounts not paid due to legislative prohibitions	
Cap on peacekeeping assessments at 25 percent after October 1, 1995, versus the U.N. assessment (currently 30.4 percent)	\$163
Amounts not paid due to policy decisions	
Cap on peacekeeping assessments at 30.4 percent versus the 31.7 percent set by the General Assembly to cover shortfalls in peacekeeping contributions following the breakup of the Soviet Union	\$123
U.N. Mission in the Central African Republic	10
U.N. Haiti operations	5
Fiscal year 1997 funds for the U.N. Mission for the Referendum in Western Sahara	3
Closeout activities for the U.N. Transitional Authority in Cambodia	2
Judicial monitoring activities for the U.N. Mission in Bosnia and Herzegovina	1
Subtotal	\$144
Total	\$307

Note: Dollar amounts reflect withheld payments through December 31, 1998. This table does not include withheld payments that would be paid under the proposed arrears payment plan, for example, payments withheld from fiscal year 1995 and 1996 funds for the U.N. operation in Western Sahara.

Source: Compiled by GAO from Department of State financial data.

Reimbursements Owed by the United Nations to Members States for Participating in U.N. Peacekeeping Operations

Because of member states' arrears, the United Nations has not reimbursed all U.N. members for troops, equipment, and other services contributed to U.N. peacekeeping operations.²¹ As of December 31, 1998, the United Nations owed 73 member states about \$1,102 million for troops, equipment,²² letters of assist,²³ and death and disability payments to

²¹See United Nations: Financial Issues and U.S. Arrears (GAO/NSIAD-98-201BR, June 18, 1998).

²²The United Nations refers to this as "contingent-owned" equipment.

²³Letters of assist request and govern the provision by member states of equipment and services for U.N. peacekeeping, for example, air transportation.

peacekeepers or their families. About \$704 million of this amount—about 63 percent—was for reimbursements owed for troops and equipment contributed to the U.N. operations in the Yugoslavia, Somalia, Angola, Macedonia, and Eastern Slovenia.²⁴ Table 9 shows the amounts owed member states for their participation in U.N. peacekeeping operations through the end of 1998.

Table 9: Top 10 U.N. Member States Owed Reimbursement for Participation in U.N. Peacekeeping Operations

Dollars in millions

Member state	Troops	Contingent-owned equipment	Letters of assist	Death and disability	Total
France	\$3.9	\$127.6	\$20.8	\$4.3	\$156.6
United States	32.8	30.0	79.9	0.0	142.7
United Kingdom	2.4	45.6	6.9	1.7	56.6
Italy	0.4	33.6	19.4	0.0	53.4
India	4.2	42.8	4.0	0.0	51.0
Netherlands	0.0	45.2	4.6	0.0	49.8
Pakistan	18.7	19.5	0.0	0.0	38.3
Belgium	0.0	29.7	8.4	0.0	38.1
Canada	1.8	27.0	1.2	5.2	35.3
Slovakia	0.0	28.9	0.4	0.0	29.3
All others	79.2	298.6	59.6	13.3	450.8
Total	\$143.4	\$728.6	\$205.2	\$24.6	\$1,101.9

Note: Dollar amounts reflect reimbursements through December 31, 1998. Voluntary contributions are not included. Not all equipment costs are reported to the United Nations. In some cases, members dispute the amounts owed. The United Nations adopted new guidelines for reimbursing contingent-owned equipment costs in 1996 (see U.N. document A/Res/50/222, Apr. 11, 1996).

Source: Compiled by GAO from U.N. financial data.

²⁴The amounts owed for these former U.N. operations is as follows: the former Yugoslavia—\$1.4 million for troops and \$390.2 million for equipment; Somalia—\$29.2 million for troops and \$100.2 million for equipment; Angola—\$4.9 million for troops and \$382.9 million for equipment; Macedonia—\$19.8 million for troops and \$29.9 million for equipment; and Eastern Slovenia—\$62,000 for troops and \$45.7 million for equipment. The United Nations was unable to breakout by operation the amounts owed for letters of assist and death and disability payments.

U.N. Members Have Lost Their General Assembly Vote

At the beginning of 1999, 44 of 185 U.N. members (about 24 percent) had arrears equaling or exceeding the sum of their assessed contributions for the preceding 2 full years and were subject to article 19. Yugoslavia needed to pay the largest amount to regain its right to vote in the General Assembly—almost \$13 million—and Grenada, the smallest amount—just over \$5,000.

By mid-May, 6 of the 44 members had paid enough to regain their right to vote in the General Assembly. These six members were Afghanistan, El Salvador, Honduras, Libyan Arab Jamahiriya, Saint Vincent and the Grenadines, and the former Yugoslav Republic of Macedonia.

In April 1999, the General Assembly granted six other members permission to vote temporarily, because their failure to pay was judged to be due to conditions beyond their control, such as civil war or severe natural disasters.²⁵ Three of these members—Bosnia and Herzegovina, Cambodia, and Georgia—were permitted to vote through June 30, 1999. Three others—Congo, Guinea-Bissau, and Nicaragua—were permitted to vote through June 30, 2000. Previously, in October 1998, the General Assembly had granted two other members—Comoros and Tajikistan—permission to vote through the current (53rd) session of the General Assembly.

Iraq applied for permission to vote despite its arrears, arguing that the sanctions authorized by the Security Council, plus the U.N.'s refusal to accept payment in Iraqi currency, had left it without a means of paying its assessed contributions. The Committee on Contributions did not make a recommendation to the General Assembly on Iraq's request, concluding that the political issues raised by its request exceeded the committee's technical advisory role.²⁶

As of mid-May, the remaining 30 member states did not have the right to vote in the General Assembly. The Chief of the U.N. Contributions Service stated that, based on past experience, he expects that, by the end of the

²⁵The Committee on Contributions considers applications from member states for permission to vote. Based on information provided by the applicant and the U.N. Secretariat, the committee makes a recommendation on the application to the General Assembly's Fifth Committee, which deals with financial matters. The Fifth Committee, in turn, makes a recommendation to the General Assembly, which ultimately decides whether to grant the applicant permission to vote. As a rule, a member state is permitted to vote for a specific, limited period and only when its failure to pay is judged to be due to conditions beyond its control.

²⁶Addendum to the report of the Committee on Contributions (U.N. document A/53/11/Add.1).

year, most of these remaining members will make at least the minimum payment necessary to regain their right to vote in the General Assembly. Appendix II shows the status of member states subject to article 19 at the beginning of 1999.

In a 1998 report, the Committee on Contributions noted that the loss of voting rights under article 19 was the only sanction available against member states that did not meet their financial obligations to the United Nations.²⁷ In a 1999 report, it also noted that many member states regularly paid only enough to retain or regain their right to vote.²⁸ At the General Assembly's direction, the committee has reviewed alternative procedures for applying article 19, such as calculating and applying article 19 both at the beginning of the calendar year and at the beginning of the peacekeeping fiscal year on July 1.²⁹ Some committee members were concerned, however, that such a change would increase the number of member states falling under Article 19 and possibly interfere with the operation of the General Assembly.³⁰ The issue remains under review.

Agency Comments

In written comments on a draft of this report, the Department of State concurred with our analysis and commented that our report succinctly stated the facts currently available and estimated the amount of money required to avoid loss of vote in the General Assembly in January 2000. State underscored that given the many financial factors involved in the loss of vote process, it is impossible at this moment to state precisely how much the United States will have to pay. The Department of State's written comments are reprinted in appendix III. State also provided several technical comments, which we incorporated as appropriate.

Scope and Methodology

To gather information for our analysis, we reviewed U.N. and U.S. financial reports and other records from 1994 to 1999 that showed the amounts of

²⁷Report of the Committee on Contributions (U.N. document A/53/11).

²⁸Addendum to the report of the Committee on Contributions (U.N. document A/53/11/Add.1).

²⁹U.N. General Assembly resolution 52/215 B.

³⁰According to Department of State officials, such a change would have a major impact on U.S. arrears and the application of article 19 to the United States because of the U.S. practice of paying its calendar year assessments with funds appropriated for the following fiscal year.

assessed contributions, arrears, and reimbursements owed member states and the application of article 19. We also reviewed reports and other records on these matters prepared by other organizations, for example, the Congressional Research Service. To confirm and expand our understanding of the data and other information in these reports and records, we interviewed officials at the U.S. Department of State's Bureau of International Organizations Affairs, the U.S. Mission to the United Nations, and U.N. headquarters.

We estimated the contribution shortfall on January 1, 2000, by analyzing U.N. and U.S. financial data using a computer model we developed for the purpose. This model calculates a projected arrears balance and a projected amount of assessments for 1999, arrears from 1998 and prior years, expected U.S. payments, and expected credits that the United States may receive from the U.N. regular, international war crimes tribunal, and peacekeeping budgets. We varied some of our assumptions about U.S. assessments and payments to determine how the estimated shortfall was affected by these changes. For example, we calculated the shortfall assuming different levels of peacekeeping assessments and payments for the recently authorized U.N. operation in Kosovo. We verified our analysis by discussing it with U.N. and Department of State officials and reviewed similar analyses conducted by Department of State officials.

We used a commercially available spreadsheet software program to tabulate and display information compiled from U.N. and U.S. financial reports and other records to analyze (1) trends in U.N. assessments and U.S. arrears leading to the shortfall, (2) U.S. arrears and the amounts withheld for legislative and policy reasons, and (3) the status of member states that had lost their vote in the General Assembly. We verified our analyses of these issues by discussing them with U.N. and Department of State officials.

We did not independently verify the accuracy of financial data obtained from U.N. and U.S. reports or other records. Because we are an agency of the United States, we do not have direct audit authority to review the operations or financial records of the United Nations. Instead, we reviewed audit reports prepared by the U.N. Board of Auditors to ensure that U.N. financial information was reliable.

We conducted our work from April to July 1999 in accordance with generally accepted government auditing standards.

We are providing copies of this report to other congressional committees; the Honorable Madeline Albright, Secretary of State; the Honorable A. Peter Burleigh, Acting Permanent Representative of the United States of America to the United Nations; the Honorable Jacob Lew, Director, Office of Management and Budget; and the Honorable Kofi Annan, Secretary General of the United Nations. Copies also will be made available to others upon request.

Please contact me at (202) 512-4128 if you or your staff have any questions about this report. Key contributors to this report were Tetsuo Miyabara and Michael Rohrback.

Sincerely yours,



Harold J. Johnson
Associate Director
International Relations and Trade Issues

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Summary of U.N. Methodology for Applying Article 19

Article 19 of the U.N. Charter states that a member will lose its right to vote in the General Assembly if the amount of its arrears equals or exceeds its assessed contributions for the preceding 2 full years:

"A Member of the United Nations which is in arrears in the payment of its financial contributions to the Organization shall have no vote in the General Assembly if the amount of its arrears equals or exceeds the amount of the contributions due from it for the preceding two full years. The General Assembly may, nevertheless, permit such a Member to vote if it is satisfied that the failure to pay is due to conditions beyond the control of the Member."

Article 19 does not specify how the amount of arrears and assessed contributions due should be calculated or the timing of the calculation and application of the sanction (loss of vote). In practice, a member state is considered to be subject to article 19 if its arrears as of January 1 of a given year equal or exceed the amount of assessed contributions due from it for the preceding 2 full calendar years.

The current interpretation of "arrears" is linked to regulation 5.4 of the Financial Regulations and Rules of the United Nations. This regulation provides that assessed contributions shall be considered due and payable in full within 30 days of (1) receipt of notice from the Secretary General or (2) as of the first day of the calendar year to which they relate, whichever is later. It further provides that, as of January 1 of the following calendar year, the unpaid balances of such contributions are considered to be in arrears. Thus, for example, only assessed contributions due before January 1, 1999, are considered to be in arrears at any time during 1999 and included in the calculation of the amount of arrears under article 19.

In line with the interpretation of arrears under the current provisions of regulation 5.4, the term "contributions due for the preceding 2 full years" has, since 1950, been interpreted to mean the preceding 2 full calendar years. As in the case of the calculation of arrears, U.N. practice has been to include only those assessed contributions due before the end of a given year in the calculation. Thus, for example, only those assessed contributions that fell due and payable under regulation 5.4 between January 1, 1997, and December 31, 1998, were included in the amount of contributions due for the preceding 2 full years for the purposes of calculations for article 19 on January 1, 1999.

Under the current method for calculating article 19, arrears are computed in net terms, that is, actual amounts payable after adjustments for income and other items, such as unspent balances from earlier financial periods.

**Appendix I
Summary of U.N. Methodology for Applying
Article 19**

The amount of assessed contributions due for the preceding 2 full years, however, has been interpreted to mean the amounts “as apportioned by the General Assembly” under Article 17 of the U.N. Charter,¹ that is, the gross amounts assessed on member states. As the gross amounts are, in most cases, higher than the net amounts, this approach tends to reduce the amount of minimum payments that member states must make to retain or regain their right to vote in the General Assembly.

¹Article 17, paragraph 2, Charter of the United Nations.

Status of U.N. Member States in Arrears Under Article 19 of the U.N. Charter on January 1, 1999

Dollars in millions

Member state	Minimum payment needed to regain vote ^a	Permitted to vote?	Comments
Afghanistan	\$133,000	Yes	Made at least the minimum payment to regain its vote.
Bosnia and Herzegovina	1,274,200	Yes	Permitted to vote until June 30, 1999. Despite some members' doubts, the Committee on Contributions concluded that Bosnia and Herzegovina's failure to pay was due to conditions beyond its control, citing the impact of protracted civil war, high unemployment, and low government revenues on its ability to pay. ^b
Burundi	143,800	No	
Cambodia	199,300	Yes	Permitted to vote until June 30, 1999. The Committee on Contributions concluded that Cambodia's failure to pay was due to conditions beyond its control, citing the impact of years of war and the significant cost of post-conflict activities—such as clearing landmines and military demobilization—on its ability to pay and Cambodia's continuing dependence on foreign assistance. The committee also noted Cambodia's expressed intention to make the necessary minimum payment by June 1999. ^b
Cape Verde	93,100	No	
Central African Republic	122,500	No	
Comoros	N/A	Yes	Permitted to vote through the 53 rd session of the General Assembly. The Committee on Contributions concluded that Comoros' failure to pay was beyond its control, citing the impact of severe political, economic, and social problems and the loss of control over some of its territory on its ability to pay and its inability to meet other financial obligations. ^c
Congo	316,500	Yes	Permitted to vote until June 30, 2000. The Committee on Contributions concluded that Congo's failure to pay was beyond its control, citing the impact of the 1997 civil war and continued fighting on its ability to pay. ^b
Democratic Republic of the Congo	41,000	No	
Djibouti	143,500	No	
Dominica	143,500	No	
Ecuador	35,299	No	
El Salvador	24,200	Yes	Made at least the minimum payment to regain its vote.
Equatorial Guinea	43,467	No	
Gambia	143,000	No	
Georgia	4,639,800	Yes	Permitted to vote until June 30, 1999. The Committee on Contributions concluded that Georgia's failure to pay was due to conditions beyond its control, citing the impact of civil war, serious drought, and the economic crisis of a major trading partner (Russia) on its ability to pay. The committee also noted the presence in Georgia of a U.N. peacekeeping operation as well as Georgia's expressed intention to make some payments by April 1999 and submit a payment schedule. ^b

Appendix II
Status of U.N. Member States in Arrears
Under Article 19 of the U.N. Charter on
January 1, 1999

Dollars in millions

Member state	Minimum payment needed to regain vote ^a	Permitted to vote?	Comments
Grenada	5,300	No	
Guinea	133,500	No	
Guinea-Bissau	273,600	Yes	Permitted to vote until June 30, 2000. The Committee on Contributions concluded that Guinea-Bissau's failure to pay was due to conditions beyond its control, citing the impact of the armed conflict and the need to devote limited government resources to the country's urgent needs on its ability to pay. Some committee members noted that Guinea-Bissau was among those member states that followed a practice of paying at or close to the minimum amount due each year to retain or regain its vote. ^b
Haiti	42,000	No	
Honduras	108,600	Yes	Made at least the minimum payment to regain its vote. ^d
Iraq	9,135,200	No	Iraq requested an exemption, arguing that sanctions authorized by Security Council Resolution 661 (1990) plus the United Nations' refusal to accept contributions in Iraqi dinars had left it without an effective means of paying its outstanding assessments. The General Assembly on Iraq's request, concluding that the political aspects of the issues raised by Iraq's request exceeded its technical advisory role to the General Assembly. ^b
Kyrgyzstan	502,600	No	
Liberia	939,100	No	
Libyan Arab Jamahiriya	557,900	Yes	Made at least the minimum payment to regain its vote.
Madagascar	44,700	No	
Mauritania	122,300	No	
Mongolia	114,222	No	
Nicaragua	155,200	Yes	Permitted to vote until June 30, 2000. The Committee on Contributions concluded that Nicaragua's failure to pay was due to conditions beyond its control, citing the impact of hurricane Mitch on its economy and physical and social infrastructure and the need to devote limited government resources to the country's rehabilitation and reconstruction on its ability to pay and efforts to reduce the country's external debt. Some committee members noted that Nicaragua was among those member states that followed a practice of paying at or close to the minimum amount due each year to retain or regain its vote. ^b
Niger	142,000	No	
Republic of Moldova	1,310,900	No	
Rwanda	138,809	No	
Saint Vincent and the Grenadines	26,900	Yes	Made at least the minimum payment to regain its vote.
Sao Tome and Principe	404,000	No	
Seychelles	87,900	No	
Sierra Leone	136,900	No	
Somalia	805,400	No	

**Appendix II
Status of U.N. Member States in Arrears
Under Article 19 of the U.N. Charter on
January 1, 1999**

Dollars in millions

Member state	Minimum payment needed to regain vote ^a	Permitted to vote?	Comments
Tajikistan	N/A	Yes	Permitted to vote through the 53 rd session of the General Assembly. The Committee on Contributions concluded that Tajikistan's failure to pay was beyond its control, citing the impact of civil war, natural disasters, and collapse of trade and economic relations among former Soviet republics on its ability to pay; a substantial increase in foreign debts and the rescheduling of some debts; and Tajikistan's receipt of significant international assistance, including a U.N. peacekeeping operation. ^c
The former Yugoslav Republic of Macedonia	90,363	Yes	Made at least the minimum payment to regain its vote.
Togo	62,500	No	
Turkmenistan	494,200	No	
Vanuatu	144,700	No	
Yemen	123,300	No	
Yugoslavia	12,678,500	No	
Total	\$36,276,760		

Note: Table reflects payments and actions through May 14, 1999.

^aMinimum payment necessary to reduce the member state's outstanding contributions (arrears) below the gross amount assessed for the preceding 2 full years.

^bThe Committee on Contributions' conclusions and recommendations on this matter are contained in U.N. documents A/53/11/Add.1 (Feb. 16, 1999) and A/53/11/Add.1/Corr.1 (Feb. 23, 1999). Based on the committee's report, the Fifth Committee recommended the adoption of a draft decision permitting Bosnia and Herzegovina, Cambodia, and Georgia to vote until June 30, 1999; and Congo, Guinea-Bissau, Nicaragua, and Honduras to vote until June 30, 2000 (A/53/464/Add.4, Mar. 31, 1999). On April 7, 1999, the General Assembly adopted the draft decision as amended (by Honduras, which had made the minimum payment needed to regain its vote—see table note d).

^cThe Committee on Contributions' conclusions and recommendations are contained in U.N. document A/53/11/Suppl. No. 11 (1998). Based on this report, the Fifth Committee recommended the adoption of a draft decision permitting Comoros and Tajikistan to vote through the 53rd session of the General Assembly (U.N. document A/C.5/53/L.4, Oct. 6, 1998). On October 7, 1998, the General Assembly adopted this draft decision.

^dIn early January 1999, Honduras requested an exemption from article 19. In mid-February 1999, the Committee on Contributions concluded that Honduras' failure to pay was due to conditions beyond its control and recommended permitting it to vote until June 30, 2000. In its report, the committee cited the impact of hurricane Mitch on Honduras' economy and physical and social infrastructure, the need to devote limited government resources to the country's rehabilitation and reconstruction on its ability to pay and efforts to reduce and reschedule the country's external debts. Some committee members noted that Honduras was among those member states that followed a practice of paying at or close to the minimum amount due each year to retain or regain its vote. Subsequent to the Fifth Committee's recommendation that Honduras be permitted to vote (see table note b), Honduras made at least the minimum payment needed to regain its vote.

Source: GAO analysis of U.N. documents.

Comments From the Department of State



United States Department of State

Chief Financial Officer

Washington, D.C. 20520-7427

July 19, 1999

Dear Mr. Hinton:

We appreciate the opportunity to review your draft report, "UNITED NATIONS: Status of U.S. Contributions and Arrears," GAO/NSIAD-99-187, GAO Job Code 711424. The Department of State provided technical changes to your staff that were accepted and incorporated in the final document.

The Department concurs with GAO's analysis, which succinctly states the facts currently available, and, based on certain stated assumptions, makes an estimate of the amount of money required to avoid loss of vote in the UN General Assembly in January 2000. The Department wishes to underscore the fact that, given the many financial factors involved in the loss of vote process, it is impossible at this moment to state precisely how much the U.S. will have to pay. We are in a fluid situation and the risk of loss of vote must be taken seriously.

If you have any questions concerning this response, please contact Ms. Julia Albrecht, Bureau of International Organization Affairs, Office of UN System Administration, IO/S/SC, at (202) 736-4826.

Sincerely,

A handwritten signature in cursive script that reads "Bert Edwards".

Bert T. Edwards

cc:
GAO/NSIAD – Mr. Miyabara
State/IO/S/SC – Ms. Albrecht

Mr. Henry L. Hinton, Jr.,
Assistant Comptroller General,
National Security and International Affairs,
U.S. General Accounting Office.