

**OVERSIGHT OF MULTILATERAL AND BILATERAL  
INTERNATIONAL DEVELOPMENT PROGRAMS  
AND POLICIES**

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**HEARING**

BEFORE THE

SUBCOMMITTEE ON MULTILATERAL  
INTERNATIONAL DEVELOPMENT, MULTILATERAL,  
INSTITUTIONS, AND INTERNATIONAL ECONOMIC,  
ENERGY, AND ENVIRONMENTAL POLICY

OF THE

**COMMITTEE ON FOREIGN RELATIONS  
UNITED STATES SENATE**

ONE HUNDRED FOURTEENTH CONGRESS

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## CONTENTS

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	Page
Barrasso, Hon. John, U.S. Senator From Wyoming .....	1
Coleman, Hon. Isobel, Ambassador, U.S. Representative to the United Nations for U.N. Management and Reform, U.S. Mission to the United Nations, Washington, DC .....	7
Prepared statement .....	9
Crocker, Hon. Bathsheba Nell, Assistant Secretary, Bureau of International Organization Affairs, U.S. Department of State, Washington, DC .....	3
Prepared statement .....	5
Detchon, Reid, Vice President for Energy and Climate Strategy, United Nations Foundation, Washington, DC .....	55
Prepared statement .....	57
Garber, Hon. Judith G., Acting Assistant Secretary, Bureau of Oceans and International Environmental and Scientific Affairs, U.S. Department of State, Washington, DC .....	10
Prepared statement .....	12
Schaefer, Jay Brett D., Kingham Senior Research Fellow in International Regulatory Affairs, Margaret Thatcher Center for Freedom, Heritage Foundation, Washington, DC .....	42
Prepared statement .....	44
Tong, Hon. Kurt, Principal Deputy Assistant Secretary, Bureau of Economic and Business Affairs, U.S. Department of State, Washington, DC .....	21
Prepared statement .....	23
Udall, Hon. Tom, U.S. Senator From New Mexico .....	2

### ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

Written statement submitted by Peter Yeo, Better World Campaign .....	68
Material Submitted for the Record by Senator John Barrasso of Wyoming, Subcommittee Chairman .....	71
Copy of a letter submitted to the U.N. Secretary General and U.N. Executive Heads by former U.N. whistleblowers .....	71
<i>The Climate of Insecurity</i> , by Jeff Kueter, president, George C. Marshall Institute .....	74
Copy of a letter submitted to the EPA by Wyoming Governor Mathew H. Mead .....	84



## **OVERSIGHT OF MULTILATERAL AND BILATERAL INTERNATIONAL DEVELOPMENT PROGRAMS AND POLICIES**

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**WEDNESDAY, MAY 6, 2015**

U.S. SENATE, SUBCOMMITTEE ON MULTILATERAL INTERNATIONAL DEVELOPMENT, MULTILATERAL INSTITUTIONS, AND INTERNATIONAL ECONOMIC, ENERGY, AND ENVIRONMENTAL POLICY COMMITTEE ON FOREIGN RELATIONS,

*Washington, DC.*

The subcommittee met, pursuant to notice, at 2:30 p.m., in room SD-419, Dirksen Senate Office Building, Hon. John Barrasso (chairman of the subcommittee) presiding.

Present: Senators Barrasso, Risch, Gardner, Udall, and Markey.

### **OPENING STATEMENT OF HON. JOHN BARRASSO, U.S. SENATOR FROM WYOMING**

Senator BARRASSO. Good afternoon.

I would like to call to order this hearing of the subcommittee of the Senate Foreign Relations Committee.

This afternoon, our subcommittee is holding its first hearing in the 114th Congress.

So I am pleased to be chairing the subcommittee, along with my good friend, Senator Tom Udall, who is the subcommittee's ranking member. Senator Udall, I look forward to continuing to work with you in a very productive way as we have done in the past. Thank you.

The subcommittee is meeting today to evaluate the resource, management, and performance of the international programs under our jurisdiction. I believe Congress needs to ensure that these programs focus on U.S. priorities, that they evaluate the effectiveness of all the programs, that Congress needs to support programs that are getting real results and eliminate programs that are not working.

In preparation for a potential State Department reauthorization, I have asked all of our witnesses today to identify ways to achieve efficiencies and savings, as well as opportunities to more effectively advance U.S. priorities around the world.

The American people I believe are very generous. Individuals, groups, and communities across the country give their time and precious resources to help others, both to people here and people around the world. There is a long history of people across this Na-

tion generously supporting victims of international disasters, famines, diseases, and wars.

With our national debt, however, at around \$18 trillion, I think it is irresponsible to borrow more money to fund initiatives that are failing to prove results or provide real value for taxpayers. The Government must be a good steward of U.S. taxpayer dollars. Every Government branch and agency needs to be carefully evaluated and streamlined to eliminate duplicative and wasteful spending. Each program needs to be carefully analyzed to ensure it is being designed and implemented in the most effective and efficient manner. And we must also be focused on whether participation at multilateral institutions is actually advancing American values, American ideals, American standards.

So there is a lot of area to cover here today, including the greatly needed reforms at the United Nations, promoting economic opportunities for U.S. businesses around the world, implementing real budgetary discipline at multilateral institutions, and eliminating duplication and wasteful spending. These are all important issues.

I look forward to hearing the testimony of our witnesses, and we will now turn to our ranking member, Senator Udall, to offer his opening remarks.

**OPENING STATEMENT OF HON. TOM UDALL,  
U.S. SENATOR FROM NEW MEXICO**

Senator UDALL. Thank you very much, Chairman Barrasso. And as you have said, we have had a good working relationship and look forward to doing the same on this subcommittee.

Our subcommittee's jurisdiction covers a lot of ground, some would say from the ocean floor out to space. The Bureau of Oceans and International Environmental and Scientific Affairs I think would agree on that. Their work, ranging from environmental issues such as climate change to emerging issues such as space is crucial to our foreign policy.

In addition, Congress has a vital interest in international institutions. The United Nations and other international institutions impact how we interact with the world and how the world views the United States.

Also, I think it is important to note that this is an area where we share burdens a lot, and I am going to talk a little bit in questions about how the GAO has looked at the idea of the U.N. and doing things through other countries and the United States doing things alone. And I think it is an interesting perspective there.

So I am pleased that we have two great panels here today to examine ongoing efforts to strengthen the United Nations and also discuss U.S. support for other key issues that are before this panel such as peacekeeping and humanitarian activities, economic diplomacy, and the negotiations for a new climate change agreement that will take place in Paris this December.

I recognize that the United Nations is a highly complex and decentralized organization. Potential reforms may be slow, but I believe it is also important to highlight the position that this administration has taken to engage the United Nations on many fronts and to elevate the status of the U.S. Permanent Representative to the United Nations to a Cabinet-level position that reports directly

to the President. I know that the President has directed the State Department to see how we can evaluate and improve U.N. system transparency and effectiveness. I will be happy to hear more about our progress and challenges in those areas from Assistant Secretary Crocker.

I am also looking forward to a discussion of the role the Economic Bureau plays. Chairman Barrasso mentioned that. This Bureau is helping businesses and workers succeed in a global economy. Senator Barrasso, I think, would agree there are many areas, particularly in energy and natural gas, where the United States can excel if businesses are given the opportunity to export overseas. In addition, I would like to know how the Economic Bureau is working to support normalization efforts with Cuba and how Congress can support these efforts further.

And finally, I am hoping our panelists can provide us with an overview of ongoing international climate negotiations and perhaps give us a sense of the steps we need to take to make sure that a successful agreement is reached.

So with that, Chairman Barrasso, I have finished with my opening. I turn it back to you.

Senator BARRASSO. Well, thank you very much, Senator Udall.

At this point, I would like to welcome all of our witnesses. I know you have all very busy schedules, important responsibilities. I appreciate you taking the time to be with us today.

Joining us this afternoon on the first panel is Assistant Secretary of State Sheba Crocker with the Bureau of International Organization Affairs; also Ambassador Isobel Coleman, U.S. Representative to the United Nations for Management and Reform; Acting Assistant Secretary Judith Garber, Bureau of Oceans and International Environmental and Scientific Affairs; and Principal Deputy Assistant Secretary Kurt Tong with the Bureau of Economic and Business Affairs.

Secretary Crocker, since Senator Udall mentioned you, perhaps we could start with you. I would say that your full statement will be entered into the record, and I would ask you to summarize it in about 5 minutes in order for members to have an opportunity to ask questions.

Secretary Crocker.

**STATEMENT OF HON. BATHSHEBA NELL CROCKER, ASSISTANT SECRETARY, BUREAU OF INTERNATIONAL ORGANIZATION AFFAIRS, U.S. DEPARTMENT OF STATE, WASHINGTON, DC**

Ms. CROCKER. Chairman Barrasso, Ranking Member Udall, it is my pleasure to appear before you today to discuss U.S. actions to promote efficiency and effectiveness across the United Nations and other international organizations.

As Assistant Secretary of State for International Organization Affairs, it is my job to ensure that U.S. multilateral priorities are advanced across the entire multilateral system, including at the United Nations and several dozen other international organizations. That effort spans seven U.S. multilateral missions, including our mission to the United Nations in New York, and requires col-

laboration with other Federal agencies that depend on international organizations to help advance their priorities.

The organizations we work with are diverse, from distributing emergency food assistance through the World Food Programme, to ensuring global aviation safety standards through the International Civil Aviation Organization. But the core U.S. objectives at each of these organizations are the same: to advance our national interests, to promote American values, and to advocate for the efficient and effective use of American taxpayer resources.

I think it is important to recognize how much we ask of the U.N. and other international organizations. Consider the recent headlines. U.N. agencies are leading the effort to respond to the devastation in Nepal. They are addressing humanitarian emergencies in Yemen, Iraq, South Sudan, the Central African Republic, and in and around Syria. We rely on the World Health Organization to address the impact of Ebola in West Africa and to eliminate polio and other diseases once and for all. In many cases, U.N. political missions are the international community's last remaining eyes and ears on the ground in areas experiencing significant insecurity or political instability. In 16 missions around the world, nearly 130,000 U.N. peacekeepers are contributing to stability and promoting peace and reconciliation.

And these are just some of the countless examples where U.S. interests are advanced through coordination at the United Nations and across many other international organizations. The United States simply cannot and should not address such global challenges alone. Working through the multilateral system enables us to mobilize global action and ensure that the financial burdens of that action are broadly shared.

Still, there is no denying that the U.N. and other international organizations have not always proven to be effective stewards of U.S. taxpayer resources. For too long, the U.N. operated without the necessary commitment to transparency, accountability, and results. And so the United States and numerous partner countries have pressed the U.N. system to embrace modern management and budgeting practices.

Since becoming Assistant Secretary in September 2014, I have prioritized management and budget reform issues and I have used my position and voice as frequently as possible to push for progress. The results of this kind of sustained engagement are clear.

Within the past month alone, we have reached agreement to no-growth budgets at both the International Labor Organization and the Food and Agriculture Organization. At over half of the more than 45 organizations we fund through the contributions to the international organizations account, we are projecting no increases in assessments for fiscal year 2016.

Just 2 weeks ago, I cochaired a meeting in Geneva of the top donors to the U.N. system where we agreed to work together to look at U.N. performance management practices and to increase scrutiny of how U.N. agencies are handling their own audits and ethics rules, including protection of whistleblowers.

We are seeing gradual progress on needed reforms. Two organizations that previously did not provide access to audit reports, the



International Maritime Organization and the International Telecommunications Union, have begun providing access. At the U.N., we gained agreement in December to permanent public access to audit and evaluation reports. The Organization of American States and the World Health Organization have corrected shortcomings in their whistleblower policies over the past year.

Last month, I traveled to a UNICEF coordination facility in Copenhagen where UNICEF is working with partners to create economies of scale to drive down the price of immunizations and other crucial goods. That effort will not only save the U.N. tens of millions of dollars a year, but it will bring untold benefits to communities around the world. We are trying to replicate these kinds of efforts across the multilateral system.

We remain determined in our efforts to improve accountability and transparency measures in peacekeeping operations. We initiated a comprehensive review of civilian staff in missions, which resulted in significant reductions in cost savings. We are holding troop-contributing countries accountable through financial penalties if they deploy to U.N. peace operations with missing or non-functioning equipment. And we worked with our partners at the United Nations to initiate a firm prohibition on payments to troops sent home for misconduct, including for sexual exploitation and abuse.

These examples of reforms and best practices are promising. But we remain frustrated by sluggish progress. Some organizations continue to struggle to provide whistleblower protections, and the formulas that determine how much funding each member state contributes to the U.N. remain woefully outdated. There is certainly more work to be done across the board.

So I am grateful to this subcommittee for holding today's hearing and for your continued interest in our work at the United Nations. The investments we make in the multilateral arena today are more important than ever to advancing U.S. interests, and Congress, and especially members of this subcommittee, play a critical role in helping to ensure taxpayer resources are used efficiently at multilateral institutions to help advance U.S. objectives.

I welcome the opportunity to discuss these issues with you and your staff at any time, and I am happy to answer any questions you may have.

[The prepared statement of Ms. Crocker follows:]

PREPARED STATEMENT OF ASSISTANT SECRETARY OF STATE BATHSHEBA N. CROCKER

Chairman Barrasso, Ranking Member Udall, and distinguished members of the committee. It is my pleasure to appear before you today to discuss U.S. actions to promote efficiency and effectiveness across the United Nations and other international organizations.

As the Assistant Secretary of State for International Organization Affairs, it is my job to ensure that U.S. multilateral priorities are advanced across the entire multilateral system, including at the United Nations and several dozen other international organizations. That effort spans seven U.S. multilateral missions, including our mission to the United Nations in New York, and requires collaboration with other federal agencies that depend on international organizations to help advance their priorities.

The organizations we work with are diverse—from distributing emergency food assistance through the World Food Programme, to ensuring global aviation safety standards through the International Civil Aviation Organization—but the core U.S. objectives at each of these organizations are the same: to advance our national

interests, to promote American values, and to advocate for the efficient and effective use of American taxpayer resources.

As we begin our conversation today, I think it is important that we recognize one truth: we ask a great deal of the United Nations and other international organizations, and to a remarkable degree, those organizations are largely responsive to our demands.

Consider the recent headlines: United Nations agencies are leading the effort to respond to the devastation in Nepal. They are addressing humanitarian emergencies in Yemen, Iraq, South Sudan, the Central African Republic, and in and around Syria. We rely on agencies like the World Health Organization not only to address the impact of Ebola in West Africa, but also to eliminate polio and other diseases once and for all. In many cases, United Nations political missions are the international community's last remaining eyes and ears on the ground in areas experiencing significant insecurity or political instability. In 16 missions around the world, nearly 130,000 United Nations peacekeepers are contributing to stability and promoting peace and reconciliation.

These are just some of the countless examples where U.S. interests are advanced through coordination at the United Nations and across many other international organizations. The United States simply cannot, and should not, address such global challenges alone. Working through the multilateral system enables us to mobilize global action. And it allows us to leverage the commitments of other countries to ensure that the financial burdens of that action are shared across the international community.

Now, with all of that being said, there is no denying that the United Nations and other international organizations have not always proven to be effective stewards of U.S. taxpayer resources. For too long, the United Nations operated without the necessary commitment to transparency, accountability, and results.

In recognition of that reality, the United States and numerous partner countries have pressed the United Nations system to embrace modern management and budgeting practices. Since becoming Assistant Secretary in September 2014, I have prioritized management and budget reform issues across the United Nations and other international organizations, and I have used my position and voice as frequently as possible to push for progress. The results of this sustained engagement are clear.

Within the past month, we've reached agreement to no-growth budgets at both the International Labor Organization and the Food and Agriculture Organization. This continues a trend of limiting growth in international organizations' budgets. For instance, at over half of the more than 45 organizations we fund through the Contributions to International Organizations account, we are projecting no increases in assessments for fiscal year 2016.

Just 2 weeks ago, I cochaired a meeting in Geneva of the top donors to the United Nations system, where we agreed to form a working group of senior government and United Nations agency representatives to look at United Nations performance management practices. We also agreed on a plan to increase scrutiny of how United Nations agencies are handling their own audits and ethics rules, including protections of whistleblowers from retaliation.

We're seeing gradual progress on needed reforms in this area. Two organizations that previously did not provide access to audit reports, the International Maritime Organization and the International Telecommunication Union, have begun providing access. At the United Nations, we gained agreement in December to permanent public access to audit and evaluation reports. And two other organizations that had shortcomings in their whistleblower protection policies, the Organization of American States and the World Health Organization, have corrected those shortcomings. This week, we are hosting here in Washington two additional gatherings of the top donors to the United Nations system to focus on finding additional efficiencies in the multilateral system, including discussing the status of World Health Organization reforms in the wake of their response to the Ebola crisis.

Last month, I traveled to a UNICEF coordination facility in Copenhagen that shows the United Nations' procurement system at its best. At the facility, UNICEF is working with partners to create economies of scale to drive down the price of immunizations and other crucial goods. That effort will not only save the United Nations tens of millions of dollars every year, but it also will bring untold benefit to communities around the world. It is these kinds of efforts that we are trying to replicate across the entire multilateral system.

Furthermore, we remain determined in our efforts to improve accountability and transparency measures in peacekeeping operations. We initiated a comprehensive review of civilian staff in missions, resulting in significant reductions and cost savings. We are holding troop contributing countries accountable through financial pen-

alties if they deploy units to United Nations peace operations with missing or non-functioning equipment. And we worked with our partners at the United Nations to initiate a firm prohibition on payments to troops sent home for misconduct, including for sexual exploitation and abuse.

These examples of reforms and best practices are promising. But unfortunately, they are not yet the norm, and we remain frustrated by sluggish progress in other areas. For example, some organizations continue to struggle to provide whistleblower protections, and the formulas that determine how much funding each member state contributes to the important work of the United Nations remain woefully outdated. There is clearly more work to be done across the board.

I am grateful to this subcommittee for holding today's hearing and for your continued interest in our work at the United Nations and other international organizations. As I said in my confirmation hearing before this committee, we have a deep stake in shaping the continual renewal of the international system and making sure it is as efficient and effective as possible. The investments we make in the multilateral arena today are more important than ever in advancing U.S. national interests around the globe. Congress, and especially members of this subcommittee, play a critical role in helping to ensure taxpayer resources are used efficiently at multilateral institutions to help advance U.S. objectives. I welcome the opportunity to discuss these issues with you and your staff any time, and I am happy to answer any questions you may have.

Senator BARRASSO. Well, thank you very much, Secretary Crocker.

Next we will hear from Ambassador Coleman.

**STATEMENT OF HON. ISOBEL COLEMAN, AMBASSADOR, U.S. REPRESENTATIVE TO THE UNITED NATIONS FOR U.N. MANAGEMENT AND REFORM, U.S. MISSION TO THE UNITED NATIONS, WASHINGTON, DC**

Ambassador COLEMAN. Thank you, Chairman Barrasso, Ranking Member Udall, and distinguished members of the committee, for inviting me to testify on our efforts to make the United Nations a more efficient and effective institution.

I have been in my role as U.S. Ambassador for U.N. Management and Reform for nearly 5 months now and have had numerous opportunities to see firsthand how the work of the U.N. is both indispensable and imperfect. I recently returned from visiting with the U.N.'s largest peacekeeping mission in the Democratic Republic of Congo, a country where a decade-long war starting in the mid-1990s claimed some 5 million lives. Today, the U.N. plays a critical role in contributing to the maintenance of a fragile peace in Congo. I visited bases in North and South Kivu from which U.N. peacekeepers patrol the surrounding areas and assist in disarming militias. I toured a U.N. camp where child soldiers are being demobilized and reintegrated into their communities.

My trip to the DRC provided me with a powerful demonstration of the U.N. at its best, how it can help prevent conflict, keep the peace, go where nobody else will go to care for the neediest of the world, and promote universal values that Americans hold dear.

However, I also saw an organization struggling to do critical work in more effective ways. There is ample room for improvement, from how troops are trained and equipped to how complicated missions staff up and draw down. As the Ambassador for U.N. Management and Reform, my job is to ensure that U.S. taxpayer dollars are spent wisely, and I recognize that opportunities and challenges abound in making the U.N. a more efficient, transparent, and accountable organization.

As the largest financial contributor to the United Nations, we put budget discipline at the forefront of our efforts to ensure that the U.N. is constantly seeking ways to do more with less. Last December, we kept the increase in U.S. assessments below 2 percent compared to 4 percent or higher in biennia past, even in the face of new commitments such as responding to the Ebola crisis. We further set a budget planning figure for the next biennium that is 1.6 percent lower than the current level. This followed a significant reduction in the staffing level during the previous budget period, the first such action in almost 20 years.

Equally as important as controlling the top line is ensuring fairness in how much we are required to pay to the United Nations. This means, first and foremost, protecting the 22 percent ceiling on the regular budget, as that ceiling not only lowers our rate on the regular budget but also our starting point on the far larger peacekeeping budget. Nevertheless, we are committed to paying our U.N. dues on time and in full, and we will be working hard this fall during the scales of assessments negotiations to ensure that all countries pay their fair share.

Additionally, we continue to promote long-term structural savings in U.N. budgets through innovation, including through new IT systems that will enable the U.N. to modernize its approach to functions such as procurement, human resources, finance, and supply chain management. A recent change we secured in procurement methodology, for example, will enable the U.N. to get better value on the more than 700 million dollars' worth of annual air contracts that it has. And we are pleased to note that an American company was one of the first to win a contract under the new rules. We have pushed these reforms as an important means of achieving substantial U.N. headcount reductions and cost savings from the streamlining of business processes.

We have also worked hard to ensure that U.N. staff costs are more in line with the U.S. Federal Government because the U.N. uses the U.S. Government's pay scale as the basis of comparison. To that end, we have achieved freezes in U.N. pay and benefits, a powerful lever for budget control since staff costs comprise more than 70 percent of the U.N.'s budget.

We have also focused on ways to make peacekeeping operations more effective, such as promoting the Global Field Support Strategy, a move to shared services for peacekeeping missions that has led to at least \$250 million in savings. As a result of this and other initiatives, the cost per U.N. uniformed peacekeeper has been reduced by 17 percent since 2008 when adjusted for inflation. We continually keep U.N. missions under review to ensure they are right-sized, and seize the opportunity to draw down when appropriate, as will occur this year in peacekeeping missions in Cote d'Ivoire, Haiti, Liberia, and the U.N.'s emergency response to Ebola, among other missions.

We also press the U.N. to be more transparent and accountable. We achieved a significant increase in transparency in December by making permanent the public disclosure of the U.N. audit and inspection reports of the various programs so that all taxpayers can see how their money is spent. We continue to seek to strengthen the Inspector General of the U.N. by providing the resources and

personnel needed to effectively fulfill its oversight role in headquarters and in the field.

However, we recognize that our efforts at reform will be diminished unless we ensure the U.N.'s integrity. Too often, incidents of fraud, abuse, and mismanagement undermine the organization's good work, hurting the very people the U.N. is supposed to be protecting. We continue to push the U.N. to address misconduct issues, especially sexual exploitation and abuse. We support the establishment of an office to improve the evaluation of the performance and readiness of peacekeeping units in the field. And we also continue to work with the U.N. to strengthen its whistleblower protection policies.

Reform can succeed at the U.N. even though the pace is frustratingly slow. But we owe it to U.S. taxpayers and to the billions of people who depend, many for their lives, on crucial services of the U.N. to push for change.

Thank you again for the opportunity to testify today, and I welcome any questions you might have.

[The prepared statement of Ambassador Coleman follows:]

PREPARED STATEMENT OF AMBASSADOR ISOBEL COLEMAN

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I have been in my role as U.S. Ambassador for U.N. Management and Reform for nearly 5 months now, and have had numerous opportunities to see firsthand how the work of the U.N. is both "indispensable" and "imperfect." I recently returned from visiting the United Nations largest peacekeeping mission in the Democratic Republic of Congo—a country where a decade-long war starting in the mid-1990s claimed some 5 million lives. Today, the U.N. plays a critical role in contributing to the maintenance of a fragile peace in Congo. I visited bases in North and South Kivu from which U.N. peacekeepers patrol the surrounding areas, and assist in disarming militias. I toured a U.N. camp where child soldiers are being demobilized and reintegrated into their communities.

My trip to the DRC provided me with a powerful demonstration of the U.N. at its best: how it can help prevent conflict, keep the peace, go where nobody else will go to care for the neediest of the world, and promote universal values that Americans hold dear. However, I also saw an organization struggling to do its critical work in more effective ways. There is ample room for improvement, from how troops are trained and equipped, to how complicated missions staff up and draw down. As the Ambassador for U.N. Management and Reform, my job is to ensure that U.S. taxpayer dollars are spent wisely, and I recognize that opportunities and challenges abound in making the U.N. a more efficient, transparent, and accountable institution.

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We also press the U.N. to be more transparent and accountable. We achieved a significant increase in transparency in December by making permanent the public disclosure of U.N. audit and inspection reports of the various programs so that all taxpayers can see how their money is being spent. We continue to seek to strengthen the Inspector General of the U.N. called the Office of Internal Oversight Services (OIOS) by providing the resources and personnel needed to effectively fulfill its oversight role in headquarters and in the field.

However, we recognize that our efforts at reform will be diminished unless we ensure the U.N.'s integrity: too often, incidents of fraud, abuse, and mismanagement undermine the organization's important work by hurting the very people the U.N. is supposed to be protecting, and damaging public support for the U.N. We continue to push the U.N. to address misconduct issues, especially sexual exploitation and abuse (SEA), to ensure that effective processes are in place for prevention and accountability. We supported the establishment of an office to improve the evaluation of the performance and readiness of peacekeeping units in the field. We also continue to work with the U.N. to strengthen its whistleblower protection policies and how they can implement those policies more robustly.

Reform can succeed at the U.N., even though the pace is frustratingly slow. But we owe it to U.S. taxpayers and to the billions of people who depend, many for their lives, on crucial U.N. services to push for change.

Thank you again for the opportunity to testify today and I welcome any questions you may have.

Senator BARRASSO. Well, thank you very much, Ambassador Coleman. We appreciate your testimony.

And we will now move to Acting Assistant Secretary Garber.

**STATEMENT OF HON. JUDITH G. GARBER, ACTING ASSISTANT SECRETARY, BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS, U.S. DEPARTMENT OF STATE, WASHINGTON, DC**

Ms. GARBER. Good afternoon, Chairman Barrasso, Ranking Member Udall. Thank you for the opportunity to testify on the programs and policies of the Bureau of Oceans and International Environmental and Scientific Affairs at the State Department. It is truly my honor to highlight a few of OES's major program priorities today.

Secretary Kerry has made ocean conservation an imperative of U.S. foreign policy. The June 2014 Our Ocean Conference already is having concrete results to improve sustainable fisheries, to reduce marine pollution, and to better monitor ocean acidification. We have launched an ocean action plan with significant public en-

gement around the world, including working to bring the Port State Measures Agreement into force.

I would like to thank the Senate for its support of these efforts. This agreement will recoup some of the billions of dollars lost each year to illegal, unreported, and unregulated fishing.

In another example of our work, on April 24, the United States assumed the chairmanship of the Arctic Council and introduced an ambitious and balanced program focusing on three crucial areas: improving economic and living conditions for Arctic communities; Arctic Ocean safety, security, and stewardship; and addressing the impacts of climate change. In the months ahead, OES will work with Arctic stakeholders to improve community sanitation and public health to better prepare those responsible for search and rescue challenges in the Arctic and to reduce contaminants in the Arctic, including black carbon.

Although OES does not lead U.S. negotiations on climate change, we take critical steps to spur a global all-hands-on-deck effort. For example, we are working closely with the leadership of the Office of the Special Envoy for Climate Change to reduce climate pollutants such as methane, black carbon, and hydrofluorocarbons through the Climate and Clean Air Coalition. The CCAC is a voluntary initiative with dozens of countries and other stakeholder groups participating that enjoys bipartisan support in Congress.

Combating wildlife trafficking is a whole-of-government effort, which OES coordinates among Federal agencies and pushes for stronger international commitment and collaboration. For example, we are seeking to leverage trade agreements such as the Trans-Pacific Partnership to press countries which account for a sizeable portion of the demand for illegal wildlife to live up to their international commitments.

Science and technology are key drivers of the global economy, making them vital tools in diplomacy. S&T engagement creates partnerships with countries to tackle shared challenges such as energy security, food security, global health, climate change, and water scarcity. OES, with its strong complement of Ph.D. scientists and subject-matter experts work to ensure that objective scientific data informs public policy decisionmaking. The Joint Committee Meetings, such as the one we are having later this week with Germany, and science dialogues that OES hosts with other countries create platforms to promote innovation and advance policy priorities such as combating antibiotic-resistant bacteria and data access for U.S. scientists.

OES helps advance the U.S. global health mission. The Ebola epidemic is a striking example of the impact that health threats have on our own security and of the critical importance of sustainable health systems overseas. Looking to the future, we are working to ensure the continued commitment of international resources for health system build-back in the affected Ebola countries, leaving them stronger and more resilient than they were before the epidemic.

In addressing global health, we work with the Department of Health and Human Services, USAID, and other U.S. agencies to facilitate U.S. policies to counter international bioterrorism and in-

fectious disease, provide surveillance and response, and improve health in post-conflict situations.

The last example I would like to highlight is space. OES furthers the goals of national space policy by helping to build an international policy framework that supports the peaceful exploration and utilization of outer space by both public institutions and new private ventures. A number of U.S. companies have recently announced plans for unprecedented commercial activities in outer space. A safe, transparent, and accountable approach is critical in providing commercial space companies and investors a degree of certainty enabling them to make investments and spur innovation.

By addressing these many complex challenges, OES seeks to leave a healthier planet for generations to come. We are supporting these efforts by our foot soldiers, some 300 environment, science, technology, and health officers at our embassies overseas. Together we promote American values, foster an entrepreneurial spirit, and build relationships.

Thank you for the opportunity to testify today, and I look forward to responding to any questions you may have.

[The prepared statement of Ms. Garber follows:]

PREPARED STATEMENT OF ACTING ASSISTANT SECRETARY  
OF STATE JUDITH G. GARBER

INTRODUCTION

Chairman Barrasso, Ranking Member Udall, and distinguished members of the subcommittee, thank you for the invitation to testify today on the programs, policies and resources of the Bureau of Oceans and International Environmental and Scientific Affairs (OES) at the State Department. The OES Bureau traces its beginnings within the Department back to 1973. In 1973, Congress passed a State Department authorization bill (Public Law 93-126) establishing OES with wide-ranging global responsibilities, including science, pollution, conservation, and health, to name a few. From an historical perspective, the Bureau was created against the backdrop of space exploration and landmark legislation establishing the Clean Water, Clean Air, and Marine Mammal Protection Acts, among others. At a time when foreign policy was viewed through the lens of the cold war, Congress correctly saw the need for these issues to be treated as an integral part of our foreign policy. Since 1973, OES Assistant Secretaries and the many foreign and civil servants in OES have worked hard to this end. Today, OES issues are front and center on the international agenda and are recognized worldwide as critical foreign policy and security issues. Our foreign policy efforts to address these fundamental topics are more critical than ever.

Changes to our organizational structure are helping OES meet the opportunities presented by the rising prominence of these foreign policy challenges. The Department's first Quadrennial Diplomacy and Development Review (QDDR), released in 2010, realigned the three Bureaus addressing economic growth, energy and the environment under the Office of the Under Secretary for Economic Growth, Energy and the Environment. This realignment has created new synergies among the three Bureaus to strengthen America's security and prosperity and has fueled the evolution of our diplomacy and development strategies. The just released 2015 QDDR contains further evidence of the priority placed upon OES issues, and the incorporation of these issues into the broader diplomatic and development mainstream.

As coordinator of the interagency process for many international ocean, environmental, scientific and health issues, OES brings federal entities together such as the National Oceanic and Atmospheric Administration (NOAA), U.S. Agency for International Development (USAID), the Environmental Protection Agency (EPA), the National Science Foundation (NSF), and the Department of Health and Human Services (HHS), to meld our collective agendas into coherent U.S. Government policies, negotiating positions, and programs. We integrate into this work the interests of private stakeholders (including nongovernmental domestic and international entities). Against this backdrop, I will now turn to a description of the Bureau's major



program priorities; address how they serve U.S. national and economic interests; and describe some of our plans moving forward.

#### SEIZING THE MOMENTUM ON OCEAN ISSUES

Secretary Kerry has made ocean conservation a centerpiece of U.S. foreign policy, including by hosting the groundbreaking “Our Ocean” Conference in Washington last June. The conference was a tremendous success, spurring new partnerships and initiatives valued at more than \$800 million to conserve the ocean and its resources, as well as new commitments on the protection of more than 3 million square kilometers of the ocean.

In the wake of that conference, we have made significant progress on sustainable fishing, marine pollution and plastics, ocean acidification, and marine protected areas. For example, the administration just rolled out its historic plan to fight illegal, unreported, and unregulated fishing and seafood fraud. This plan, developed by the Task Force on Combating Illegal, Unreported, and Unregulated Fishing and Seafood convened by the President provides a comprehensive framework of integrated programs to combat IUU fishing and seafood fraud. The plan breaks new ground in sustainable fisheries and aims to level the playing field for legal fishers and fishing businesses in the United States and around the world by strengthening enforcement, creating and expanding partnerships among local, regional, and international actors, and creating a risk-based traceability program to track seafood from harvest to entry into U.S. commerce.

Last year the United States created the largest marine protected area (or “MPA”) in the world by expanding our Pacific Remote Islands Marine National Monument by six times its original size. We also want to make sure MPAs around the world are not just paper parks, so we are working to improve cooperation, capacity, and the application of new technologies to detect illegal activities in these areas. We are very interested in working with other governments to create more, and more effective, MPAs to help the long-term health and sustainability of our ocean.

Our priorities for the next Our Ocean Conference, which Chile will host later this year in Valparaiso, are to move forward on promoting sustainable fisheries (especially by bringing the Port State Measures Agreement into force), reducing marine debris (especially plastic waste), improving worldwide capability to monitor ocean acidification, and creating new and more effective MPAs.

Although we are working to take advantage of the opportunities presented by the recent focus on the ocean, the United States has a strong, decades-long record of global leadership in conserving and managing shared fisheries resources. We negotiated innovative mechanisms like the U.N. Fish Stocks Agreement, the U.N. Food and Agriculture Organization (FAO) Fisheries Compliance Agreement and the FAO Code of Conduct for Responsible Fishing, to strengthen the conservation and management regimes of the world’s fish stocks. With science underpinning the work of our regional fisheries management organizations, the United States is already a party to more than a dozen such regional agreements governing such diverse resources as tunas in the Pacific and Atlantic Oceans, groundfish in the North Atlantic Ocean and the Bering Sea, and salmon in the North Pacific and North Atlantic Oceans, among others.

In addition to conserving target fish stocks, international fisheries agreements and other forms of cooperation can advance important economic benefits for the owners and operators of U.S. fishing vessels, associated industries, and consumers. In negotiating agreements, OES works to promote fair and equitable fishing access opportunities for U.S. vessels, while also protecting our global and regional marine conservation interests. For example, the 1987 Multilateral Treaty on Fisheries—also referred to as the South Pacific Tuna Treaty—has for decades set the terms and conditions for the U.S. purse seine fleet to fish in a vast area of the western and central Pacific Ocean, providing access for up to 40 vessels to some of the most valuable tuna resources in the world. In collaboration with Department and interagency partners, OES leads U.S. efforts to revise and extend the terms of the treaty and explore other ways to ensure economically viable fishing access to waters under the jurisdiction of Pacific Island parties. The parties met most recently in March 2015 to discuss renegotiation of the treaty, as well as fishing access opportunities for the U.S. purse seine fleet in 2016. We remain committed to working with the Pacific Island parties to achieve an outcome that meets the economic objectives of both sides and contributes to an effective and transparent conservation and management regime.

We are extremely pleased to note that the Senate, acknowledging the importance of taking action to address IUU fishing and sustainable fisheries management, gave its advice and consent to the following four important treaties last year to help

cement U.S. leadership in these areas: The FAO Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing (hereinafter the “Port State Measures Agreement” or “PSMA”); The Convention on the Conservation and Management of High Seas Fisheries Resources of the North Pacific Ocean (hereinafter “NPFC Convention”); The Convention on the Conservation and Management of High Seas Fishery Resources of the South Pacific Ocean (hereinafter “SPRFMO Convention”); and Amendments to the Convention on Future Multilateral Cooperation in the Northwest Atlantic Fisheries (hereinafter “NAFO Amendments”). These four agreements represent significant progress in protecting U.S. interests to prevent illegal fishing activities from undermining our global and regional efforts toward these ends, advance our international policies and priorities to conserve and manage shared living marine resources, and protect U.S. interests and the broader marine environment from the effects of destructive fishing practices. OES participated in all four negotiations that led to agreements the U.S. Senate approved and we continue to work with NOAA and USAID as part of an effective strategy to educate and raise awareness among foreign governments and the fishing industry of the deleterious effects of destructive fishing practices.

Turning to a brief description of the four treaties, the Port State Measures Agreement is the first binding global agreement specifically intended to combat IUU fishing. IUU fishing undermines efforts to conserve and manage shared fish stocks and threatens the sustainability of all fisheries. The global values of economic losses due to IUU fishing have been estimated to be in the billions of dollars each year. The large number of developing nations that depend on fisheries for food security and export income are particularly vulnerable. A secondary benefit to the United States joining the Port State Measures Agreement and the other treaties under consideration is that it will give the United States additional tools to address illegal activities that are often intertwined with IUU fishing, including labor exploitation, drug trafficking, environmental degradation, and organized crime. Since IUU fishers can operate anywhere, detecting activities at sea is difficult and expensive. But, in order to sell or trade their illegal catch, they ultimately need to ensure that it is brought to a port for landing or transshipment. The Port State Measures Agreement establishes standards and requirements for port States to ensure IUU-caught fish will not be landed, transshipped, packaged, or processed in their ports.

The OES Bureau is working to bring the Port State Measures Agreement into force in order to combat illegal, unreported, and unregulated (IUU) fishing by driving up the bad actors’ cost of doing business and preventing illegally caught fish from entering global seafood markets. This is just one example of how we are carrying out the Secretary’s vision on ocean conservation.

Turning to the Convention on the Conservation and Management of High Seas Fisheries Resources of the North Pacific Ocean, the Convention Area of the NPFC Convention includes areas of the high seas immediately adjacent to the U.S. Exclusive Economic Zone (EEZ) off Alaska, the Pacific west coast, Hawaii, and U.S. territories and possessions in the North Pacific. U.S. accession will create a stronger United States leadership role in managing fishing activities outside the U.S. EEZ that could have a direct impact on resources within waters under U.S. jurisdiction.

The SPRFMO Convention establishes the South Pacific Regional Fisheries Management Organization (SPRFMO) through which the Parties will cooperate to ensure the long-term and sustainable use of fisheries in the Convention Area. Although the United States currently has no fishing activity for fish stocks covered by the Convention, accession to the Convention will yield significant benefits to U.S. interests. The Convention Area includes areas of the high seas closest to the U.S. territory of American Samoa, and immediately adjacent to the U.S. Exclusive Economic Zone off a number of U.S. Pacific possessions including Jarvis, Howland and Baker Islands, Kingman Reef and Palmyra Atoll. As in the NPFC, U.S. accession to the SPRFMO Convention will ensure participatory rights for U.S. fishers in fisheries within the Convention Area.

NAFO is charged with coordinating scientific study and cooperative management of the fisheries resources of the Northwest Atlantic Ocean, excluding salmon, tunas, and sedentary species of the Continental Shelf. The NAFO-adopted amendments add additional rigor and transparency to the decisionmaking process, establish a dispute settlement procedure, improve the guiding language for allocating catches, and provide a more equitable basis for calculating Contracting Parties’ budget contributions more equitably.

These agreements have strong economic benefits as well as strong support from a broad and diverse range of U.S. stakeholders from both the fishing industry and conservation community. In the weeks ahead, we will continue to work diligently with the Senate and the House of Representatives to move implementing legislation this year to make joining these agreements a reality.

## LEADING THE ARCTIC COUNCIL

The Arctic Council is the preeminent international forum for promoting cooperation, coordination, and interaction among the Arctic States (Canada, Denmark (via Greenland), Finland, Iceland, Norway, Russia, Sweden, and the United States). Its mandate encompasses critically important environmental and economic issues with the active engagement of indigenous communities and other stakeholders. Created in 1996, the Council is chaired by each member state for 2 years.

On April 24, the United States assumed the Arctic Council Chairmanship and introduced an ambitious and balanced program focusing on three crucial areas: improving economic and living conditions for Arctic communities; Arctic Ocean safety, security and stewardship; and addressing the impacts of climate change. These priorities are consistent with the priorities laid out in the National Strategy for the Arctic Region and its subsequent Implementation Plan. Under the leadership of ADM Robert Papp, the U.S. Special Representative for the Arctic and former Commandant of the United States Coast Guard, OES is working with its domestic and international Arctic partners to assist remote Arctic communities with adapting to the rapid changes that are altering traditional ways of life, prioritize collaborative search and rescue and oil pollution preparedness and response exercises, implement circumpolar demonstration projects to reduce contaminants in the Arctic, including black carbon, develop national black carbon emission inventories, and work with Arctic stakeholders to encourage positive collaborative relationships, while continuing to see the region's marine ecosystems and resources flourish. As Chair of the Arctic Council, we are committed to advancing our national interests, pursuing responsible stewardship, and strengthening international cooperation in the Arctic Council among all Arctic stakeholders. OES intends to contribute in a sustained and meaningful way toward achieving these objectives.

Joining the Law of the Sea Convention remains a top priority for the Obama administration, including for important considerations relating to the Arctic. The Convention, which sets forth a comprehensive legal framework governing uses of the oceans, protects and advances a broad range of U.S. interests, including U.S. national security and economic interests. U.S. accession will secure, as treaty law, highly favorable provisions that guarantee our military and commercial vessels worldwide navigational rights, and accord to the United States expansive sovereign rights over offshore resources, including oil and gas on the continental shelf beyond 200 nautical miles. Accession will also support important U.S. geostrategic interests by underscoring our engagement in the Arctic and strengthening our engagement in East Asia, particularly around South Asia maritime issues. Becoming a Party to the Law of the Sea Convention would allow the United States to fully secure its rights to the continental shelf off the coast of Alaska, which is likely to extend out to more than 600 nautical miles.

## CONFRONTING CLIMATE CHANGE

As the February 2015 National Security Strategy states, “climate change is an urgent and growing threat to our national security, contributing to increased natural disasters, refugee flows, and conflicts over basic resources like food and water. The present day effects of climate change are being felt from the Arctic to the Midwest. Increased sea levels and storm surges threaten coastal regions, infrastructure, and property. In turn, the global economy suffers, compounding the growing costs of preparing and restoring infrastructure.”

Although OES does not lead U.S. negotiations on climate change, the Office of the Special Envoy for Climate Change (SECC) relies on the Bureau for scientific and technical support. In confronting this challenge, we have taken numerous steps to exercise leadership and spur a global all-hands-on-deck effort. I will highlight just a few examples of this leadership. In November, the United States and China made a historic announcement of their intended post-2020 targets to reduce carbon emissions. The United States announced a strong national target to reduce carbon emissions 26–28 percent below 2005 levels by 2025 and China agreed—for the first time—to peak its CO<sub>2</sub> emissions around the year 2030—and to make best efforts to peak before then. China also announced an ambitious target of achieving around 20 percent nonfossil energy in its energy mix by 2030. The United States and China are the world's two largest economies and the two largest emitters of carbon pollution. As crucial participants in climate change negotiations, the U.S.-China joint announcement provides momentum for the climate negotiations and firmly establishes that the outcome of the Paris conference later this year will reflect action from both developed and developing countries. The United States also has a critically important overall bilateral foreign policy relationship with China which the announcement reinforces.

The administration exercised leadership in promoting climate-resilience international development when he signed an Executive Order 13677 in September 2014. The EO directed United States department and agencies to integrate climate-resilience into all U.S. international development work. These additional considerations are critical for managing risks posed by climate change in vulnerable populations and for insuring U.S. investments would continue to benefit developing countries even as climate changes. The Working Group on Climate-Resilient International Development is actively developing guidelines for integrating climate change considerations in international decisions, identifying and facilitating the exchange of existing climate-change data and tools, and sharing best practices with other donor countries to advance climate-resilient developmental policies.

In another example, in November, 2014, President Obama announced the intention of the United States to contribute \$3 billion to the Green Climate Fund (GCF), reflecting the U.S. commitment to reduce carbon pollution and strengthen resilience in developing countries, especially the poorest and most vulnerable. By financing investments that help countries reduce carbon pollution and strengthen resilience to climate change, the GCF will help leverage public and private finance to avoid some of the most catastrophic risks of climate change. By reducing those risks, the GCF will help promote smart, sustainable long-term economic growth and preserve stability and security in fragile regions of strategic importance to the United States. We would also note that the United States will play a significant role in deciding how and where to disburse funds from the GCF, and our contributions to the GCF will not subject the United States to any new enforceable international obligations or oversight. The U.S. pledge of up to \$3 billion to the GCF demonstrated U.S. leadership and was instrumental in catalyzing further contributions from developed and developing countries to the GCF. The GCF is just one element of a much larger effort by the international community to mobilize \$100 billion from a variety of sources, including both public finance and private investment by 2020.

The U.S. contribution to the GCF builds on a history of U.S. leadership to support climate action. In 2008, the Bush administration pledged \$2 billion to the Climate Investment Funds, which were established as a transitional measure to finance efforts to help developing countries address climate change. The U.S. pledge to the GCF demonstrates a continuation of the bipartisan resolve to help developing nations reduce their own emissions as well as to help the most vulnerable cope with the impacts of climate change. The GCF will also help spur global markets in clean energy technologies, creating opportunities for U.S. entrepreneurs and manufacturers who are leading the way to a low-carbon future.

In addition to concluding a successful international climate change agreement this December, we are committed to the success of the Climate and Clean Air Coalition (CCAC) to reduce climate pollutants such as methane, black carbon and hydrofluorocarbons (HFCs). The CCAC, a voluntary initiative with 41 country and 52 nonstate partners, is a pillar of international efforts to reduce pollution and protect human health. We appreciate the bipartisan efforts of Senators Murphy and Collins in championing landmark legislation to address these short-lived climate pollutants in the United States.

We are also working with Mexico and Canada to garner global support for a North American amendment to the highly successful Montreal Protocol to phase down the production and consumption and eliminate byproduct emissions of HFCs. These potent greenhouse gases are rapidly increasing in the atmosphere mostly due to increased demand for refrigeration and air conditioning, and because they are the primary replacements for ozone depleting substances (ODS) being phased out under the Montreal Protocol. This amendment could produce benefits of more than 90 billion tons of carbon dioxide-equivalent through 2050.

Last month, I had the honor of participating in an important symposium on climate change at St. John's College in Santa Fe with former New Mexico Senator Jeff Bingaman and other distinguished panelists. I was impressed by the enthusiasm, genuine interest and reservoir of good will the audience displayed.

#### WILDLIFE TRAFFICKING

Wildlife trafficking is a multi-billion-dollar criminal enterprise that is both a conservation concern and an acute security threat. The increasing involvement of organized crime in wildlife trafficking promotes corruption, threatens the peace and security of fragile regions, strengthens illicit trade routes, destabilizes economies and communities that depend on wildlife for their livelihoods, and contributes to the spread of disease.

Driven by high demand and high profits for wildlife and wildlife products, coupled with low risk of detection and often inadequate penalties, criminal syndicates are

increasingly drawn to wildlife trafficking, which generates revenues conservatively estimated at \$8–10 billion per year. Rhino horn, for example, is currently worth more than gold, yet in many parts of the world those caught engaging in wildlife trafficking may risk small fines or minimal jail sentencing. Recognizing that this issue will require significant and sustained effort, OES worked closely with the co-chairs and other members of the Presidential Task Force on Wildlife Trafficking over this past year to develop an Implementation Plan for the National Strategy for Combating Wildlife Trafficking. The Implementation Plan was released this past February on the first anniversary of the release of the National Strategy. The Plan will be our roadmap going forward. It details how we will further realize the Strategy's goals, it lays out specific next steps, it identifies lead agencies for each objective, and it defines how we will measure our progress.

OES is leading the coordination of two elements of the Strategy—building international cooperation and public-private partnerships to combat wildlife poaching and illegal trade; and reducing demand for illegally traded wildlife at home and abroad. To this end, we are engaging diplomatically to catalyze political will and mobilize global support for the fight against wildlife trafficking. This includes efforts to strengthen international agreements that protect wildlife, promote conservation commitments, and fight wildlife trafficking within and between countries and regions, while enlisting the support of our partners—ranging from nonprofit conservation groups and grass-roots activists to private industry and the media.

We've made progress in our interactions with China. Last July, during the U.S.-China Strategic and Economic Dialogue, Secretary of State John Kerry, together with China's Vice Premier Liu and State Councilor Yang confirmed their commitment to stamp out illegal trade in wildlife. And in November, President Obama and Chinese President Xi Jinping reaffirmed this commitment and agreed to cooperate in the areas of e-commerce, public outreach, joint training, and law enforcement. Last month, I met with Chinese officials in Beijing for an exchange on the concrete activities we are undertaking on these commitments, as well as with Chinese wildlife NGOs who expressed appreciation for our focus on combating wildlife trafficking.

Through our support for regional Wildlife Enforcement Networks (WENs), OES is also contributing to the third strategic priority—strengthening domestic and global enforcement, including assessing the related laws, regulations, and enforcement tools.

Addressing the threats that wildlife trafficking poses is truly a whole-of-government effort with more than a dozen federal agencies working collaboratively on this issue. OES works within and outside the Department to promote greater information-sharing and coordination within and among governments, law enforcement and intelligence agencies, conservation groups and other actors working in this area. One important effort is to leverage trade agreements and trade policy to press countries and regions which account for a sizeable portion of the consumption, illegal take and trade of wildlife and wildlife products to uphold their commitments to combat wildlife trafficking and strengthen wildlife conservation.

We appreciate the strong attention Congress is paying to the issues of poaching, smuggling, and the involvement of transnational organized crime. We would like to extend our thanks to Senator Udall, in particular, for his commitment to raising the profile of this issue. This is evidenced by legislation he has cosponsored in the past to strengthen the role of the United States in the international community to conserve natural resources to further global prosperity and security. We believe that the steps the United States is taking to implement the national Strategy will go a long way to achieve the legislation's goals.

#### INCREASING MARKETS FOR U.S. GOODS AND SERVICES

OES leads implementation of environmental cooperation mechanisms that provide capacity-building and technical assistance to support fulfilment of environmental provisions USTR negotiates in free trade agreements. Since 2012, the Bureau has provided critical support to FTA partners from Latin America to the Middle East, with notable successes including capacity building for environmental oversight and enforcement bodies; bringing over 40.5 million hectares under improved natural resource management; training for over 30,700 farmers in environmentally friendly practices; and assistance to 829 small and medium sized enterprises to reduce their energy and water use and waste and emissions.

Looking ahead, OES anticipates that trade-related cooperation programs will help support implementation of FTA obligations in future agreements. For example, the administration is pursuing environmental commitments in the Trans-Pacific Partnership Agreement (TPP) with 11 other countries in the Asia-Pacific region as well

as the Transatlantic Trade and Investment Partnership Agreement (T-TIP) negotiations with the European Union (EU). The TPP in particular includes countries accounting for an estimated \$8–\$10 billion in illegal wildlife trade, and one-quarter of global marine catch and global seafood exports. The TPP is on track to include commitments that the parties maintain high levels of environmental protection and effectively enforce domestic environmental laws. It would also include strengthened protections for wildlife, and commitments to combat IUU fishing, and prohibit harmful fisheries subsidies, including those that contribute to overfishing. These commitments would also be fully enforceable, including through recourse to trade sanctions.

The United States has already concluded numerous free trade agreements and cooperated extensively with six TPP countries, including Australia, Canada, Chile, Mexico, Peru, and Singapore. We also have significant ongoing environmental capacity-building activities with Brunei, Malaysia, and Vietnam. To give you an idea of Bureau's successes related to trade and the environment, since 2012, over 40.5 million hectares are under improved natural resource management; over 30,700 farmers have been trained in environmentally friendly practices; a total of 829 small and medium sized enterprises have been helped to reduce their energy and water use and waste and emissions. In a nutshell, we are pushing for the world's highest standards in the environmental chapters of the trade agreements that we are pursuing.

#### WATER AND SANITATION

Perhaps no two issues are as important to human health, economic development and peace and security as access to water and sanitation. By 2025, nearly two-thirds of the world's population will be living under water stressed conditions, including roughly a billion people that will face absolute water scarcity (a level that threatens economic development as well as human health). According to the 2012 Intelligence Community Assessment on Global Water Security, "During the next 10 years, many countries important to the United States will experience water problems—shortage, poor water quality, or floods—that will risk instability and state failure, increase regional tensions, and distract them from working with the United States on important U.S. policy objectives." Without water, countries will struggle to produce food, generate energy, and sustain the ecosystems on which all life depends. These impacts are being translated across the global economy. For instance, the 2011 flooding in Thailand shut down manufacturing and disrupted global supply chains, impacting the production of cars and computers in the United States. As water resources become scarce, tensions are likely to rise. Globally, more than 260 rivers are shared by two or more nations. Many countries view water as a national security issue which is often embedded within broader set of regional relationships and concerns.

The State Department is working to expand access to safe drinking water and sanitation, improve the management of water resources, and promote cooperation on shared waters. On the Nile, OES has supported efforts by the riparian countries to establish a cooperative framework for managing the basin's water resources and to reach an agreement on controversial projects. OES also leads the Environment and Water pillar in the Lower Mekong Initiative—working within the region to improve the sustainability of hydropower infrastructure on a river system that produces some 90 percent of the protein consumed regionally, and which will likely become a major source of energy for the region.

Many water resource issues will be exacerbated by climate change. The State Department is working with other federal agencies to insure climate-resilience will be addressed in international development decisions. This insures that investments in the future of developing countries would withstand and adapt to changes in temperature, precipitation, and sea-level rise.

We have developed partnerships, like the U.S. Water Partnership, a public-private partnership which unites and mobilizes American knowledge, expertise and resources to address international water challenges, especially in developing countries where needs are greatest. We have supported colleagues from USAID, the Millennium Challenge Corporation and many others from across the U.S. Government in their efforts to bring safe drinking water and sanitation to millions of people throughout the world.

#### LEADING IN SCIENCE & INNOVATION

Science and technology (S&T) are among the most respected fields of endeavor in our society, creating opportunities for international leadership in science diplomacy. Science and technology are key drivers of the global economy, making them vital

tools in diplomacy and development. S&T engagement can create partnerships with developed and developing countries to tackle the most pressing problems confronting humanity: climate change, energy security, food security and water shortages. OES, with its strong complement of Ph.D. scientists and subject matter experts, helps to ensure that our decisions are rooted in science and that objective scientific data informs public policy decisionmaking. Through our bilateral science and technology relationships, we provide a framework for scientific engagement and contribute to a diversity of thought in line with key U.S. policies, including intellectual property rights and access to data. Our science diplomacy facilitates access for U.S. researchers to cutting edge research as well as research infrastructure overseas. The Joint Committee Meetings and science dialogues that OES hosts create platforms to promote the administration's policy and program initiatives, such as the national strategies on innovation and combatting antibiotic-resistant bacteria.

I just returned last week from Colombia where I participated in an environmental and scientific dialogue to enhance U.S. understanding of the complexities that Colombia faces to sustain its natural resource base in a post-conflict environment. The importance of the State Department's efforts, including those of our embassies and consulates overseas, to build relationships with representatives of foreign governments in respective areas of expertise cannot be overstated. This communication leads to more confidence, trust and understanding of cultures. Absent such an exchange of ideas, fostering U.S. economic growth and opening up new markets for Americans becomes a more difficult undertaking.

The Bureau's investments in science, technology, and innovation have shown results. The OES-sponsored Global Innovation through Science and Technology (GIST) initiative has worked in 86 emerging economies to train over 4,500 startups and has created a network of over 243,000 young motivated entrepreneurs who are moving their science and technology based innovations into the commercial arena. As the National Security Strategy notes, "More than 50 percent of the world's people are under 30 years old. Many struggle to make a life in countries with broken governance." Our GIST program is a small and inexpensive effort to tap into the collective global entrepreneurial spirit and to the sharp and nimble minds of young people everywhere to foster sustained growth and prosperity. The GIST initiative does not operate in a vacuum. It is part of the Department's larger Shared Prosperity Agenda that seeks to advance U.S. commercial and economic interests worldwide, elevate the role of economics in U.S. foreign policy, and provide the Department's personnel with the needed tools and training to carry out that mission.

Additionally, the Science Envoy program continues to build on its previous successes, with the unveiling of the fifth cohort of eminent scientists, bringing their expertise and engagement to bear in our engagement with countries and civil society around the world. This new cohort is focusing on infectious disease, energy, women in science, and the ocean.

#### ADDRESSING GLOBAL HEALTH

Building health capacity abroad is a central pillar of U.S. foreign policy; OES is a critical partner in advancing the U.S. global health mission. The Ebola epidemic is a striking example of the impact health threats have on the security, stability and the development potential of nations and of the critical importance of sustainable health systems. OES works with foreign governments, international organizations, and civil society to help countries develop the health standards and systems they need for stable, healthy, productive societies. We work with global partners to improve their ability to prevent, detect, and respond to health emergencies, whether from disease, disaster, food contamination, or the accidental or intentional release of a biological agent. In addressing global health, we also coordinate the work of the Department and other federal agencies to facilitate U.S. policies to counter international bioterrorism and infectious disease, provide surveillance and response, protect environmental health and improve health in post-conflict situations.

Having seconded key staff members to the Department's Ebola Coordination Unit since September 2014, the OES Bureau reassumed lead responsibility for addressing the health, science, and technology related aspects of the response effort when the Unit stood down effective March 31. We are working hand in hand with the Department's Bureau of African Affairs, as well as a host of U.S. agencies and international organizations and the affected country governments to ensure that all three affected countries reach—and stay at—zero new cases. Reaching "zero" will require epidemiological teams to track down every step in the transmission chain. New flareups in Guinea and Sierra Leone, coupled with continued challenges with social mobilization, make clear the need for continued international action to stop future and ongoing transmissions. OES is working to secure a sustained commitment from

donor nations to ensure that the resources needed are available to end the epidemic. In one specific example, OES led diplomatic outreach efforts to encourage francophone countries to deploy senior epidemiologists as a first priority.

Looking to the future, the OES Bureau is working to ensure the continued commitment of international resources for health system build-back in the affected countries, leaving them stronger and more resilient than they were before this epidemic. With the heightened global awareness of the devastating impact of health emergencies, we are actively pursuing international efforts to improve local, national, regional and global efforts to prevent, detect, and respond to health threats. We are involved in extensive diplomatic engagement and coordinate the work of the Department and other federal agencies to advance measurable progress under the Global Health Security Agenda launched by President Obama and 40 nations on September 26, 2014. In addition to advancing GHSA globally, OES enables advancement of some of the GHSA core elements including vaccination, the International Health regulations, and combating antibiotic resistance.

The OES Assistant Secretary serves as the Special Representative on Avian and Pandemic Influenza and Pandemic Influenza Coordinator. In this capacity, OES led the successful adoption of the Pandemic Influenza Preparedness Framework at the World Health Organization. This broke new ground by creating a public-private partnership to improve influenza preparedness capabilities around the world. This required taking an innovative approach with both funding and donated vaccines from the private sector and utilizing WHO's surveillance and response network. As a result of the norms established by this Framework, China, the WHO, and other international partners such as the United States were able to rapidly and transparently share information during the 2013 outbreak of H7N9 avian influenza and thereby facilitate surveillance activities and the immediate development of a vaccine to prevent an epidemic from ever arising.

OES also supports global vaccination activities such as the global effort to eradicate polio. OES engages donors, regional organizations, and multilateral organizations to encourage support of global polio eradication efforts and to condemn violence against polio workers in Pakistan. While the world is closer than ever to eradicating polio, substantial political and security challenges remain. OES engagement has led to an increased commitment from new donors to the polio eradication effort including the United Arab Emirates and Saudi Arabia.

OES addresses environmental risks to human health through negotiations on chemicals, ozone, air quality, climate change, and other environmental issues—with particular attention to vulnerable populations such as children and nursing mothers as well as in communities in high risk locations such as the Arctic and Small Island Developing States. We are working to limit mercury deposition, improve quality, remove lead additives from paint, reduce risk in artisanal and small-scale gold mining operations and seek better interim means for storing mercury. These dangerous pollutants are well known to cause severe health effects and even death. For example, last year the World Health Organization released a report noting that there are 7 million premature deaths every year caused by largely preventable air pollution. We also promote cross-sectoral coordination among the medical, veterinary, agricultural, environmental, and security fields and corresponding governmental bodies. Both human health and prosperity are linked to animal health through organisms that can infect both humans and animals and the economic importance of livestock.

#### EXPANDING SPACE COOPERATION

As the 2010 National Space Policy notes, “Space systems allow people and governments around the world to see with clarity, communicate with certainty, navigate with accuracy, and operate with assurance. The United States hereby renews its pledge of cooperation in the belief that with strengthened international collaboration and reinvigorated U.S. leadership, all nations and peoples—space-faring and space-benefiting, will find their horizons broadened, their knowledge enhanced, and their lives greatly improved.” The OES Bureau is furthering the goals of our national space policy by helping to build an international policy framework that supports the peaceful exploration and utilization of outer space by both public institutions and new private ventures. A number of U.S. companies have recently announced plans for unprecedented commercial activities in outer space, including on-orbit satellite servicing and exploitation of lunar and asteroid resources. Ensuring that the executive branch is in a position to authorize and supervise them consistent with U.S. international obligations, and assuring our foreign partners that these activities will be conducted in accordance with international law, is critical in providing commercial space companies and investors a degree of certainty enabling them to make greater investments and spurring innovation.



The Bureau represents the Department on civil space policy formulation within the executive branch, leads interagency coordination on all civil space-related international agreements implementing important NASA, NOAA, and USGS cooperation with other space agency partners, and plays a key role in the implementation of National Space Policy focused on dual-use space applications such as space-based positioning, navigation, and timing, satellite-based remote sensing and earth observation, and the monitoring of physical phenomena in the Sun-Earth system (space weather). A little known fact about the work of the Bureau is that OES maintains the official U.S. registry of objects launched into outer space and has primary responsibility for U.S. representation to the United Nations (U.N.) Committee on the Peaceful Uses of Outer Space (UNCOPUOS).

A huge success for the Bureau over the past 15 years has been the coordination of a broad diplomatic effort to encourage acceptance of the U.S. Global Positioning System (GPS) as a worldwide standard for satellite-based navigation. GPS has grown into a global public asset. Its multiuse services are integral to U.S. national security, economic growth, transportation safety, and homeland security, and are an essential element of the worldwide economic infrastructure. OES leads both bilateral dialogues with other global navigation satellite system (GNSS) providers and multilateral coordination through the International Committee on GNSS (ICG), to promote compatibility and interoperability with GPS, and transparent civil service provision, and trade practices that ensure open and fair market-driven competition for GNSS goods and services.

#### CONCLUSION

With the support of Congress, OES is helping to promote American values, promote global stability and protect the environment both at home and abroad by leading and supporting crucial international negotiations and creating valuable partnerships among key stakeholders on crucial topics such as oceans, water and sanitation, pollution, science cooperation, and public health. By helping young science and technology entrepreneurs, we are leading the way in providing opportunities for U.S. businesses and economic growth. Though we address many complex challenges in OES, our overarching objective is to leave a healthier planet for generations to come than the one we currently occupy.

Thank you for the opportunity to testify and I look forward to responding to any questions you may have.

Senator BARRASSO. Thank you very much, Secretary Garber.

Now we will turn to Principal Deputy Assistant Secretary Tong.  
Mr. Secretary.

#### **STATEMENT OF HON. KURT TONG, PRINCIPAL DEPUTY ASSISTANT SECRETARY, BUREAU OF ECONOMIC AND BUSINESS AFFAIRS, U.S. DEPARTMENT OF STATE, WASHINGTON, DC**

Mr. TONG. Thank you, Mr. Chairman, Mr. Ranking Member Udall. Let me add my thanks for this opportunity to appear today to discuss how the State Department's Bureau of Economic and Business Affairs works to keep Americans safe and prosperous.

In my 25 years with the Department of State, serving mostly in the dynamic economies of East Asia, I have seen firsthand how economic ties can strengthen and transform our diplomatic and security relationships with other nations. I have also seen how vital successful economic diplomacy is to both U.S. leadership abroad and to American prosperity here at home.

Although I speak for my Bureau today, we work as a global team, functional and regional bureaus in the State Department working seamlessly with our dedicated economic policy personnel at over 270 U.S. posts overseas, all of that in concert with colleagues serving in other economic policy agencies here in Washington.

We have three strategic priorities.

First, we use economic diplomacy to benefit the lives and livelihoods of Americans. Whether it is expanding U.S. exports overseas, attracting new job-creating investment to our shores, protecting U.S. innovations and intellectual property rights, crafting and implementing sanctions, promoting entrepreneurship, or helping U.S. air carriers expand their rights, every day we fight for the interests of American businesses, workers, farmers, travelers, consumers, and citizens.

Through technology, we can now reach a broader array of U.S. stakeholders much more efficiently than before, for instance, via our Direct Line program, which is a big plus in responding quickly to emerging issues and commercial opportunities.

Our second priority is to negotiate agreements that foster a more open, inclusive, and rules-based economic environment around the world. The scope of these agreements extends well beyond trade to include investment, transportation, telecommunications, agriculture, intellectual property, and it is State Department economic officers in the field who help ensure that these agreements are implemented.

Third, we use economic diplomacy as a tool to advance broader policy objectives by supporting, for example, sustainable development and good governance in partner countries and by applying tough, targeted sanctions where necessary. All of these efforts, of course, are taking place in an increasingly complex international policy environment.

The good news here is that the global middle class is expanding worldwide and expanding rapidly, creating new opportunities to benefit America. Also, it is good news that more and more nations are concentrating wholeheartedly on being more competitive based on market principles, and more and more regions around the world are cooperating to promote mutually beneficial growth.

However, as more nations have a voice in shaping global economic policy, the United States itself must be both more aggressive and more sophisticated in shaping what is going on. Therefore, Mr. Chairman, in my remaining time, I would like to mention how we are tackling new challenges with new tools.

The State Department's key asset, of course, is its people, but our resources in that regard are limited. So it makes sense that we are concentrating on training, improved communications, and making sure that our operations are informed by smart strategies. The recently issued Quadrennial Diplomacy and Development Review, or QDDR, has specific suggestions for how we can further upgrade our work on economic diplomacy by improving coordination between regional and functional bureaus at the State Department and by assuring that our most talented officers lead our economic teams in key embassies overseas. The QDDR also calls for more and enhanced training, including distance learning, as well as long-term detail assignments to give our officers firsthand experience working at U.S. companies and in other parts of Government. We are also developing new tools to make our diplomacy more agile and data-driven, including new IT platforms to collaborate across the globe and an organization-wide push to better use and share information. The QDDR calls for investing in an agile, skilled, and diverse workforce ready to lead, and I could not agree more.

So, Mr. Chairman, I think you will agree that it is an extraordinarily active period for economic diplomacy. Mr. Ranking Member, I thank you for using the term “economic diplomacy.” And so I welcome your questions on these and other issues going forward. And thank you again for the opportunity to testify.

[The prepared statement of Mr. Tong follows:]

PREPARED STATEMENT OF PRINCIPAL DEPUTY ASSISTANT SECRETARY KURT TONG

Thank you Chairman Barrasso, Ranking Member Udall, and other members of the subcommittee, for this opportunity to discuss how the State Department works for the United States and for the U.S. economy, helping to create jobs and prosperity for Americans. I am here representing the Department’s Bureau of Economic and Business Affairs; it is a privilege to be joined by colleagues from our Bureau of International Organizations, Bureau of Oceans and International Environmental and Scientific Affairs, and U.S. Mission to the United Nations.

The Bureau of Economic and Business Affairs (“EB”) uses economic diplomacy to advance the prosperity and security of all Americans by working with partners around the world to negotiate and implement agreements which shape the rules of global commerce. We give the Secretary a global perspective on economic, financial, and development issues; lead efforts to expand trade, investment, transportation, and telecommunications links; shape U.S. engagement in global economic discussions including at the G7, G20, Organization for Economic Cooperation and Development (OECD), and the Asia-Pacific Economic Cooperation (APEC) forum; craft and implement U.S. sanctions; promote entrepreneurship overseas, especially in unstable societies; and ensure that the success of the U.S. economy and U.S. business is at the heart of our foreign policy.

ECONOMIC DIPLOMACY MATTERS

As Secretary Kerry has said on many occasions, we at the State Department view economic policy and foreign policy as two sides of the same coin: economic diplomacy and support for sustainable development are part and parcel of defending our Nation’s interests and ensuring the well-being of all Americans. The 2015 Quadrennial Diplomacy and Development Review (QDDR), released April 28, reaffirms the central role of economic diplomacy and offers concrete proposals to strengthen our capacity to work for freedom, prosperity, and stability around the world. Through the Secretary’s Shared Prosperity Agenda, we are working across regional and functional lines to ensure unity of effort in our foreign policy. Whether the issue is ensuring access to energy in Central America and South Asia, supporting economic growth and stability in the Middle East, building prosperity in the Mekong Delta region, or broadening access to the Internet and modern telecommunications in world’s poorest countries, these efforts can and must be mutually reinforcing. Inclusive economic growth is a central pillar of these efforts and a principal driver of our commitment to help end extreme poverty, an aim that is central to USAID’s mission.

The rapid growth of emerging markets, particularly in east Asia and Africa, makes it critical that we use economic and commercial tools to support U.S. jobs and unlock opportunities for U.S. business in overseas markets, consistent with broader U.S. foreign policy objectives. This entails commercial advocacy to promote U.S. exports, protect intellectual property, and attract job-creating investment to the United States; economic diplomacy to shape the rules of global trade, finance, travel, transport, and the digital economy; and U.S. support for foreign government policies that advance economic prosperity, stability, entrepreneurship, and good governance. Sanctions and financial countermeasures have also become key tools to address broader challenges including terrorism, organized crime, and threats to international peace and security.

*We help the U.S. economy grow, by expanding access to overseas markets and attracting job-creating foreign investment to our shores*

EB has no higher priority than supporting exports of U.S. goods and services and the inflow of job-creating foreign investment, both of which sustain economic growth here in the United States. In 2014, the State Department contributed to U.S. Government advocacy efforts that supported \$80 billion in U.S. export deals and 11.3 million jobs linked to exports. Through EB’s Partner Post program with the Department of Commerce—in which our embassies without U.S. Foreign Commercial Service (CS) presence can offer CS-branded services—we are doing superb work supporting U.S. companies in those markets and in attracting foreign investors to the

United States. For instance, our Embassy in Kosovo, a market of only about 2 million people, conducted trade promotion activities in 2014 contributing to \$770 million in prospective business deals between U.S. companies and the Government of Kosovo. Commercial advocacy and facilitation are our top priority, because when U.S. firms win overseas contracts and expand into new markets, they benefit and so do the foreign countries in which they operate. In North Africa and Central America, for instance, the State Department and its missions work with leading U.S. companies to offer cost-effective solutions for those economies in transition.

We are always looking for new ways to support and communicate with U.S. business. In FY 2014, EB launched the BIDS/Business Information Database System portal ([bids.state.gov](http://bids.state.gov)) to alert U.S. businesses to significant global procurement opportunities. BIDS currently features 440 leads with a combined value of over \$218 billion. Since 2013, EB and U.S. missions overseas have conducted over 130 “Direct Line” calls and webinars with U.S. companies. Direct Line lets U.S. businesses talk directly to our Ambassadors and economic officers at Posts ranging from Shanghai (the most recent example) to Libya, Costa Rica, and points in between. Since its inception in 2012, over 5,000 U.S. companies and nearly 200 Posts have participated in Direct Line calls and webinars.

On any given day, the Department and its economic officers in the field engage with dozens of foreign governments to ensure that U.S. businesses can sell their goods and services in those markets. For instance, when the Saudi Government implemented new fuel economy standards, we worked to keep that market open for our automotive producers while advancing U.S. climate objectives. In Kenya, we successfully addressed a customs issue that had made the distribution of U.S. films in that market uneconomical. Around the world, we address gaps in the protection of our intellectual property rights (IPR) and support public outreach to convey the importance of protecting IPR. Often this work is innovative. In Cambodia, EB worked with Embassy Phnom Penh and the local Ministry of Health to host a poster competition to increase awareness of the dangers of counterfeit and substandard medications: over 2,000 poster designs in English and Khmer were submitted, and the winner was printed and displayed at every pharmacy in the country. Another example is our support for Consulate General Guangzhou’s hugely successful smartphone application, which offers job-search advice for young professionals—an influential segment of China’s population—so that they can consider intellectual property issues when they apply for jobs at multinationals. The app features videos by top executives from Google, Hasbro, and Harley-Davidson who talk about their companies’ core values and what they seek in potential employees, with examples of “good” and “bad” resumes and cover letters, all to help instill a culture of valuing and protecting IPR.

Likewise, we and our missions overseas are active on agricultural trade and Sanitary and Phytosanitary (SPS) issues to ensure that U.S. farmers—who are without peer in their productivity and innovation—can sell their products in fast-growing foreign markets. EB worked with dozens of partner countries to adopt an international standard for ractopamine in animal feed, enabling U.S. pork and beef producers to gain access to a number of foreign markets.

My Bureau has been particularly active in the ICT (Information and Communications Technology) and digital economy sectors, which have accounted for much of our economic growth and innovation in the past 25 years. In recent years, the Department of State has worked successfully to avert localization and privacy rules in foreign jurisdictions that would unnecessarily impede the digital infrastructure vital to U.S. commercial interests and to open flows of information across borders.

Since U.S. investment overseas and U.S. exports go hand in hand—and since the United States is a leading recipient of job-creating foreign investment—we work hard to ensure that U.S. companies enjoy the benefits of strong bilateral and multilateral investment provisions. In 2014, I was pleased to help launch the EB-facilitated “Global Enterprise Registration” portal ([www.globalereg.co](http://www.globalereg.co)), that makes it easier for startups to register and grow through cross-border investments. EB also worked closely with Commerce to recruit SelectUSA initiative as part of our Cross-Agency Priority Goal to attract more job-creating investment to the United States.

*We negotiate agreements that foster a more open, inclusive, transparent, and rules-based global economy*

The Department of State and its missions around the world are where “the rubber meets the road” for the international agreements that make possible an expanding and interconnected global economy, something that is essential for our prosperity and that of our partners. Currently, public attention is focused on the administration’s ambitious negotiations for a Trans-Pacific Partnership (TPP) and Transatlantic Trade and Investment Partnership (TTIP)—agreements which, if enacted,

will substantially expand U.S. commercial opportunities and support continued economic growth here in the United States. EB sends subject matter experts to support both these key negotiations. At the same time, EB, State Department Posts, and our partners in U.S. Trade Representative and Department of Commerce work to negotiate and implement a wide range of bilateral and multilateral agreements and understandings, all with the aim of fostering a more open, inclusive, and rules-based global economy consistent with U.S. interests.

For instance, EB and USTR cochair the negotiation of bilateral investment treaties (BITs), including our ongoing talks with China. This negotiation provides a major opportunity to engage with China on issues related to its economic reform, and to improve market access, investor protection, and transparency for U.S. firms operating in China's market. We are also assessing the prospects for a high standard BIT with India, and with other key partners, including in sub-Saharan Africa and Asia.

In 2014, we helped conclude the Trade Facilitation Agreement (TFA) under the World Trade Organization (WTO); studies estimate that trade facilitation, including via the TFA, could increase global GDP by as much as \$1 trillion. Through the WTO, OECD, World Customs Organization (WCO) and a number of other technical bodies, and working directly with host governments, we help ensure that international agreements are translated into national policies that allow U.S. goods and services to flow across borders. Given the critical role of foreign governments and state-owned enterprises (SOEs) in the global economy, EB continues to work on expanding the coverage of the WTO Government Procurement Agreement, to monitor the role of SOEs, and to support fiscal transparency efforts in partner countries. The global fight against corruption and foreign bribery remains critical, and EB, which spearheaded the OECD Anti-Bribery Convention two decades ago, continues to lead the U.S. effort to ensure that our partners enact and implement measures against foreign commercial bribery along the lines of our Foreign Corrupt Practices Act (FCPA); we have seen substantial progress in this area in recent years, but much work remains to be done.

Here too, the ICT and digital economy sectors are critical and EB has led the effort to advance U.S. priorities on Internet governance, ensuring an open and global Internet, free from governmental controls. EB led the United States delegation to the International Telecommunication Union's (ITU) highest level treaty conference late last year, securing agreement that there would be no expansion of ITU's role in Internet governance or cybersecurity. EB is leading the U.S. push to expand access spectrum for mobile broadband and pave the way for remotely piloting aircraft and myriad space science activities at the ITU's World Radiocommunication Conference (WRC-15) later this year, seizing the opportunity to advance U.S. innovation and economic growth, further strengthen national security, and accelerate U.S. research and leadership. In multilateral discussions of ICT issues—and in our robust dialogues on Internet Economy issues with partners such as Japan, China, the Republic of Korea, Brazil, Colombia, and the European Union and several of its member states—the U.S. side incorporates both government and industry voices to ensure that U.S. business and other stakeholder views are considered in policy discussions.

Aviation is another key sector where the State Department has pioneered agreements that expand market access for U.S. carriers and other U.S. business. Over the past year, we negotiated a new bilateral aviation agreement with Mexico that, when implemented, will allow U.S. airlines to fly as often as they want between any U.S. city and any point in Mexico, a boon for our carriers and other U.S. businesses that will support jobs here in the United States. Since the safety and security of the traveling public must always come first, EB recently worked to design and implement a new interagency procedure to ensure that information about U.S. Government actions affecting U.S. commercial aviation near global conflict zones is shared with foreign partners via the U.N. International Civil Aviation Organization (ICAO) and with American travelers.

The Department of State works with the Department of Treasury to realize repayment of U.S. Government debts with sovereign borrowers, working bilaterally and through the Paris Club group of creditors. In May 2014, we negotiated an arrangement with the Government of Argentina that provides for full repayment over 5 years of \$608 million in outstanding debt owed to U.S. taxpayers. We also work closely with U.S. Government creditor agencies to ensure timely payments from sovereign borrowers throughout the year.

*We work to expand the scope of stable and prosperous democracies with well-functioning, market-driven economies*

As Secretary Kerry has persuasively argued, most recently at the Atlantic Council on April 23, U.S. leadership on economic issues and our national security are inextricably connected. For that reason, the State Department and USAID are closely engaged in supporting the economic stability and prosperity of our partners around the world, and EB is part of that effort.

In recent years and months, the Department of State has facilitated official loan guarantees to key partner countries (Jordan, Tunisia, and Ukraine); worked to expand U.S. economic and commercial ties with African partners, culminating in the historic U.S.-Africa Leaders' Summit in August 2014; helped lead the campaign that made 2014 the first year of full European Bank for Reconstruction and Development (EBRD) operations in the Middle East and North Africa region with over \$1 billion in financing for Egypt, Jordan, Morocco, and Tunisia; and supported entrepreneurship programs around the world including high-profile Global Entrepreneurship summits in Morocco (November 2014) and this summer in Kenya, among many other efforts. EB works with Treasury to promote debt sustainability both bilaterally as a sovereign creditor and multilaterally through the International Monetary Fund (IMF), the World Bank, the OECD, and the Paris Club. This is particularly important given our investment in the Heavily Indebted Poor Countries (HIPC) initiative that helps reduce debt burdens to sustainable levels. It is also increasingly important as developing countries diversify their financing, including through private bond offerings, many of which are first time or "frontier" issuances.

Because national security and the economy are so closely intertwined, EB works closely with the Treasury Department to craft and implement economic sanctions and financial measures in support of U.S. foreign policy objectives and the international fight against terrorism and organized crime. Over the past year, EB helped forge sanctions against Russia that imposed costs for its actions in Ukraine; shaped new sanction measures in Central African Republic and South Sudan; and implemented limited sanctions relief for Iran while negotiations continue. Because U.S. companies and NGOs are active worldwide, including in conflict areas, EB has worked to speed processing of sanctions licenses and exemptions to civil society and the private sector where these are warranted.

Telecommunications and the Internet are critical to improving economic conditions around the world. EB has supported the APEC Telecommunications Mutual Recognition Arrangement (TEL MRA), which helps bring new telecommunications technologies to market faster. TEL MRA allows mutual recognition of testing and certification of new technologies done in certified labs, but requires engagement from regulators and standards authorities in participating APEC economies. With more than half the world's mobile phone subscribers in Asia, this arrangement saves consumers and industry billions of dollars annually and opens new opportunities for U.S. business in fast-growing markets.

In Africa, the Department of State is working on a broad range of economic issues, in particular telecommunications and the Internet. Following on the heels of the U.S.-African Union Commission (AUC) High Level Dialogue (HLD), EB is joining forces with U.S. industry and other U.S. agencies to accelerate the adoption of national broadband plans across Africa. This week, EB is partnering with our Embassy in Rwanda, USAID's Development Lab, the Alliance for Affordable Internet and Intel Corporation to host an Africa-wide National Broadband Plan and Universal Service Funds (NBP-USF) forum to share insights on promoting ICT-enabled economic growth and fostering a better investment climate. With this forum, EB has worked with U.S. industry to facilitate the training of nearly 400 African officials working on ICT issues.

Around the world, the Department of State and our missions press partner governments to improve labor and environmental practices and workplace safety, most notably in Bangladesh's apparel and textile sector. I am proud of EB's role in highlighting the many exemplary cases of Responsible Business Conduct (RBC) by U.S. companies overseas via the Secretary of State's Award for Corporate Excellence (ACE), established in 1999, which recognizes outstanding contributions by U.S. businesses in their overseas operations as good corporate citizens. We are engaged on the administration's National Action Plan (NAP) on RBC, to articulate U.S. commitments to create an enabling environment for U.S. businesses operating abroad and to spotlight best practices by those companies.

*We adjust our tools, tactics, and resource outlays to advance U.S. economic diplomacy and to respond to world events*

Finally, EB takes the administration's performance agenda and our stewardship of taxpayer resources to heart. Through the BIDS portal, Direct Line communica-

tions, and other efforts, EB is making measurable progress in supporting U.S. economic and foreign policy interests. EB and our Posts provide critical support for the Commerce-led Cross-Agency Priority (CAP) goal of attracting job-creating investment, which recently culminated in the 2015 SelectUSA Summit, to which almost 50 of our Ambassadors led investor delegations from their countries of posting. EB worked with Commerce to recruit over 1,300 potential foreign investors for that successful event. Expanding our engagement with U.S. stakeholders is also a priority, in particular through the State Department's Advisory Committee on International Economic Policy (ACIEP).

In recent years, EB has supported the President's and Secretary's ambitious foreign policy agenda—including on fast-moving world events such as the response to economic and security challenges in Ukraine and the Middle East, support for U.S. business, and support for critical engagement on Iran and Cuba—while holding the line on our budget. We have met these challenges by realigning people, portfolios, and resources: in a resource-neutral reorganization, EB was able to strengthen the offices that lead on these high profile issues and others. At the same time, we shifted portfolios to ensure that enduring responsibilities such as trade and aviation negotiations were met with the same high-caliber expertise. We have also leveraged technologies to expand our commercial outreach via the aforementioned BIDS, Direct Line, and GER platforms. Our small investment in IT continues to reap benefits for the American people, and we would like to do more in this area.

EB manages several relatively small, but strategically targeted, operational policy programs:

- EB's Agricultural Biotechnology outreach program helps missions conduct activities to encourage the adoption of science-based regulatory systems and promote acceptance of agricultural biotechnologies in key overseas markets. Most activities are in the range of \$10,000 to \$25,000, with some as small as \$500 and others as large as \$50,000.
- Our Business Facilitation Incentive Fund (BFIF) helps missions that do not have Commercial Service presence (currently 56 Posts) to conduct field activities to promote U.S. exports and attract inward investment to the United States. For FY 14, BFIF supported 123 activities ranging from \$575 to \$14,000.
- EB and USAID jointly manage the Fiscal Transparency Innovation Fund (FTIF), which supports mission-proposed projects that assist partner governments and NGOs working to improve fiscal transparency in countries that do not currently meet minimum standards for fiscal transparency or have continuing weaknesses in public financial management. The Department will provide up to a total of \$7 million in FY 2014-appropriated Economic Support Funds (ESF) for FTIF projects.
- The Department's IPR Public Diplomacy outreach program supports mission efforts to raise awareness in key countries on the dangers of counterfeit goods (especially medicines and medical products), the role of IP in commercializing innovation, and the negative impact of Internet piracy. Activities funded in recent years range from \$2,000 to \$15,000.

The State Department has no greater resource than its people, and EB has worked closely with regional bureaus and our Bureau of Human Resources to design and implement new mechanisms to give Department employees a broad range of experience on economic issues—including at other agencies and at U.S. companies—and to improve coordination among functional bureaus (who focus on issue-areas), regional bureaus (who coordinate U.S. policy toward countries and geographic areas), and our missions in the field. The Department's 2015 QDDR offers significant innovations in this regard, which we will work to implement in the coming months. The QDDR, among other recommendations, calls on each State Department regional bureau to designate a Deputy Assistant Secretary to coordinate economic policy efforts; introduces procedures to ensure that talented individuals take senior economic positions in key embassies overseas; sets up rotational programs among the regional and functional bureaus; and enhances and expands external detail assignments to help deepen the professional development of our officers. The integration of U.S. regional foreign policy and economic policy is particularly critical in this era, when many emerging middle-income economies are seeking to reduce trade and investment barriers with other nations in their same neighborhood. Such regional economic integration—as seen notably in Southeast Asia, Central America, or East Africa—is strongly in the interests of the United States: it promotes regional peace and stability, accelerates growth, creates regional economies of scale, and enhances opportunities for U.S. exporters and investors.

The QDDR also embraces a “data-driven” foreign policy, informed by diagnostics, and suggests new ways to integrate foreign economic policy with our policy toward

particular countries and regions. For instance, we are in the process of building a comprehensive inventory of economic challenges facing our partner countries, drawing on the expertise of thousands of U.S. personnel in Washington and in the field (from State, USAID, and other agencies). The QDDR endorses an array of diagnostic tools successfully used by the Millennium Challenge Corporation (MCC) and USAID to identify and address country-specific barriers to inclusive economic growth—since there is no “one size fits all” approach to fostering economic growth and addressing related economic challenges—and highlights key policy areas to support inclusive growth abroad: income inequality, corruption, and youth unemployment.

Since economic diplomacy requires specialized knowledge of evolving issues, the State Department’s Foreign Service Institute (FSI) currently runs over 20 training programs in economics, commercial diplomacy, and related areas including science, environment, energy, and health. Our long-standing and comprehensive 6-month Foreign Service Economic Studies course delivers the equivalent of a high-quality graduate degree in economics, along with a strong dose of applied economic work. The Department also assigns two employees annually to a 1-year University Economics Training detail at prestigious U.S. universities. Other courses focus on trade dispute resolution, illicit finance and sanctions, global health diplomacy, intellectual property, biotechnology, aviation, telecommunications, and energy. FSI’s hands-on tradecraft courses prepare officers for their work, stretching from their first tours overseas all the way to service as section chiefs, and its distance-learning courses cover commercial diplomacy, investment treaties, trade, and intellectual property rights. FSI recently launched a new distance-learning course on bilateral investment treaties and is developing another on global health diplomacy.

The State Department and its missions overseas also work with FSI to offer economic training in the field. In January, Embassy London hosted a customized training course on Internet Governance and the Digital Economy at Embassy London, with the participation of Under Secretary Catherine Novelli, Assistant Secretary Charles Rivkin, and a number of Internet pioneers. In March, FSI and State’s ENR Bureau coorganized extensive training in Doha on energy issues in the Middle East, North Africa, and Eastern Mediterranean. Later this month, FSI will partner with our mission in Japan to train field personnel on the Trans-Pacific Partnership, the economic challenges facing Japan, and how to “message” the U.S. economy.

Whatever the economic policy issue—whether trade, finance, transportation, telecommunications, development, sanctions, or the economic dimensions of broader challenges such as terrorism, violent extremism, climate change, energy, and migration—we put U.S. interests and our citizens’ well-being first, and endeavor to work as part of a whole-of-government effort.

#### CONCLUSION

Continued U.S. leadership in the world requires a dynamic economy at home and active engagement overseas; these objectives are fully consistent and mutually reinforcing. Through economic diplomacy, EB works to advance the livelihoods and security of Americans and makes a substantial contribution to a more just, free, and stable world.

I thank you for your continued engagement on these issues and look forward to your questions.

Senator BARRASSO. Thank you very much, Secretary Tong.

We will have a couple of questions, and I would like to start with Ambassador Coleman.

The Office of Management and Budget has previously provided Congress with a list of total U.S. contributions to the United Nations from the State Department, as well as 18 other U.S. Departments and agencies. The last report from OMB explained that the United States contributed \$7.92 billion in fiscal year 2010. Many of us on this committee believe that the American people deserve to know exactly how much U.S. taxpayer money is going to the United Nations and how it is being spent. Do you know the total annual U.S. contribution to the United Nations from all agencies, including in-kind contributions?

Ambassador COLEMAN. Thank you, Senator, for that question.

There is not a quick, easy answer to that question because, as you said, there are many different sources of contributions to the



U.N. There is our assessed contribution. There are voluntary contributions and in-kind contributions. So in terms of what we are contributing across all of it, I do not have a quick and easy answer for that. But what I can tell you is looking very closely at the assessed contribution, we do know that we are paying approximately \$2.5 billion on the regular budget and more than \$3 billion on the peacekeeping budget.

But I think Assistant Secretary Crocker might be able to answer across the entire U.N. system more clearly than I can on that point.

Senator BARRASSO. Well, the reason I asked—and I did not expect you to give me a complete number because you are right. It is a complicated system. But during Ambassador Powers' confirmation process, I asked her if she supported Congress and the American people receiving an annual report from OMB of total U.S. contributions to the U.N., and she said yes. So the question is, do you support Congress and the American people receiving a report from OMB on the total U.S. contributions provided to the United Nations each year?

Ambassador COLEMAN. Senator, I do support that. And what I really support is transparency. I think that transparency is critically important, and I think American taxpayers deserve transparency on important budgetary issues such as how much we are contributing to the U.N. system. Thank you.

Senator BARRASSO. And then, Secretary Crocker, following up with Ambassador Coleman's comments, do you also agree that the American people deserve—and Congress—a report from OMB on the total U.S. contributions?

Ms. CROCKER. Thank you, Chairman. I do agree very much that the American taxpayer should have full transparency, as Ambassador Coleman indicated, and full visibility into the full amount of contributions both assessed and voluntary that go to the entire U.N. and broader international system every year. And in fact, our Bureau and other parts of the Department are working closely with OMB and other Federal agencies to try to ensure that we have a more rigorous way to assess what all of those contributions look like.

I can tell you that the last year for which we have from the United Nations a full estimate of all of their costs, their full budget across the full range of U.N. agencies and institutions was in 2013, and that number was about \$44 billion. And in 2013, that same year we reported to you that the full amount of U.S. contributions, again both assessed and voluntary contributions, was about \$6.6 billion of that \$44 billion total.

But as I said, we are working now to try to ensure that we can more effectively collect that kind of information and report to you and more broadly to the American people.

Senator BARRASSO. Thank you. That is very helpful.

Ambassador Coleman, since 1994, there has been a 25-percent cap on the United States assessment to the U.N. peacekeeping budget. Despite the law, the U.S. contribution has risen to over 28 percent for the U.N. peacekeeping budget. Fiscal year 2016 budget request from the administration—the administration requested funding to meet the U.N.'s 28.36 percent assessment despite the

fact that we have this 25-percent cap authorized by Congress back in the 1990s.

Do you know why the administration has not been able to abide by the cap on U.N. peacekeeping?

Ambassador COLEMAN. Thank you, Senator, for that question.

The scales of assessment, the rate that every country pays to the U.N. is negotiated every 3 years, and this is one of those years for scales of assessment to be reevaluated. Part of my job as Ambassador for U.N. Management and Reform is to lead those negotiations in the Fifth Committee, and what I can assure you is that I will be working extremely hard to make sure that countries pay their fair share.

The difference between the cap that you referred to and the rate that we are assessed has been covered in many years, and I think it is extremely important that we are able to pay our assessed dues to the U.N. in full. As the Ambassador for Management and Reform, what I can tell you is that countries who share our values for budget discipline and reform at the U.N. look to the United States to lead, and we have been very active in leading the reform agenda, particularly on the peacekeeping side of the house where we have implemented a number of measures to ensure performance and budget discipline on the large peacekeeping budget. And so I do think it is extremely important that we are able to keep our seat at the table and pay our assessed rate in full.

Thank you, Senator.

Senator BARRASSO. Thank you.

Secretary Crocker, if I could. I want to talk about whistleblower protections. April of this year, nine whistleblowers from U.N. organizations sent a letter to the U.N. Secretary General asserting that U.N. whistleblower policies failed to protect them from retaliation. And I have a copy of the letter that I am going to ask to be submitted for the record. Without objection, submitted.

[EDITOR'S NOTE.—The letter mentioned above can be found in the "Additional Material Submitted for the Record" section at the end of this hearing.]

Senator BARRASSO. They wrote, put simply, the U.N. system of justice fails whistleblowers and most of us have been forced to leave the U.N. to save our livelihoods, our health, and our reputations. They also wrote, without proper whistleblower protections, wrongdoing at the United Nations, be it sexual exploitation, abuse of power, fraud, or corruption, will not be reported and will continue to go unchecked.

Could you share with us what steps the United States is taking to address the failings of the United Nations and other multilateral institutions from protecting whistleblowers from the kind of retaliation that has been addressed in this letter?

Ms. CROCKER. Thank you, Chairman Barrasso, for that question. And I am glad you raised it because this is one of the priority issues in terms of management/reform questions that the United States pushes both at the United Nations in New York and more broadly across the U.N. system. It is a high priority issue for us. We feel very strongly, as does this Congress, appropriately, that whistleblowers should receive the right kinds of protections across

the U.N. system from retaliation, and we consistently raise this issue in all of our conversations with U.N. leadership.

That having been said, some U.N. agencies and the U.N. itself have struggled to provide the appropriate kinds of whistleblower protections, and so we are in constant communication with them about where we think those standards should be and what we think they need to do to change their policies and practices. And we have appreciated the close coordination that we have had with this committee and your staffs on this question.

We have seen some improvements. The U.N. Ethics Office at this moment is reviewing its own whistleblower policies in anticipation of issuing revised policies on whistleblower protection for the U.N. But we have seen some real improvements at some of the other U.N. agencies that we participate in. For example, this year, as I mentioned in my testimony, at the Organization of American States and the World Health Organization, we have seen some real efforts to correct shortcomings that we had seen at those two agencies previously on whistleblower protections.

But we are required by law every year to look very closely at this question across the full range of U.N. agencies, and we take that responsibility very seriously. We engage our various multilateral missions around the world who engage directly with the U.N. entities to ensure that their policies and practices are up to speed, but also importantly to ensure that it is not only what is on paper, but that they are being effectively enforced.

Senator BARRASSO. Thank you so very much. My time has expired.

Senator Udall.

Senator UDALL. Thank you, Chairman Barrasso.

Assistant Secretary Crocker, in addition to their ongoing work in Syria, South Sudan, and the Central African Republic, the U.N. is also working to reach hundreds of thousands of civilians who have been displaced this year by violence in Iraq. Given the current strains on the U.N. humanitarian system caused by these crises, can you describe how the United States is working to support them in their work and what more can we do to ensure a robust global response in these emergency situations?

Ms. CROCKER. Well, thank you very much, Senator, for that question.

Of course, the U.N.'s efforts across the humanitarian system and in addressing the global humanitarian emergencies that we face include those that you just listed, and the list goes on and on, including now the U.N. leading the response efforts in Nepal in response to the devastating earthquake.

So I think it is very important, as you highlight, to note how many serious humanitarian crises we as a global community are facing around the world right now and how much we are relying on the U.N. system to help us address those crises. And that system is somewhat under strain, and we have seen that over the past year, for example, when WFP for a short period of time had to reduce some of what it was able to provide to the refugees in and around Syria because it simply did not have the money.

So one thing that we have been focused on, in addition to the extremely generous U.S. taxpayer support for that humanitarian sys-

tem, has been ensuring that we expand the base of countries that contribute to the humanitarian system so it is not always the same list of countries that we are going to, but we are actually in serious conversations around the world with other countries that we think it is high time for them to be also contributing in the same way that we do in a sustained manner to help ensure that this humanitarian system is able to respond across the board.

We also focus on ensuring the effectiveness and efficiency of that system. So we work very closely with the Office for the Coordination of Humanitarian Affairs in New York, and we work to ensure that the agencies are well placed and resourced to respond wherever these emergencies crop up. So they were already under strain before the emergency in Nepal, but still we have WFP, UNICEF, and WHO out in full force in Nepal to try to help address the emergency there. It is very important to the United States and all of our likeminded countries around the world that we continue to find ways to ensure both that these humanitarian agencies have the resources they need but also that they are operating as effectively as they need to to really get at these problems.

Senator UDALL. Thank you very much for that answer.

Assistant Secretary Garber, the Department of State's QDDR [Quadrennial Diplomacy and Development Review] rightly elevates climate change as a strategic priority for the State Department. And for years now, the Department of Defense has regarded climate change as a threat multiplier, a factor that will exacerbate conflict, resource scarcity, mass migration, and humanitarian crises, all of which can impact U.S. national security.

How is the OES [Bureau of Oceans and International Environmental and Scientific Affairs] working to elevate the growing nexus between climate change and security, and how does this inform the State Department's broader diplomatic efforts? What do you see as the near-term security threats arising from climate change?

Ms. GARBER. Thank you very much for that question, Senator.

I think as you point out, there is growing international recognition of the important relationship between climate change fragility and conflict. Climate change stresses our economic, political, social systems. And where institutions and governments are weak and unable to manage the stress, the risk of stability clearly increases.

The OES is working both within the Department as well as with our international partners to better understand this dynamic and how to integrate climate security considerations into our work. For example, the recent G7 Foreign Minister's statement on April 15 highlighted the need for countries to get their own houses in order on the issue and to work together with interested partners to factor climate fragility considerations into our foreign policymaking.

Senator UDALL. Thank you.

Assistant Secretary Tong, how is your Bureau working to advance the President's efforts to normalize relations with Cuba? Specifically, how can your Bureau help American businesses start the process to engage in Cuba and with the Cuban people? Would you agree that increased access to telecoms and the Internet will be an important part of this effort to engage Cuba?

Mr. TONG. Senator, thank you for that question.

Of course, the historic opening in our new conversation with Cuba is aimed at resulting in a Cuba which is democratic, prosperous, and stable. Let me highlight three activities that my Bureau is actively engaged in.

The first is in making sure that our businesses understand the full range of U.S. law as it still currently applies, the sanctions which are still in place, the embargo which is still in place, and what they can and cannot do legally. And that is actually rather complex. And a portion of my Bureau is involved in sanctions policy and helps in explaining that to U.S. business.

On the more proactive side of the ledger, there are two areas I would like to highlight. You mentioned one of them, which is telecommunications. Ambassador Danny Sepulveda recently led a team to Cuba, which is a first step in what will be a rather complex negotiation with Cuban authorities, to make it possible for U.S. telecommunications firms to be active and forward-leaning in bringing information to the Cuban people over the Internet. There is a lot of complexity to this, and there are again issues of licensing and legalities involved. But Ambassador Sepulveda is off to a good start in pushing that agenda forward.

The third is in the area of aviation. There are currently 12 licensed activities through which Americans can legally travel to Cuba. But despite those restrictions, there is a lot of interest in going there. There is also a lot of interest on the part of Cubans to visit family members. In order to meet that increased demand for transportation, our aviation people in my Bureau are in active dialogue, and they have had one round of negotiation with Cuban counterparts, the objective of which is to set up regularly scheduled flights under the current authorities.

Senator UDALL. Thank you. My time is running out.

But the other point that I would like, as I finish here, is that all of us as Senators I think have agricultural sectors in our States, and it is terrifically important that we try to open up those markets and bring down the barriers and obstacles that have prevented our farmers from selling their goods to the 11 million people that are there. They are there. They eat. We need to open up those markets.

Thank you, Chairman Barrasso.

Senator BARRASSO. Thank you very much, Senator Udall.

Senator Gardner.

Senator GARDNER. Thank you, Mr. Chairman.

And thanks to the witnesses for being here today.

Secretary Crocker, the 2016 budget—the administration requested \$1.54 billion for the entire contributions to international organizations account, which a little over \$1.1 billion would fund U.S. contributions to the United Nations and its affiliated agencies. Of the amount designated for U.N. entities, about \$630 million would go to the U.S. assessed contribution to the U.N. regular budget.

The U.N. General Assembly's current 2014–2015 session has adopted a total of 20 resolutions, singling out Israel for criticism, and only 3 resolutions on the rest of the world combined.

Given that record, do you think Americans are getting their money's worth at the United Nations?

Ms. CROCKER. Well, thank you, Senator, for raising that question, which I think is always an important one to talk about when we are looking at the overall credibility, effectiveness, efficiency, and legitimacy of the U.N. system.

Fighting against efforts to delegitimize Israel and the undue structural bias that is placed on Israel across the U.N. system is one of my top priorities as IO Assistant Secretary and more broadly is one of the administration's top priorities.

We do this for many different reasons, and I think it is important to recognize that in over 75 multilateral fora over the past 2 years, we have intervened in one way or another on hundreds of occasions on Israel's behalf to fight against this bias that you spoke of. We do this for a number of reasons, one, because Israel is our close friend and ally, but also, as I mentioned, because undue focus on any one particular country in the U.N. system threatens to undermine the credibility of the entire system which, as you suggest, is an important thing for us to focus on given the amount of money that the U.S. taxpayer contributes to that system every year.

We also do it to protect U.S. interests. Often what that means is fighting against or trying to stop resolutions that would impact or undermine our ability ultimately to get to a two-state solution, which remains the ultimate U.S. objective on this issue.

And we also, very importantly, support Israel's own efforts to enhance its normalization across the U.N. system, and this can take many different forms. It can mean supporting the efforts of Israel to get Israeli employees in U.N. jobs. It can mean supporting the efforts of Israel to have leadership positions on executive boards, for example, or to serve as the vice president of the U.N. General Assembly, which it did some years ago, and it can also mean that we fight, as we did recently last year in Geneva, to make sure that Israel has membership in regional blocs such as the one in Geneva. That means that it can help as we coordinate on positions that we take, for example, at the Human Rights Council.

This work is not done and it is never done, as your statistics rightfully point out, but we slowly are making progress in some of these venues. And the important thing to realize is that Israel tells us consistently how much they support our efforts on their behalf across the multilateral system both to protect and defend their interests and also to support their own efforts to normalize their relationships in the multilateral system. And we work hand in hand and very closely with the Israelis on all of these efforts.

Senator GARDNER. I just want to make something clear. In your answer, you used the word "bias." Is it then your position that there is a bias against Israel at the United Nations?

Ms. CROCKER. In certain parts of the United Nations system, we have seen some evidence of that bias in the sense that there are an undue number of resolutions, for example, or at the Human Rights Council, that there is a standing agenda item on Israel, and it is the only country that has a standing agenda item.

Senator GARDNER. Are there other areas where there is a bias against Israel at the United Nations?

Ms. CROCKER. In the U.N. General Assembly, which is the one that you mentioned, again we see some undue focus on Israel given

the number of resolutions that are anti-Israel resolutions as opposed to the number of resolutions on other countries.

But we are working consistently to fight against that. We have allies in that effort. And I think it is important to note that in the Human Rights Council, since the United States joined that council in 2009, we have seen a real reduction in the amount of time that the council focuses on Israel. And this is just an example of the importance of U.S. leadership across the board in the U.N. system because we are able to take that fight where we need to take it, and we are seeing some progress as a result of our actions.

And again, the Israelis tell us consistently how much they appreciate those efforts both on the question of whether there is bias or exaggerated focus on Israel in the form of resolutions, for example, or in the case when they are themselves trying to run resolutions in the U.N. General Assembly and the United States supports them and cosponsors those resolutions.

Senator GARDNER. Mr. Chairman, thank you for the time.

Senator BARRASSO. Thank you very much.

Secretary Garber, I want to talk a little bit about international climate change negotiations. August 26 of last year, the New York Times had a story entitled "Obama Pursuing Climate Accord in Lieu of Treaty." The article says the Obama administration is working to forge a sweeping international climate change agreement to compel nations to cut their planet-warming fossil fuel emissions but without ratification from Congress.

It also talks about the administration working on a, quote, "politically binding deal to cut emissions rather than a legally binding treaty that would require approval by two-thirds of the Senate."

So will any agreement be legally binding on the United States?

Ms. GARBER. Thank you for that question, Mr. Chairman.

It is at an early stage in the international negotiation process right now, and everything is on the table.

I understand that staff from the Office of the Special Envoy on Climate Change, as well as some staff from my own Bureau from the Office of Global Change, have been coming up and consulting pretty regularly in recent weeks with congressional staff on the progress of the negotiations. I can tell you that it is our intention to continue to do so as the negotiations proceed and we get closer to the final agreement in Paris.

Senator BARRASSO. So I guess the question is, does the administration plan to pursue a course to try to make it legally binding in the United States by bypassing Congress at the same time?

Ms. GARBER. Our objective for Paris is to have a significant agreement, a meaningful agreement with robust and transparent emissions reduction targets that include all countries, including the major emerging economies. At this point, the question of what that agreement would look like at the end is still an open question because we are in initial stages of the negotiations and everything is still on the table.

Senator BARRASSO. So no decision has been made about whether the administration plans to submit the agreement from Paris to the Senate for advice and consent.

Ms. GARBER. It is at a very early stage of the negotiations.

Senator BARRASSO. In March of last year, Jeff Kueter, who is President of the George C. Marshall Institute, released a recent study called "Climate of Insecurity." And I ask that that study be entered into the record. Without objection.

[EDITOR'S NOTE.—The study mentioned above can be found in the "Additional Material Submitted for the Record" section at the end of this hearing.]

Senator BARRASSO. The report says efforts to link climate change to the deterioration of U.S. national security rely on improbable scenarios, imprecise and speculative methods, and scant empirical support. It goes on to say accepting the connection can lead to the dangerous expansion of U.S. security concerns, inappropriately applied resources, and diversion of attention from more effective responses to known environmental problems.

He also provides information to show that factors other than the environment are much more significant in explaining the onset of conflict. A recent survey cited in the report found that the primary causes of intrastate conflict and civil war are political not environmental.

So if the cause of war is political not environmental, as is stated in this report, then is it not possible that the United States could be spending millions of dollars on foreign climate change assistance that will not actually prevent instability?

Ms. GARBER. In response to the question from the ranking member earlier, Mr. Chairman, I noted in my response that climate insecurity is something that acts as a stressor where other factors can be going on as well.

In terms of climate assistance, we tend to focus it on three areas. Clean energy and sustainable landscapes are two out of those three.

Senator BARRASSO. So stressors could also be expensive energy, and sometimes the focus I see of the administration on clean energy as opposed to affordable energy—and if you talk to Bill Gates and say what is important—and so much of the work that he has done in other countries has been aimed at affordable energy—he said that a country grows when energy for transportation fuel and for electricity are affordable. It would just seem to me that sacrificing affordability for the focus of the administration, the fixation if you will, on clean energy could be an unnecessary stressor. And perhaps the administration is focused on the wrong stressors in terms of global instability.

Ms. GARBER. In my Bureau, we have the pleasure of working on over 50 bilateral science and technology dialogues with other countries. And one of the themes that comes up, time and time again, from varying countries is their interest in sort of the leading U.S. technological edge and our knowledge base on clean energy systems. This is something we see coming back many, many times.

So from our perspective in OES, this is one of the key areas that we are working on as well is to try and get the best science together, create economic opportunities because the United States is a leader in clean energy technologies and being able to create those economic opportunities as well as bring down the affordability of these types of technologies.



Senator BARRASSO. Obviously, this is a tight budget environment. We have this huge debt. There are many competing priorities across the globe. The President's budget request includes \$1.29 billion for the Global Climate Change Initiative. This is a 55-percent increase in funding from fiscal year 2014.

So for fiscal year 2016, the Bureau has requested an increase of another \$330 million in economic support funds to go toward a brand new green climate fund.

Given the increasing need for humanitarian assistance, democracy promotion, embassy security measures, countering global terrorist threats, I am wondering why the administration is requesting such a large increase for global climate change where I think most people would think this could be better spent on the issues of humanitarian assistance, democracy protection, embassy security, and countering global terrorist threats.

Ms. GARBER. The focus of our \$3 billion request for the green climate fund is to help reduce climate pollution and strengthen resilience with a particular focus on developing countries and the most vulnerable.

In 2008, the Bush administration provided \$2 billion to the climate investment funds, and we see the green climate fund as an opportunity to take this type of climate support and bring it forward to be even more robust and resilient.

It has four different areas which is significantly different from the existing climate investment funds.

One, from the get-go, it is going to have a dedicated private sector facility because we really believe the private sector has to be part of that solution working with it going forward.

Second, it has a focus, as I had stated before, on the most vulnerable.

Third, it is going to have a much broader donor base, which is something that we think is really important because we agree that everybody has to be part of the solution. There cannot be countries that are going to be sitting on the outside.

And the fourth and also incredibly important is that it has much better safeguards, and we are going to make sure that it is transparent and that there is accountability in how those monies are going to be used.

Senator BARRASSO. Senator Udall, do you have additional questions?

Senator UDALL. Yes, thank you, Chairman Barrasso.

I asked one question on climate change and I want to come back to that. It seems to me that this problem is only going to be solved if all of the countries in the world are working together. That is the first point. And so the fact that we are going to Paris and trying to work with countries around the world I think is very important because if we just sit here isolated, we are not going to be able to do that. And so I urge you to try to work with all the other countries around the world and work, as President Obama has, with China where both countries, the two biggest emitters, set specific targets of where they are going.

And my understanding is that as a result of that discussion and the targets that are out there and how we are trying to move, we are seeing a dramatic change in attitude in terms of countries

around the world going into Paris. Has that happened? Do you sense that, Assistant Secretary Garber, from the work that you are seeing being done on the ground?

Ms. GARBER. I think absolutely. The agreement between President Obama and President Ji and the announcement from last November was truly a game-changer. And we are seeing a higher level of ambition coming. We have seen announcements from over 60 percent of countries that represent over 60 percent of global emissions as we move toward Paris since that announcement. So again, this is a sign of how we are trying to work with many other countries to get more ambitious targets so we can reach a meaningful agreement that would be applicable to all, including the major emerging economies.

Senator UDALL. And when it comes to doing the things like—you mentioned the two of three areas you are focusing on, clean energy, sustainable landscapes. Is it not in our national interest to decrease foreign pollution, especially pollution that is impacting Americans negatively right now? It seems to me we are not just working on the international basis. We are trying to do things that will change the situation here at home. As we know, many of the measurements on our coasts where—Los Angeles—they can look at where the pollution comes from—my understanding about a third of that pollution is coming from across the seas. And so we are all interconnected in this. We just need to make sure that we are all working together to try to be a part of the solution.

And the question I guess is on that impact here in America.

Ms. GARBER. Absolutely. Climate change is a global challenge that requires a global solution, and we believe that by forging a meaningful agreement we are actually helping to improve the quality of life and the environment here at home.

The World Health Organization recently came out with statistics that one out of eight deaths worldwide is due to air pollution and related factors. So again, this is something that we believe will help to improve the situation for American citizens as well.

Senator UDALL. Ambassador Crocker, I want to come back to the question about Israel because I think it drives home a point in terms of our engagement with the U.N. You mentioned that before the Human Rights Council, there was another commission. We were not involved at all. But as you know, recently we have been very involved in this Human Rights Council. And as you have testified, there has been less focus in terms of being anti-Israel, and to me that highlights the point that if we get engaged, then other countries are willing to see us working through the process at the U.N. and allowing us then to move forward.

Would you agree with that? And are there other examples of where direct engagement, whether it is reform area or other areas? Ambassador Coleman, you may want to comment on this also.

Ms. CROCKER. Well, thank you for coming back to that question because I think it is a very important point to underscore that we see time and again and we hear time and again from other countries how much they want U.S. leadership and strong engagement at the full range of international organizations in which we participate.

The Human Rights Council is an example of where U.S. leadership not only has meant over the course of years since we have been a member of that council a decrease in focus on Israel, but also importantly, an increase in the council's focus on those things that it should be focused on, namely shining a spotlight on the world's worst human rights abusers.

And since the United States has taken a leadership role and engaged strongly in the work of the council, we have worked across regional groupings and with other countries to turn the council's attention to some of those worst abusers from Iran and the DPRK to Sudan to Syria to Belarus, Eritrea, Sri Lanka. And we have also worked with the council to help other countries build their own capacities for human rights protections, and we are seeing that in Somalia and in Haiti and in Lebanon, for example.

We have used the council effectively to elevate international attention on people around the world who were otherwise underrepresented, including persons with disabilities and LGBT persons. We have used it to advance U.S. interests on human rights, including the protections of the rights of expression and assembly and association. And we have been able to do all of this despite the fact that there are some bad human rights abusers on the council itself, which is something we also work against. But the important point is that U.S. leadership on the council enables us, nonetheless, to drive the council's agenda and to turn its focus to those things that it should be focused on.

I would cite what we are doing right now on the efforts on peacekeeping reform as another area where we hear time and again and we see for ourselves that the United States being at the table as a full member of the United Nations, paying our dues in full and on time, and having the kind of standing that we do enables us to speak with a strong voice whether it is looking at mandate renewal questions, looking at new missions that we are agreeing on in the Security Council or encouraging other countries to either come back into peacekeeping when they have been out for some years or to enter U.N. peacekeeping for the first time.

Senator UDALL. Ambassador Coleman, just 30 seconds or so.

Ambassador COLEMAN. Sure. I mean, I would just underscore what Assistant Secretary Crocker has already said. I think that many of the countries who share our values and are interested in promoting the reform agenda that we feel is so important at the U.N.—they really look to us for leadership. I have had personal experience of that in many of the negotiations in the Fifth Committee. It is really a number of countries who rely on the United States as the largest financial contributor at the U.N. to use its weight and to use its influence to promote that very important reform agenda across a whole range of different issues, whether it is Israeli inclusion or whether it is peacekeeping reform, as Assistant Secretary Crocker just mentioned, or budget discipline. On all of these issues, countries look to the United States for leadership.

Senator UDALL. Thank you.

Thank you, Chairman Barrasso.

Senator BARRASSO. Thank you, Senator Udall.

Senator Markey.

Senator MARKEY. Thank you very much.

Secretary Garber, you have a significant responsibility for carrying out a range of tasks. The White House, February 2015, issued the implementation plan for the national strategy for combating wildlife trafficking. Could you discuss your efforts, how they address the international conservation goals and anticipated challenges that oceans, environment, and science may face in responding to the national call to combat wildlife trafficking?

Ms. GARBER. Thank you very much for that question, Senator.

Wildlife trafficking is a growing crisis. Not only are there species that are facing extinction, but we have seen a trend for this wildlife trafficking to become more of a security issue with the transnational criminal gangs, as well as some terrorist groups taking advantage of what is truly a low-risk, high-reward enterprise.

The national strategy has really elevated the approach of the U.S. Government on this issue, and we are actually meeting quite regularly. We have come out, as you have pointed out, in February with a robust implementation plan. We are focusing it on three areas: strengthening law enforcement at home and abroad, reducing demand, as well as increasing and strengthening international commitment and cooperation. We are focused very much on some of the high-demand countries such as China in our international diplomacy, as well as trying to get this as an issue on the agenda in fora such as APEC and ASEAN. At an interagency level, we meet on a regular basis, and in fact, we are having a meeting of our task force tomorrow where we will be addressing many of these different approaches and what we can do to help solve this global crisis.

Senator MARKEY. Talk a little bit about deforestation. Talk about the Amazon. Talk about what we can do to help to create sustainable landscape programs. How would that affect deforestation work?

Ms. GARBER. Deforestation is a focus of a lot of the effort of my bureau in some of our assistance programs. The drivers of Amazon deforestation are genuinely complicated, but agriculture is one of the main factors behind that. Secondly, infrastructure development is another key element and issue there.

We are focusing our programs on better governance in those areas, trying to get at the heart of those issues. In addition, we are trying to create, such as our activities with Peru, better tracking systems and helping build capabilities in those that are forcing these particular issues.

Senator MARKEY. Thank you.

Secretary Garber, I know that our climate negotiations are in great hands. I know Todd Stern is doing a great job. You are doing a great job. Secretary Kerry is doing a great job. I love the progress that we have made with China and with other countries beginning to step up to the plate to play their role in making sure that every country is making a commitment. And I am very optimistic about what can happen, what we can unleash as a future.

I just actually left a meeting with 10 MIT scientists who are very bullish on solar and the role that it can play in the years ahead in dealing with this issue. We just have to put the right incentives on the books, and then we can just watch this whole area explode.

So I think it is in good hands. So I feel good about climate and the negotiations.

So I am going to move on to something else that I am concerned about which is seafood fraud and illegal fishing, which is bad for everyone from fishermen to seafood lovers, and it threatens the health of the ocean and the bottom lines of fishermen in Massachusetts and all of America's coasts. And I was glad to work with my colleagues on this committee last year to move the Port State Agreement that will help combat illegal fishing and the economic and environmental harm it causes. And I look forward to working with the Commerce Committee to move additional legislation to combat illegal fishing in this Congress.

But I am happy that through Secretary Kerry's leadership on ocean issues, the State Department is already making strides to level the playing field for our domestic fishing industry, which operates under some of the toughest conservation requirements in the world.

I know the final recommendations, Ms. Garber, of the Presidential task force on combating illegal, unreported, and unregulated fishing and seafood fraud were just released in March. But could you tell us where you have seen positive results already or are anticipating seeing those results in the future?

Ms. GARBER. Thank you for that question, Senator.

Our sense is that the Secretary's Our Ocean Conference and following ocean action plan has really changed the global dialogue on oceans issues. We are very excited by the enthusiasm that we are finding all over the world and newfound enthusiasm to tackle these issues. We are pressing for ratification of the Port State Measures Agreement in many different countries.

As you noted, we just came out recently with the recommendations of the Presidential task force that was set up during the Our Ocean Conference. I hope as a Senator from Massachusetts you had the opportunity to see the op-ed that myself and Deputy Assistant Secretary Russell Smith put in there on the date that the task force recommendations were released emphasizing how important we think it is to put in place and explaining to the general public why it is so important to have seafood traceability so consumers know what they are eating in the United States, we know what is on our plate, and that we do not have illegal seafood entering the commercial chain and also emphasizing the international office that we are going to be making overseas because we believe that it is very difficult for us to show international leadership on this issue if we are not addressing some of our weaknesses here at home as well.

So we are very enthusiastic about where this is going. I was in Colombia last week at an environmental working group meeting as part of our high-level policy dialogue with Colombia, and all my counterpart wanted to talk about was the Our Ocean action agenda.

Senator MARKEY. That is great because if you are a fisherman in Gloucester or New Bedford, you got big problems if we do not begin to crack down on illegal fishing. It is just absolutely going to be devastating to us. And so I am glad that you are leading that effort. I think it is absolutely critically important.

And we have to do something again in your portfolio on climate change. There were readings in the ocean off of Massachusetts in January, 21 degrees warmer than normal in January off of the ocean in Massachusetts. So the cod need cold water. The lobster need cold water. So it is having a fundamental impact on huge industries. And, in fact, that cold air coming down from the Arctic kept hitting this very warm ocean, and to a large extent, that is what gave us 111 inches of snow, that incredible impact that cold weather has when it hits warm water. And I know that you are working on that. And I appreciate your being here.

My colleagues from Wyoming and New Mexico are not as close to the ocean as I am sure they would like to be. [Laughter.]

Senator MARKEY. So these issues are central to us. But Mark Twain used to say that an expert is anyone who lives further than 500 miles from the problem. So we got people here to help us to solve those issues.

So thank you, Mr. Chairman, very much for your indulgence.

Senator BARRASSO. Thank you. Thank you very much.

I appreciate all of you being here today. Thank you for your service to our Nation and for working to advance the American interests all across the globe.

At this time, we will take a minute to transition to the second panel. I would ask that second panel of witnesses to move to the table.

I want to welcome our second panel of distinguished witnesses to the committee. I appreciate your efforts to be with us today to provide valuable insights. I appreciate your patience by sitting attentively through the first panel. Joining us on the second panel is Mr. Brett Schaefer, the Jay Kingham Senior Research Fellow in International Regulatory Affairs at the Heritage Foundation. Thank you very much for joining us. And also Mr. Reid Detchon, the Vice President for Energy and Climate Strategy at the United Nations Foundation.

As I noted earlier, your full statements will be included in the record in their entirety, hearing no objection to that. I do ask that you try to summarize your statements in about 5 minutes.

Mr. Schaefer.

**STATEMENT OF BRETT D. SCHAEFER, JAY KINGHAM SENIOR RESEARCH FELLOW IN INTERNATIONAL REGULATORY AFFAIRS, MARGARET THATCHER CENTER FOR FREEDOM, HERITAGE FOUNDATION, WASHINGTON, DC**

Mr. SCHAEFER. Thank you, Chairman Barrasso, Ranking Member Udall, and other members of the subcommittee. I would like to thank you for the opportunity to come and speak to you today about key issues facing the United States at the United Nations.

In my opinion, it is in the interest of the United States to have an effective United Nations. To be useful, the U.N. must carry out its responsibilities competently and efficiently. It must operate in a transparent and accountable fashion, and it must hold itself and its employees and representatives to the highest standards of conduct. Unfortunately, the current organization falls short.

Let me focus on a few key points from my testimony which has a number of examples of suggestions and ways to address these problems.

First, the current methodology for calculating the scale of assessments, the percentage of the budget assigned to individual countries, has over the years increasingly shifted costs of the organization away from the bulk of the membership onto a relative handful of high-income nations, particularly the United States. The differences are stark. The United States will be assessed approximately \$3 billion this year based on the projected budgets for the regular and peacekeeping budgets, while the 20 least assessed countries will be assessed less than \$37,000 this year for both of those budgets. This is not just a few states that are underassessed in this manner. For the regular budget, the United States is assessed more than 176 other U.N. member states combined. For the peacekeeping budget, the United States is assessed more than 185 other U.N. members states combined. This year over half the U.N. membership will be assessed less than \$1 million each for their share of the regular and peacekeeping budgets.

This reality helps explain why many member states are blasé about budget increases. The financial impact on them for individual budgetary decisions is relative minor and in some cases insignificant, which undermines the incentives for them to fulfill their oversight role and seriously consider budgetary restraint. A long-term solution requires a more equitable distribution of the costs of the U.N. activities so that all member states have an incentive to watch the bottom line.

Second, because the U.N. and its employees enjoy broad protections and immunities, the organization has an extremely heavy responsibility to self-scrutinize, self-police, self-correct, and punish wrongdoing. Unfortunately, the internal oversight in the organization has been lacking. A low point was the elimination of the incredibly effective Procurement Task Force by the General Assembly in 2008. Worse, however, is the fact that the Office of Internal Oversight Services has not filled the gap. No major corruption cases have been completed since the PTF was disbanded in 2008. This deliberate neglect is abetted by some member states that dislike having their citizens subject to corruption investigations.

The U.N. also seems to have an embedded hostility toward whistleblowers who can serve as a critical safety valve for reporting mismanagement and misconduct. As stated by nine prominent whistleblowers in a recent letter to the Secretary General, "retaliation against whistleblowers affects the entire U.N. system and goes largely unchecked at all levels." The fear of reporting wrongdoing undermines the effectiveness and integrity of the U.N. It must be shored up.

Third, U.N. peacekeeping is being conducted on an unprecedented pace, scale, and ambition. These increasing demands have revealed ongoing serious flaws, including corruption in procurement and contracting, the potential for unintended tragedies such as the introduction of cholera to Haiti by U.N. peacekeepers, questions about the relevance and impact of long-standing operations, and based on recent reports of peacekeepers failing to respond when civilians were threatened, whether peacekeepers are actually

prepared and willing to protect civilians in hostile environments even when instructed to do so by Security Council resolutions.

But the most horrible problem is the troubling frequency of peacekeepers, both civilian and military, preying on the very people that they are supposed to protect. Recent harrowing reports of sexual exploitation and abuse underscore that this problem has not been resolved and more robust steps must be taken.

Finally, the United States should take more proactive steps to increase the transparency and effectiveness of its own contributions to the U.N. system by reviving the annual reporting requirement on all U.S. contributions to the U.N. system conducted by OMB, conducting periodic analyses on U.S. participation in the U.N. system to identify those most and least vital to U.S. interests, those providing most and least value for money, using that analysis to inform decisions on membership and contributions, and increasing U.S. scrutiny of how U.S. dollars are spent in the U.N. system.

In conclusion, I want to emphasize the critical role played by Congress on U.N. reform issues over the years through the use of financial carrots and sticks that among other reforms have led to the adoption of consensus-based budgeting in the 1980s, the establishment of the OIOS in 1994, and the adoption of maximum assessment of the regular budget, and encouraging conduct and personnel changes under the Helms-Biden agreement. In my opinion, Congress can be a very effective ally in executive branch efforts to pressure the organization to adopt reforms and should be active in this area.

Thank you very much, and I look forward to your questions.

[The prepared statement of Mr. Schaefer follows:]

#### PREPARED STATEMENT OF BRETT D. SCHAEFER

My name is Brett Schaefer. I am the Jay Kingham Research Fellow in International Regulatory Affairs at The Heritage Foundation. The views I express in this testimony are my own, and should not be construed as representing any official position of The Heritage Foundation.

I want to thank Chairman Barrasso, Ranking Member Udall, and the other members of the subcommittee for the opportunity to discuss key concerns facing the United States at the United Nations, including U.N. budgets and the scale of assessments, oversight and accountability, peacekeeping, and transparency and analysis from the U.S. perspective. While I am not able to fully discuss all of these matters in my testimony, I will touch on them and provide footnotes to published papers and articles expanding on specific points.

#### U.N. BUDGETS AND SCALE OF ASSESSMENTS

When discussing the U.N. budget, it is important to clarify what is being discussed. The United Nations is a complex system of organizations, funds, programs, offices, and other bodies. The “core” United Nations is generally considered to be the entities established in the U.N. Charter: the Security Council, the General Assembly, the Economic and Social Council (ECOSOC), the International Court of Justice, the largely defunct Trusteeship Council, and the Secretariat. These bodies conduct various activities and oversee a wide array of committees, commissions, and working groups. Although most of these activities are focused on the New York headquarters, the core U.N. budget also funds staff and activities at the various U.N. offices in other countries and affiliated bodies.

Other bodies within the U.N. system have varying degrees of autonomy. Approximately two dozen U.N. funds, programs, and other entities—such as the United Nations Children’s Fund (UNICEF) and the United Nations Development Program—ostensibly “report” to the U.N. General Assembly, but typically act independently and often have separate governing boards. Another 16 specialized U.N. agencies and related organizations are even more autonomous. Some of them, such as the International Telecommunication Union, predate the United Nations. Others,



such as the International Monetary Fund and the World Bank, were established contemporaneously.

Funding of these bodies and their activities is provided through agreed assessments (a percentage of the organization's budget assigned to individual countries), voluntary contributions, or a combination of both. According to U.N. data, the U.N. system nearly tripled its revenues from 2002 and 2012 from \$14.963 billion to \$41.504 billion.<sup>1</sup> Over that period, the U.S. share of U.N. revenue has averaged about 19 percent of total assessed and voluntary contributions.<sup>2</sup>

My testimony will focus on the "core" United Nations, which has two main budgets approved by the General Assembly:

- The regular budget. The U.N. regular budget funds the activities, staff, and basic infrastructure of the Secretariat and most of the activities of the entities established in the U.N. Charter except for U.N. peacekeeping. The regular budget also provides funds (ranging from full funding to token amounts) to support the activities of various U.N. bodies including the United Nations Human Rights Council, the United Nations Relief and Works Agency for Palestine Refugees in the Near East, and the United Nations Environment Program. It is a 2-year (biennial) budget that is adjusted mid-period to account for new activities approved during the period. For instance, the current 2014–2015 U.N. regular budget was originally approved by the General Assembly at \$5.538 billion, but was increased to \$5.654 billion this past December.<sup>3</sup>
- The peacekeeping budget. The U.N. peacekeeping budget funds most of the peacekeeping missions established by the Security Council. Unlike the regular budget, the peacekeeping budget is an annual budget. It can fluctuate significantly as missions are established, expanded, contracted, or terminated. The originally approved peacekeeping budget from July 2014 to June 2015 was \$7.06 billion.<sup>4</sup> The current estimate, as of March 31, 2015, is \$8.47 billion.<sup>5</sup>

There are 193 member states in the United Nations. Article 17 of the U.N. Charter states that the "expenses of the Organization shall be borne by the members as apportioned by the General Assembly."

The United States has been the U.N.'s largest financial supporter ever since the organization's founding in 1945. The United States is currently assessed 22 percent of the U.N. regular budget and 28.3626 percent of the U.N. peacekeeping budget.

Since the U.N.'s establishment in 1945, these expenses have been apportioned "broadly according to capacity to pay."<sup>6</sup> This means that wealthier nations, based principally on per capita income and adjusted by other factors, are asked to pay larger shares of the budget than poorer nations.

This was done in recognition of fiscal reality. The founders of the U.N. did not wish U.N. membership to cause severe financial hardship. However, as evidenced from their actions in establishing a minimum assessment of 0.04 percent in 1946, they did not believe that membership should be costless or insignificant, either, even though the original member states included very poor countries such as Haiti.

Over the past six decades, the regular budget assessments provided by poor or small U.N. member states have steadily ratcheted downward. Specifically, the minimum assessment for the regular budget fell from 0.04 percent to 0.02 percent in 1974 to 0.01 percent in 1978 to the current minimum assessment of 0.001 percent adopted in 1998. For the peacekeeping budget, the minimum is 0.0001 percent.

Additional discounts have also been adopted to reduce the assessments of most nations, including a debt burden discount for countries under a specified income threshold, a low per capita income discount, and a maximum assessment of 0.01 percent for the nearly 50 least-developed countries.<sup>7</sup> In addition, the vast majority of the U.N. membership receives further discounts ranging from 7.5 percent to 90.0 percent on their peacekeeping assessments (that are based on their adjusted regular budget assessments) which are then added to the assessments of the permanent members of the Security Council.<sup>8</sup>

The primary result of these adjustments is to shift the costs of the organization away from the bulk of the membership onto a relative handful of high-income nations, particularly the United States. As presented in the accompanying table, for the regular budget, the United States is assessed more than 176 other U.N. member states combined and 22,000 times more than the least-assessed countries.

These differences are even starker in dollar terms:

- The 35 countries charged the minimum assessment in 2015 each will pay only \$28,269 based on the current 2014–2015 regular budget.
- The 20 countries paying the minimum peacekeeping assessment of 0.0001 percent in 2015 each will be assessed approximately \$8,470.

- By contrast, the United States is assessed 22.0 percent of the regular budget (approximately \$622 million) and 28.3626 percent of the peacekeeping budget (approximately \$2.402 billion).

In other words, the United States will be assessed approximately \$3 billion this year while the 20 least-assessed countries each will be assessed less than \$37,000. Over 40 countries will be assessed less than \$100,000 this year. As observed by U.N. expert Edward Luck, “Surely it should not cost a nation less to belong to the U.N. than an individual to go to college or to buy a car.”<sup>9</sup>

TABLE 1

**United Nations Scale of Assessments for 2015**

	REGULAR BUDGET		PEACEKEEPING BUDGET	
	Percent	Dollars	Percent	Dollars
<b>Total</b>		\$2,826,911,650		\$8,470,000,000
<b>Permanent Members of the U.N. Security Council</b>				
United States	22	\$621,920,563	28.3626	\$2,402,312,220
France	5.593	\$158,109,169	7.2105	\$610,729,350
United Kingdom	5.179	\$146,405,754	6.6768	\$565,524,960
China	5.148	\$145,529,412	6.6368	\$562,136,960
Russian Federation	2.438	\$68,920,106	3.1431	\$266,220,570
<b>Other Notable Contributors</b>				
Japan	10.833	\$306,239,339	10.833	\$917,555,100
Germany	7.141	\$201,869,761	7.141	\$604,842,700
Italy	4.448	\$125,741,030	4.448	\$376,745,600
Canada	2.984	\$84,355,044	2.984	\$252,744,800
Brazil	2.934	\$82,941,588	0.5868	\$49,701,960
Australia	2.074	\$58,630,148	2.074	\$175,667,800
Saudi Arabia	0.864	\$24,424,517	0.5184	\$43,908,480
India	0.666	\$18,827,232	0.1332	\$11,282,040
Israel	0.396	\$11,194,570	0.396	\$33,541,200
Iran	0.356	\$10,063,805	0.0712	\$6,030,640
<b>Lowest Assessment (35 Countries Regular Budget, 20 Countries Peacekeeping Budget)</b>	0.001	\$28,269	0.0001	\$8,470
<b>Notable Groupings</b>				
Least-assessed 176 countries	21.685	\$613,015,791	10.0132	\$848,118,040
Least-assessed 185 countries	36.674	\$1,036,741,579	25.5482	\$2,163,932,540
Geneva Group	74.158	\$2,096,381,141	82.8674	\$7,018,868,780
G-77 (133 countries)	16.471	\$465,620,618	10.4567	\$885,682,490
NAM (119 countries)	7.921	\$223,919,672	3.1402	\$265,974,940
OIC (56 countries)	5.606	\$158,476,667	2.3756	\$201,213,320

**Note:** Regular budget figure is half of the adjusted 2014–2015 biennial budget.

**Sources:** United Nations, “Peacekeeping Fact Sheet,” March 31, 2015, <http://www.un.org/en/peacekeeping/resources/statistics/factsheet.shtml> (accessed May 4, 2015); United Nations General Assembly, “Implementation of General Assembly resolutions 55/235 and 55/236: Report of the Secretary-General,” A/67/224/Add.1, December 27, 2012, [http://www.un.org/en/ga/search/view\\_doc.asp?symbol=A/67/224/Add.1](http://www.un.org/en/ga/search/view_doc.asp?symbol=A/67/224/Add.1) (accessed May 4, 2015); and United Nations General Assembly, “Programme budget for the biennium 2014–2015,” A/RES/69/263 A–C, December 29, 2014, [http://www.un.org/en/ga/search/view\\_doc.asp?symbol=A/RES/69/263%20A-C](http://www.un.org/en/ga/search/view_doc.asp?symbol=A/RES/69/263%20A-C) (accessed May 4, 2015).

This reality helps explain why so many member states are blasé about increases in the U.N. budget: The financial impact on them is minuscule and undermines incentives for them to fulfill their oversight role and seriously consider budgetary restraint. A long-term means for addressing this problem requires all member states to have financial skin in the game.

Since the first scale of assessments, the United States has objected to excessively relying on a single member state for the budget and argued for establishing a maximum assessment level and, subsequently, lowering that maximum. The historical struggle of the United States to constrain growth in U.N. budgets and focus resources on high priority, effective activities versus outdated, duplicative, or unproductive activities illustrates the wisdom of this stance. The organization would be

healthier and more effective if the costs were more equitably distributed. To address these concerns the United States should:

- Review and seek to adjust the U.N. scale of assessment to more equitably distribute the costs of the regular budget. Unless a stronger relationship between budget decisions and financial contributions is achieved, the United States too often will remain a lonely voice calling for budgetary restraint. The U.N. Committee on Contributions meets this June to recommend a new 2016–2018 scale of assessments for consideration by the General Assembly this fall. The United States should propose options for adjusting the scale to ensure that even the lowest assessed countries have a greater stake in financial decisions. An example would be to return the minimum assessment to 0.01 percent as it was before 1998, which would have the effect of increasing the minimum assessment from roughly \$28,000 per year to about \$280,000 per year. These changes would affect approximately 80 countries, but should be within the means of even the poorest sovereign nations.
- Review and adjust the U.N. scale of assessment to more equitably distribute the costs of the peacekeeping budget. To address the even greater disparity in the peacekeeping assessment, the United States should seek to increase the peacekeeping floor to 0.001 percent. This would have the effect of increasing the minimum assessment from roughly \$8,470 per year to about \$84,700 per year. In addition, considering that the peacekeeping assessment is based on the regular budget where many countries already receive significant discounts, the extent of additional peacekeeping discounts should be trimmed as should the number of eligible countries, which currently apply to wealthy nations like Saudi Arabia. Finally, the United States should also seek a change in the methodology to reflect the prestige of membership on the Security Council by proposing: (1) a new minimum peacekeeping assessment of 0.5 percent for nonpermanent members of the Security Council; (2) a new minimum peacekeeping assessment of 5 percent for permanent members of the Security Council; and (3) barring the permanent members from using the debt adjustment, low income adjustment, or other regular budget scale of assessment discounts for the purposes of calculating their peacekeeping assessment.
- Enforce the 25 percent cap on America's peacekeeping assessment. Fifteen years ago, Ambassador Richard Holbrooke testified to the Senate that he had secured a deal to lower the U.S. peacekeeping assessment to 25 percent as required under U.S. law and as a condition for payment of U.S. arrears under the Helms-Biden agreement.<sup>10</sup> By 2009, the U.S. share had fallen to less than 26 percent. In 2010, however, the U.S. assessment rose sharply, costing taxpayers hundreds of millions of dollars. The U.S. share of the peacekeeping budget has risen to 28.3626 percent under the current scale and is likely to rise even further in the next scale of assessments unless changes are made.<sup>11</sup> The United States should resume pressure on the U.N. to fulfill its commitment to lower the U.S. peacekeeping assessment to 25 percent by withholding the difference between our peacekeeping assessment and the 25 percent cap until the U.N. implements a maximum peacekeeping assessment of 25 percent.
- Seek institutional changes to give more influence on U.N. budgetary decisions to major contributors. Together, the top 17 contributors (those assessed more than 1 percent of the budget) are assessed more than 81.6 percent of the U.N. regular budget in 2015, but under U.N. rules, the 129 member states that contribute just over 1.5 percent can pass the budget over their objections. The United States should demand that U.N. budgetary decisions, in addition to approval by two-thirds of the member states, must also be approved by member states collectively paying two-thirds of the regular budget assessments.

Another part of this problem is how the U.N. budget is allocated. The failure to arrest growth in U.N. employment, salaries, and benefits is especially problematic because personnel costs account for over 70 percent of U.N. spending according to the U.N.'s Advisory Committee on Administrative and Budgetary Questions (ACABQ).<sup>12</sup> Without a significant reduction in the number of permanent U.N. posts or a significant reduction in staff compensation and related costs, real and lasting reductions in the U.N. regular budget will be difficult. Therefore, the United States should:

- Rein in excessive U.N. salaries and benefits. In order to attract and retain qualified staff, the U.N. has long operated under the Noblemaire principle, which states that professional staff compensation should be determined according to the schedule of the civil service of the member state with the highest national civil service compensation levels. Since the U.N. was founded, this "comparator" has been the U.S. federal civil service. In 2014, the U.N. reported

that net remuneration averages 32.2 percent higher than that of their U.S. equivalent in Washington and 17.4 percent higher than their U.S. equivalent in New York.<sup>13</sup> The United States should seek to ratchet this down to no more than the same level of equivalent U.S. civil servants.<sup>14</sup> Considering the large portion of the U.N. budget consumed by salaries, this issue is critical to budgetary restraint as evidenced by calls from U.N. organizations like the Food and Agriculture Organization and the International Maritime Organization to arrest rising staff costs.<sup>15</sup>

Related to this is the failure of the U.N. to regularly evaluate its activities or “mandates” in U.N. terminology. As part of the 2005 reform agenda, the U.N., for the first time, compiled a comprehensive list of the more than 9,000 individual mandates of the General Assembly, Security Council, and Economic and Social Council. Unfortunately, the subsequent review was quickly ended after the first report concluded that a number of mandates should be eliminated. Specifically, the 2008 report from the cochairmen of the mandate review concluded that only 155 (56 percent) of the 279 mandates in the Humanitarian cluster were “current and relevant” and that only 18 (35 percent) of the 52 mandates in the African Development cluster were current and relevant. There is no evidence that these outdated or irrelevant mandates have been terminated or altered to improve their relevance. The deliberate avoidance of this scrutiny wastes resources and undermines the U.N.’s ability to discharge its responsibilities effectively. To address this, the United States should:

- Seek to revive the mandate review. Lack of progress on reviewing U.N. mandates greatly inhibits the U.N.’s ability to allocate funds according to priorities and eliminate unnecessary tasks, personnel, and functions that drain and divert resources.

#### OVERSIGHT AND ACCOUNTABILITY

The U.N. and its employees enjoy broad protections and immunities from national and local legal jurisdiction. In practice, U.N. employees cannot be sued in national courts, arrested, or prosecuted for actions related to their official duties unless those immunities are waived. This places an extremely heavy responsibility on the U.N. to scrutinize, self-police, correct, and punish wrongdoing by the organization and its employees.

Unfortunately, oversight and accountability at the U.N. have historically been weak. The U.N. did not have anything even resembling an inspector general until 1994, when the Office of Internal Oversight Services (OIOS) was created after U.S. demands—backed by the threat of financial withholding—for such an office. Three major scandals, including corruption in the Iraqi Oil-for-Food program, sexual abuse committed by U.N. peacekeepers, and corruption and mismanagement in U.N. procurement, spurred calls for stronger oversight and accountability in the mid-2000s and provoked a series of U.N. reports and resolutions identifying the problems and proposing solutions. Unfortunately, current procedures remain unacceptably weak when they have not been eliminated altogether.

A depressing example is the Procurement Task Force (PTF). When the extent of U.N. fraud and mismanagement in the Iraqi Oil-for-Food program became clear, the United States was able to convince the U.N. to create the PTF to investigate and pursue allegations of fraud and mismanagement. The PTF began work in January 2006 and over the next 3 years uncovered fraud, waste, and mismanagement in U.N. procurement and other activities involving contracts valued at more than \$630 million. The evidence unearthed by the PTF led to misconduct findings against 17 U.N. officials and the conviction of several senior U.N. officials. In the end, the PTF did its job too well. As punishment for pursuing cases against Singaporean and Russian nationals, those countries led a successful effort to eliminate the PTF in December 2008.<sup>16</sup>

This outcome would not be so serious if the OIOS was willing and able to fill the gap of the eliminated PTF. Unfortunately, it does not. According to a 2014 Associated Press report on a senior OIOS official impeding an investigation and retaliating against two OIOS whistleblowers, it was revealed that a “review of the reports submitted by OIOS to the General Assembly through mid-2013 shows that the U.N.’s oversight functions still have not completed any major corruption cases since the [Procurement Task Force] was disbanded.”<sup>17</sup>

This lack of U.N. internal oversight is exacerbated by the hostility toward U.N. whistleblowers. Whistleblowers should serve a particularly valuable function in the U.N. system because of the broad protections and immunities the organizations and their employees possess. In essence, whistleblowers should serve as a safety valve by alerting the organization to wrongdoing. Unfortunately, whistleblowers are them-

selves too often punished for coming forward. The Government Accountability Project (GAP), which advocates for whistleblowers, has compiled numerous instances illustrating “the consistent failure of the United Nations and its funds, programs and agencies to protect whistleblowers from retaliation.”<sup>18</sup>

Only a few weeks ago, nine whistleblowers from various U.N. organizations sent a letter to the U.N. Secretary General asserting that U.N. whistleblower standards lag behind the modern standards and are poorly implemented affording little to no measure of real or meaningful protection for whistleblowers.

As our experience shows, retaliation against whistleblowers affects the entire U.N. system and goes largely unchecked at all levels, including in the Executive suites. Some U.N. whistleblowers have been fired or demoted; others have been subject to more subtle forms of abuse like nonrenewal of contracts or sudden transfer to duty stations on the other side of the globe; many face plain, simple harassment and intimidation.

As a result, fear of reporting wrongdoing is widespread. U.N. whistleblowers are forced to go through lengthy, and often expensive, internal appeal processes in which the burden of proof, as a practical matter, rests on the whistleblower to demonstrate retaliation (the usual standard in national systems requires the employer to justify their actions were not retaliatory).

Put simply, the U.N. system of justice fails whistleblowers, and most of us have been forced to leave the U.N. to save our livelihoods, our health and our reputations.<sup>19</sup>

Statistics compiled by GAP on the performance of the U.N. ethics office, which found that it had denied the whistleblowing allegations of over 96 percent of those who had come forward (more than 447 preliminary inquiries) as of July 2014, support this conclusion.<sup>20</sup> Considering these problems, the United States should seek to:

- Encourage stronger whistleblower protections. Congress has expressed great concern over the failure of the U.N. to implement measures to protect whistleblowers. The Consolidated and Further Continuing Appropriations Act, 2015, requires the United States to withhold 15 percent of U.S. contributions unless the Secretary of State certifies that the organization has implemented specified whistleblower protections including the option for external arbitration.<sup>21</sup> Congress should consider expanding its whistleblower protection language to incorporate recommendations from the letter from U.N. whistleblowers, including applying whistleblower protections to U.N. peacekeepers and police.
- Apply pressure for the implementation of current standards. Although the current protections for whistleblowers in the U.N. system should be improved, the biggest problem is a consistent failure of the U.N. to actually adhere to those standards and apply them. As noted by Beatrice Edwards, executive director of the Government Accountability Project, “[T]he problem is not with the policy. It’s that it’s not implemented, no political will at the top to protect whistleblowers.”<sup>22</sup> History has shown that the U.N. will respond to financial pressure and Congress should take steps to ensure that its efforts are not negated by broad use of the waiver authority granted the Secretary of State.
- Reconstitute the PTF. The unwillingness of the OIOS to investigate corruption necessitates a supplementary effort that could be addressed by a reconstituted PTF or an equivalent independent entity empowered to investigate any entity or mission that receives funding from the U.N. regular budget or the U.N. peacekeeping budget or reports to the General Assembly.

#### PEACEKEEPING

One of the United Nations’ primary responsibilities is to help to maintain international peace and security. At the end of March 2015, U.N. peacekeeping had more than 125,000 personnel (including 106,595 uniformed personnel, 17,092 civilian personnel, and 1,846 volunteers) involved in U.N. peacekeeping and political missions overseen by the U.N. Department of Peacekeeping Operations. These activities are increasingly expensive with the current annual peacekeeping budget estimated at \$8.47 billion.<sup>23</sup>

U.N. peacekeeping is being conducted with unprecedented pace, scope, and ambition. Increasing demands have revealed ongoing, serious flaws.

Fraud and Corruption. Over the years there have been numerous reports, audits, and investigations revealing mismanagement, fraud, and corruption in procurement for U.N. peacekeeping. For instance, in a 2007 OIOS report, an examination of \$1.4 billion of peacekeeping contracts turned up “significant” corruption schemes that tainted \$619 million (over 40 percent) of the contracts.<sup>24</sup> An audit of the U.N. mission in Sudan revealed tens of millions of dollars lost to mismanagement and waste

and exposed substantial indications of fraud and corruption.<sup>25</sup> According to then-head of OIOS Inga-Britt Ahlenius in 2008, “We can say that we found mismanagement and fraud and corruption to an extent we didn’t really expect.”<sup>26</sup>

More recent reports are scarce, most likely due to OIOS disinterest in pursuing investigations as detailed above, but recent news stories on possible corruption in U.N. air charters to favor Russian contractors,<sup>27</sup> allegations of selling U.N. peacekeeping jobs in Haiti and the Democratic Republic of the Congo,<sup>28</sup> and assertions by independent watchdogs like Transparency International that the U.N. has failed to prioritize fighting corruption in peacekeeping operations<sup>29</sup> indicate that the issue remains problematic.

**Unintended Consequences.** Ten months after the 2010 earthquake, Haiti was ravaged by cholera for the first time in over a century. Over 8,000 Haitians have died and more than 600,000 more have been sickened from cholera. Infections first occurred in the vicinity of an outpost of U.N. peacekeepers from Nepal—where cholera is widespread—and quickly spread across Haiti. A U.N. investigation concluded that the cholera cases involved a single strain of the disease, indicating a single source, and that the strain was closely related to strains contemporaneously circulating in South Asia. Subsequent studies and reports, including one by the scientists that originally conducted the U.N. report, confirmed these conclusions and identified the Nepalese peacekeepers as almost certainly the source of the cholera outbreak. Because of the broad immunities and privileges enjoyed by the U.N., efforts to sue the organization have been unsuccessful. The U.N. has repeatedly refused to admit responsibility or take steps to provide compensation to the victims leaving the victims with little recourse.<sup>30</sup>

**Increasing Financial Burden.** As the number and scope of peacekeeping operations has risen, so has the cost borne by the member states. As the largest contributor with an assessment of 28.3626 percent of the peacekeeping budget, the United States has a special interest in constraining these increasing costs. To this end, the United States should more carefully scrutinize long-standing peacekeeping operations. The unfortunate reality is that after billions of dollars in international assistance and decades of U.N. peacekeeping efforts, many long-standing peacekeeping operations have not demonstrably facilitated the resolution of the conflict or situation that the mission was originally deployed to address. For instance, the United Nations Truce Supervision Organization (UNTSO) and the United Nations Military Observer Group in India and Pakistan (UNMOGIP) have been in place since the 1940s. The United Nations Peacekeeping Force in Cyprus (UNFICYP) has been in place since 1964, the United Nations Disengagement Observer Force (UNDOF) has been operational since 1974, the United Nations Interim Force in Lebanon (UNIFIL) since 1978, and the United Nations Mission for the Referendum in Western Sahara (MINURSO) since 1991. Peacekeeping should be a temporary endeavor, not a permanent presence. Priority should be given to more urgent crises with older, stagnating missions phased out to provide resources.

**Protection of Civilians.** U.N. peacekeeping debacles in the 1990s led to a reevaluation of U.N. peacekeeping. However, as troubling situations have arisen in recent years, many of them in Africa, the Security Council has found itself under pressure to respond and “do something” even though it may violate the central lesson learned in the 1990s that “the United Nations does not wage war.”<sup>31</sup> This does not mean, however, that U.N. peacekeepers are necessarily more capable or willing to act with force to prevent violence. A 2014 study of eight of the nine U.N. peacekeeping operations with a mandate to protect civilians found that of 570 reported instances, peacekeepers “did not report responding to 406 (80 per cent) of incidents where civilians were attacked.”<sup>32</sup>

This also assumes that those reports are accurate or complete. Whistleblower Aicha Elbasri, who served as spokesperson for the African Union-United Nations Mission in Darfur (UNAMID) between August 2012 and April 2013, provided leaked documentation to Foreign Policy that showed in a series of articles that the mission was deliberately underreporting and concealing attacks by Sudanese forces on civilians and U.N. peacekeepers.<sup>33</sup>

**Sexual Exploitation and Abuse.** By far the most horrible of the problems facing U.N. peacekeeping is the disturbing frequency of sexual exploitation and abuse committed by troops and civilian personnel participating in those operations. This is not a new problem. There have been numerous reports of U.N. personnel committing serious crimes and sexual misconduct, from rape to the forced prostitution of women and young girls. U.N. personnel have been accused of sexual exploitation and abuse in Bosnia, Burundi, Cambodia, Congo, the Democratic Republic of Congo, Guinea, Haiti, Kosovo, Liberia, Sierra Leone, and Sudan. The United States and other member states successfully pressured the U.N. to adopt stricter requirements for peacekeeping troops and their contributing countries and Secretaries General Kofi Annan

and Ban Ki-moon repeatedly announced their commitment to a “zero-tolerance policy” on sexual exploitation and abuse and have commissioned and conducted numerous reports on the matter.<sup>34</sup>

Conduct and discipline teams charged with strengthening accountability and upholding the highest standards of conduct in peacekeeping missions are now present in nearly all U.N. peacekeeping missions and some political missions and troops are required to undergo briefing and training on behavior and conduct.<sup>35</sup> Statistics on the United Nations Conduct and Discipline Unit Web site chronicle a steep decline in allegations of sexual exploitation and abuse.

Recent leaked reports, however, belie these statistics and indicate that the problem is as bad, if not worse, than it has ever been. A U.N.-commissioned experts report from November 2013, which was never released, was leaked earlier this year.<sup>36</sup> The report directly challenges U.N. claims on sexual exploitation and abuse, stating:

- “The U.N. does not know how serious the problem of SEA [sexual exploitation and abuse] is because the official numbers mask what appears to be significant amounts of underreporting of SEA” due to poor record keeping, fear of retribution, a culture of silence, and a sense of futility due to “the rarity of remedial outcomes including rarity of victim assistance.”
- “Overall, there was noted a culture of enforcement avoidance, with managers feeling powerless to enforce anti-SEA rules, a culture of silence around reporting and discussing cases, and a culture of extreme caution with respect to the rights of the accused, and little accorded to the rights of the victim.”
- “This impunity has been debilitating for the many U.N. personnel who believe in, adhere to, and try to promote the zero tolerance policy, and creates unremediated harm to its victims.”

Just last week, another report carried out by UNICEF and the U.N. Office of the High Commissioner on Human Rights to investigate allegations of sexual abuse and misconduct involving young boys in the Central African Republic between December 2013 and June 2014 was leaked. The confidential investigation reportedly provided strong evidence of repeated rape and sexual abuse of starving boys ages 9 to 15 by French, Chadian, and Equatorial Guinean peacekeepers present in the country before the United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic (MINUSCA) was stood up.<sup>37</sup> It is unknown if the abuse continued under MINUSCA or if any of the perpetrators currently serve in MINUSCA. However, the reluctance of the U.N. to pursue the matter is deeply troubling. As stated by Paula Donovan, codirector of the advocacy group Aids Free World, who received the leaked report: “The regular sex abuse by peacekeeping personnel uncovered here and the United Nations’ appalling disregard for victims are stomach-turning, but the awful truth is that this isn’t uncommon. The U.N.’s instinctive response to sexual violence in its ranks—ignore, deny, cover up, dissemble—must be subjected to a truly independent commission of inquiry with total access, top to bottom, and full subpoena power.”<sup>38</sup>

Considering these problems, the United States should:

- Press the U.N. to clarify the steps and circumstances required for the U.N. to waive immunities for employees in order to facilitate claims and efforts to punish serious misconduct. The U.N. and its affiliated organizations are engaged in a multitude of activities that could result in casualties, property damage, or other negative consequences. Elimination of U.N. immunities would likely lead to a reduction in U.N. field activities, which could lead to even broader suffering. Although the U.N. has a mixed record, the United States has an interest in preserving the ability of the U.N. to respond to crises where it is unwilling or unable to respond directly. But this interest must not supersede the need of victims of sexual abuse, criminality, or neglect to hold those responsible for their suffering to account. U.N. privileges and immunities are important, but they must not create an unreasonable barrier to accountability.
- Take steps to hold troop-contributing countries accountable. The standard memorandum of understanding between the U.N. and troop contributors appropriately grants troop-contributing countries jurisdiction over military members who participate in U.N. peace operations, but little is done if these countries fail to investigate or punish those who are guilty of such crimes. The U.N. should demand that troop-contributing countries investigate, try, and punish their personnel in cases of misconduct and publicly release updates and outcomes of their investigations into allegations. U.N. resources should be enhanced to more rapidly investigate potential crimes and all troop contributing countries must be required to grant full cooperation and access to witnesses, records, and sites where crimes allegedly occurred so that evidence is collected in a timely manner and preserved. Equally important, the U.N. must be stricter

in holding member countries to these standards. States that fail to fulfill their commitments to discipline their troops should be barred from providing troops for peace operations or receive substantially reduced peacekeeper reimbursements. Likewise, if compensation is deemed appropriate for damages resulting from negligence by the troop-contributing government, extracting penalties from peacekeeping payments to the troop-contributing country should be the first option.<sup>39</sup>

- Press the U.N. to automatically establish standing claims commissions in peacekeeping missions. The current situation gives the appearance of avenues of redress for damages caused by U.N. action, but the failure of the U.N. to ever establish a standing claims commission indicates that the system is not operating as it should. A key reason for this is likely that a government in a country where the U.N. has a peacekeeping operation is almost always highly dependent on the U.N. for security, resources, and political support. As a result, the government will be reluctant to anger the U.N. by requesting the establishment of a standing claims commission. To avoid this complication, a standing claims commission should automatically be established when a mission stands up, although it would be prudent to tightly define the claims eligible for consideration to avoid frivolous petitions.
- Evaluate long-running U.N. peacekeeping missions. The United States should reevaluate all U.N. operations that date back to the early 1990s or earlier—some date back to the 1940s—to determine whether each U.N. mission is contributing to resolving the situation or retarding that process. If an operation is not demonstrably facilitating resolution of the situation, the United States should use its authority in the Security Council to wind them down. Alternatively, if some concerned countries wish to continue U.N. peacekeeping operations that have not resolved the conflicts despite being in place for decades, they should be asked to assume all or part of the financial burden of the continued operation as is currently done with the U.N. Peacekeeping Force in Cyprus (UNFICYP) where Greece and Cyprus pay for a large portion of the mission's cost.<sup>40</sup> These long-standing missions are generally relatively small and among the least costly, but such a reevaluation would help to reduce the enormous peacekeeping budget and send a welcome message of accountability and assessment.<sup>41</sup>
- Be more judicious in authorizing U.N. peacekeeping operations. A U.N. peacekeeping operation may not be the best option for addressing every situation, particularly those where there is no peace to keep. The pressure to “do something” must not trump sensible consideration of whether a U.N. presence will improve or destabilize the situation, which includes clearly establishing the objectives of the operations, ensuring that they are achievable, carefully planning the requirements for achieving them, and securing pledges for providing what is needed to achieve them before authorizing the operation.

#### U.S. TRANSPARENCY AND ANALYSIS

Finally, there is also a lack of transparency and analysis on the U.S. side. Because of the complexity of U.S. funding to the U.N., prior to 2006 there was no definitive data on total U.S. contributions to the U.N. system. In 2006, Congress required the White House Office of Management and Budget (OMB) to submit a comprehensive report on total U.S. contributions to the U.N. system for fiscal year (FY) 2001 through FY 2005. Because OMB is in charge of overseeing the preparation of the President's budget, it was able to require all U.S. agencies to report the requested information.

That 2006 report confirmed that actual U.S. contributions to the U.N. were higher by about 25 percent than previously reported by the State Department. Congress mandated similar reports for FY 2006 through FY 2010 but was inconsistent in assigning authorship. In each instance where the State Department compiled the report, U.S. contributions to the U.N. implausibly fell below the amount reported for previous years by the OMB.

The reporting requirement lapsed in 2011. As a result, a comprehensive accounting of U.S. contributions to the U.N. system after FY 2010 is not available and the last reliable accounting by the OMB was for FY 2010, which reported contributions totaling \$7.692 billion.<sup>42</sup> Incomplete data based on State Department reports to Congress indicate that U.S. contributions have not declined, but without the OMB report it is not possible to provide a definitive figure.<sup>43</sup>

In addition, the United States lacks a comprehensive analysis of whether these contributions are advancing U.S. interests or being used to maximum effect. An example of what the United States should do is the Multilateral Aid Review conducted



by the United Kingdom's Department for International Development that assessed the relative value for U.K. aid money disbursed through multilateral organizations. This report identified those U.N. agencies providing poor value for money and led to the decision to zero out-funding for four U.N. agencies.<sup>44</sup> The last time the United States conducted a similar exercise, albeit in a far less rigorous manner, was under the Clinton administration in 1995 and directly led to the U.S. decision to withdraw from the United Nations Industrial Development Organization (UNIDO).<sup>45</sup> The United States should not let two decades lapse before repeating this type of analysis. To address these issues Congress should:

- Enact a permanent annual reporting requirement on all U.S. contributions to the U.N. system to be conducted by the OMB. Most U.S. contributions to the U.N. system come from the State Department, but millions of dollars also flow from other parts of the Federal Government. Thus, relying on State Department data, such as that in State's annual report to Congress on U.S. contributions to international organizations, presents an incomplete picture. Because the OMB is in charge of overseeing the preparation of the President's budget, it is able to require all U.S. agencies to report the requested information. The first of these reports should require information for FY 2011 through the most recently completed fiscal year to fill in the reporting gap.
- Require the State Department to conduct a periodic analysis of U.S. participation in all U.N. organizations and submit it as a report to Congress. Although a number of U.N. organizations provide important contributions to U.S. diplomatic, economic, and security interests, not all do. Congress should require the State Department to conduct a detailed review to identify those most and least vital to U.S. interests and providing the most and least value for money. U.S. membership and contributions should be informed by this analysis.
- Establish a dedicated unit within the State Department Office of Inspector General charged with inspecting and auditing use of U.S. funds by international organizations. This unit would help ensure that U.S. funds are being used appropriately and, hopefully, provide independent oversight to spur better performance within the U.N. system. The size of the unit should be commensurate with the proportion of U.S. contributions to international organizations within the International Affairs budget. To ensure compliance, Congress should make a portion of U.S. contributions to international organizations contingent on cooperation with the unit.

#### CONCLUSION

It is in the interests of the United States to have an effective United Nations. To be useful, the U.N. must carry out its responsibilities competently. The current organization falls short. The United States should not hesitate to encourage and demand reforms intended to improve the organization. The cost of failing to reform the U.N. is high, not just for the U.N., which risks being sidelined if it cannot be relied upon to address key issues, but also for America, which would be forced to expend greater resources and effort to resolve problems, such as the recent Ebola outbreak in West Africa that was poorly addressed by the World Health Organization,<sup>46</sup> that should normally fall under the responsibility of the U.N.

An administration focused on advancing its policy priorities in the United Nations can block many counterproductive initiatives put forth in the U.N. Rallying support for positive change is much more difficult. Such efforts require the assistance of other member states or the use of leverage to impose reforms on an unwilling organization.

Congress has a critical role to play in U.N. reform. Congress has played an active role on U.N. reform since the very beginning of the organization and can be a very effective ally in executive branch efforts to pressure the organization to adopt targeted reforms.<sup>47</sup> Financial carrots and sticks have been effective in the past in spurring reform, including the establishment of the OIOS in 1994 and the adoption of a maximum assessment for the regular budget.<sup>48</sup> Congress and reform-minded member states should not be reluctant to use such tactics to spur reform.

Chairman Barrasso, Ranking Member Udall, and the other members of the subcommittee thank you for the opportunity to testify today and I look forward to your questions.

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#### Notes

<sup>1</sup> This data has not been updated since 2012. Chief Executives Board for Coordination, "United Nations System: Total Revenue by Revenue Type."

<sup>2</sup>For a fuller discussion, see Brett D. Schaefer, "U.S. Should Demand Increased Transparency and Accountability as U.N. Revenues Rise," Heritage Foundation Issue Brief No. 4154, February 26, 2014.

<sup>3</sup>United Nations General Assembly, "Programme Budget for the Biennium 2014–2015," A/RES/69/263 A-C, December 29, 2014.

<sup>4</sup>United Nations General Assembly, "Approved Resources for Peacekeeping Operations for the Period from 1 July 2014 to 30 June 2015," A/C.5/69/17.

<sup>5</sup>United Nations, "Peacekeeping Fact Sheet," as of March 31, 2015.

<sup>6</sup>For a detailed history of this practice, see Brett D. Schaefer, "The Window of Opportunity to Overhaul the U.N. Scale of Assessments Is Closing," Heritage Foundation Backgrounder No. 2701, June 18, 2012.

<sup>7</sup>Report of the Committee on Contributions, Seventy-second session, June 4–29, 2012.

<sup>8</sup>United Nations General Assembly, "Scale of Assessments for the Apportionment of the Expenses of United Nations Peacekeeping Operations," A/RES/55/235, January 30, 2001.

<sup>9</sup>Edward C. Luck, "Mixed Messages: American Politics and International Organization, 1919–1999 (Washington, DC: Brookings Institution Press, 1999), p. 253.

<sup>10</sup>Richard C. Holbrooke, U.S. Permanent Representative to the United Nations, testimony before the Committee on Foreign Relations, U.S. Senate, January 9, 2001.

<sup>11</sup>For a fuller discussion, see Brett D. Schaefer, "U.S. Must Enforce Peacekeeping Cap to Lower America's U.N. Assessment," Heritage Foundation Backgrounder No. 2762, January 25, 2013.

<sup>12</sup>Joseph M. Torsella, "Remarks on the Proposed U.N. Program Budget for 2012–13 before the Fifth Committee," U.N. General Assembly, October 27, 2011.

<sup>13</sup>United Nations, "Report of the International Civil Service Commission for the Year 2014," Annex VI, p. 67.

<sup>14</sup>For a fuller discussion, see Brett D. Schaefer, "U.S. Should Lead Effort to Arrest Excessive U.N. Pay," Heritage Foundation Issue Brief No. 4099, November 26, 2013.

<sup>15</sup>Brett D. Schaefer, "U.S. Should Lead Effort to Arrest Excessive U.N. Pay," Heritage Foundation Issue Brief No. 4099, November 26, 2013.

<sup>16</sup>For a fuller account, see Brett D. Schaefer, "The Demise of the U.N. Procurement Task Force Threatens Oversight at the U.N.," Heritage Foundation WebMemo No. 2272, February 5, 2009.

<sup>17</sup>John Heilprin, "U.N. Whistleblower Case Shows Accountability Limits," Associated Press, January 10, 2014.

<sup>18</sup>Government Accountability Project, "GAP Releases Report on U.N. Whistleblower Cases," August 22, 2014.

<sup>19</sup>GAP, "Letter from United Nations Whistleblowers to U.N. Secretary General and U.N. Executive Heads," April 8, 2015.

<sup>20</sup>According to GAP, "From the time the Ethics Office was established through July 31, 2014 it received 447 'preliminary inquiries.' The Ethics Office launched preliminary reviews in 140 of these cases. It is unclear from the Ethics Office's reports exactly how many preliminary reviews were completed, but it was somewhere between 113 and 135. The Ethics Office found 14 prima facie cases of retaliation. If it completed preliminary reviews in 113 cases, then it has found a prima facie case of retaliation in 12 percent of those cases (14 of 113); if it has completed 135 then the number drops to 10 percent. In these 14 cases, the Office ultimately established retaliation and made recommendations to the Secretary General in 4 cases. An additional case was settled through mediation and another is still pending, reducing the number completed to 12. So the Ethics Office substantiated retaliation in 4 out of 12 cases that proceeded to an investigation, or 33%. If the Ethics Office completed prima facie reviews in 111 cases (subtracting the two that are pending or settled), then it ultimately substantiated retaliation in 3.6% of the cases it reviewed (4 of 111). If the number was 133 then this drops to 3%. So 96% of whistleblowers who filed retaliation complaints with the Ethics Office received no relief. In brief, slightly over 96% of whistleblowers who filed retaliation complaints with the Ethics Office received no relief." E-mail communication from GAP.

<sup>21</sup>Section 7048, "Consolidated and Further Continuing Appropriations Act, 2015," P.L. 113–235, December 16, 2014.

<sup>22</sup>Associated Press, "Whistleblowers to U.N. Chief: World Body Offers Little Protection for Exposing Wrongdoing," April 9, 2015.

<sup>23</sup>United Nations, "Peacekeeping Fact Sheet," as of March 31, 2015.

<sup>24</sup>Office of Internal Oversight Services, "Report of the Office of Internal Oversight Services on the Activities of the Procurement Task Force for the 18-Month Period Ended 30 June 2007," A/62/272, October 5, 2007.

<sup>25</sup>Colum Lynch, "Audit of U.N.'s Sudan Mission Finds Tens of Millions in Waste," The Washington Post, February 10, 2008, p. A16.

<sup>26</sup>Louis Charbonneau, "U.N. Probes Allegations of Corruption, Fraud," Reuters, January 10, 2008.

<sup>27</sup>George Russell, "U.N. Paid Russian Air Charters Hundreds of Millions While Putin Invaded Ukraine," Fox News, April 9, 2015.

<sup>28</sup>Matthew Russell Lee, "On Selling of U.N. Jobs in DRC & Haiti U.N. Says It's Up to Cote d'Ivoire: Cover Up?" Beacon Reader, February 11, 2015.

<sup>29</sup>Transparency International, "Corruption & Peacekeeping: Strengthening Peacekeeping and the United Nations," October 2013.

<sup>30</sup>For a fuller discussion, see Brett D. Schaefer, "Haiti Cholera Lawsuit Against the U.N.: Recommendations for U.S. Policy," Heritage Foundation Backgrounder No. 2859, November 12, 2013.

<sup>31</sup>Commonly known as the Brahimi Report after Lakhdar Brahimi, Chairman of the Panel on United Nations Peace Operations. United Nations, "Comprehensive Review of the Whole

Question of Peacekeeping Operations in All Their Aspects,” A/55/305-S/2000/809, August 21, 2000, p. 10.

<sup>32</sup> Report of the Office of Internal Oversight Services, “Evaluation of the Implementation and Results of Protection of Civilians Mandates in United Nations Peacekeeping Operations,” A/68/787, March 7, 2014.

<sup>33</sup> Colum Lynch, “They Just Stood Watching,” *Foreign Policy*, April 7, 2014.

<sup>34</sup> For instance, the 2002 Task Force on Protection from Sexual Exploitation and Abuse in Humanitarian Crises, the 2003 Special Measures for Protection from Sexual Exploitation and Sexual Abuse Bulletin, the 2005 Comprehensive Strategy to Eliminate Future Sexual Exploitation and Abuse in United Nations Peacekeeping Operations, and the annual report of the Secretary General on special measures for protection from sexual exploitation and sexual abuse.

<sup>35</sup> United Nations Conduct and Discipline Unit.

<sup>36</sup> Dr. Thelma Awori, Dr. Catherine Lutz, and General Paban J. Thapa, “Expert Mission to Evaluate Risks to SEA Prevention Efforts in MINUSTAH, UNMIL, MONUSCO, and UNMISS,” November 3, 2013.

<sup>37</sup> Sandra Laville, “U.N. Aid Worker Suspended for Leaking Report on Child Abuse by French Troops,” *The Guardian*, April 29, 2015; Sandra Laville and Angelique Chrisafis, “U.N. Accused of ‘Reckless Disregard’ for Allegations of Peacekeeper Child Abuse,” *The Guardian*, April 30, 2015; and George Russell, “African Troops Involved with French in U.N. Rape Report Scandal,” *Fox News*, May 1, 2015.

<sup>38</sup> Laville, “U.N. Aid Worker Suspended for Leaking Report on Child Abuse by French Troops.”

<sup>39</sup> This policy is consistent with the position laid out in the 1997 Report of the Secretary General, endorsed in Resolution 52/247, which states, “If such claims [arising as a result of gross negligence or willful misconduct] are established, the Organization would assume liability to compensate a third party, retaining the right to seek recovery from the individual or the troop-contributing State concerned.”

<sup>40</sup> While UNFICYP is the only current example of this practice, there are other precedents. The U.N. Yemen Observation Mission (UNYOM), which was established by the Security Council in 1963 to observe and certify the withdrawal of Saudi Arabian and Egyptian forces from Yemen, was funded entirely by Saudi and Egyptian contributions. Similarly, the Netherlands and Indonesia evenly divided the costs of the U.N. Temporary Executive Authority (UNTEA), which was established in 1962 to administer the territory of West New Guinea until it was transferred to Indonesia in 1963, and the U.N. Security Force in West New Guinea (UNSF), which was established to monitor the cease-fire and maintain law and order during the transition. See United Nations, “Yemen—UNYOM”; United Nations, “West New Guinea—UNSF”; and United Nations, “UNFICYP Background.”

<sup>41</sup> For instance, together, five of the older U.N. missions (MINURSO, UNFICYP, UNDOF, UNMOGIP, and UNTSO) cost approximately \$273 million. If the U.S. could shift these missions to voluntary funding, the U.S. could save tens of millions of dollars per year and perhaps focus the most affected parties on resolving these outstanding disputes.

<sup>42</sup> Office of Management and Budget, “Annual Report on United States Contributions to the United Nations,” June 6, 2011.

<sup>43</sup> For a fuller discussion, see Brett D. Schaefer, “U.S. Should Demand Increased Transparency and Accountability as U.N. Revenues Rise,” *Heritage Foundation Issue Brief No. 4154*, February 26, 2014.

<sup>44</sup> The United Nations Human Settlements Program (UN-HABITAT), the International Labor Organization (ILO), the United Nations Industrial Development Organization (UNIDO), and the U.N. Office for Disaster Risk Reduction (UNISDR).

<sup>45</sup> The assessment concluded that “UNIDO has not been able to define its purpose and function very well, much less become effective in its programmatic activities,” and urged member states to consider phasing the organization out. Brett D. Schaefer, “The U.S. Should Not Rejoin the United Nations Industrial Development Organization,” *Heritage Foundation Issue Brief No. 4291*, October 29, 2014.

<sup>46</sup> Abhik Chanda, “WHO Pledges Reforms as It Admits Ebola Mistakes,” *AFP*, January 25, 2015.

<sup>47</sup> Only 2 years after the U.N. was created, Congress issued a report calling for sweeping reform of the U.N. system. A September 1947 study by the Senate Committee on Expenditures in the Executive Departments found “serious problems of overlap, duplication of effort, weak coordination, proliferating mandates and programs, and overly generous compensation of staff within the infant, but rapidly growing, U.N. system.” Edward C. Luck, “Reforming the United Nations: Lessons from a History in Progress,” *Academic Council on the United Nations System Occasional Paper No. 1*, 2003.

<sup>48</sup> Brett D. Schaefer, “A Progress Report on U.N. Reform,” *Heritage Foundation Backgrounder No. 1937*, May 19, 2006.

Senator BARRASSO. Thank you very much.  
Mr. Detchon.

**STATEMENT OF REID DETCHON, VICE PRESIDENT FOR  
ENERGY AND CLIMATE STRATEGY, UNITED NATIONS FOUNDATION,  
WASHINGTON, DC**

Mr. DETCHON. Mr. Chairman, Senator Udall, thanks for the opportunity to testify today. It is an honor to appear before you to discuss the critical role of the United Nations as a venue for inter-

national engagement, especially with regard to global climate change.

I am vice president for Energy and Climate Strategy at the U.N. Foundation here in Washington, and while my background and expertise are in energy and climate, I will also say a few words about the importance of strong and constructive U.S. engagement with the U.N.

The U.N.'s most important role is to serve as a forum for the world's nations to address global challenges. The challenge of climate change is a textbook case of the U.N.'s value to the international community. If you are confronted with a problem of global scale and significance, anyone would want to assemble the best experts from all over the world to assess it and propose possible responses. In fact, that describes exactly what the U.N. has done on climate change. For such problems, it is often said that if we did not have a U.N., we would have to invent it.

A precedent for action was the Montreal Protocol, the highly successful international agreement to phase out the use of chlorofluorocarbons, or CFCs. As would later happen on climate change, countries came together under the auspices of the U.N., first to understand an emerging threat to the global environment, then to conclude a framework agreement on how to address it, and finally to negotiate a plan of action.

In 1988, 27 years ago, the U.N., with the support of President Reagan and Margaret Thatcher, created the Intergovernmental Panel on Climate Change, the IPCC, to prepare scientific assessments on all aspects of the issue. The IPCC has reported five times since then, most recently last year, with increasingly definitive assessments endorsed by more than 190 member states.

In 1992, the world agreed in Rio to the U.N. Framework Convention on Climate Change. President George H.W. Bush, for whom I served in the Department of Energy, signed the treaty on behalf of the United States, and it was approved by the Senate without dissent later that year.

The countries that ratified the convention, again more than 190 in number, have grappled since then with how to move forward on this thorny topic. In December in Paris, negotiators will meet again for the 21st time, and this year they seem ready to agree.

No country likes to be told what to do, not the United States or China or India. Instead, the agreement being forged in Paris will build on national commitments to action taken in each country's own self-interest.

The U.S. position, for example, will reflect the decision we have made to double the fuel economy of our cars and light trucks, as well as new efforts to reduce carbon dioxide pollution from power plants.

China will present its pledge to get 20 percent of its total energy consumption from zero-emission sources by 2030. That will require China to deploy an astonishing 800 to 1,000 gigawatts of nuclear, wind, and solar energy, almost as much as the entire generating capacity of the United States today. That is the equivalent of building a major power plant every week for the next 15 years.

India will showcase its plans to deploy 100 gigawatts of solar in just 7 years and another 75 gigawatts of wind, biomass, and hydro.

These are remarkable numbers that are changing the global energy landscape.

The agreement expected to be reached in Paris will involve action by nearly every country on earth. It reflects a new global approach to climate action, based on leadership by companies and by governors and mayors in addition to national governments. Investors are responding with more than \$300 billion a year in capital investment in clean energy. These technologies are creating business opportunities and new jobs today.

In support of this direction, the U.N. Secretary General launched an initiative called Sustainable Energy for All, with an innovative new partnership model that brings together the public and private sectors on equal footing to support best policies and practices and mobilize private investment.

Mr. Chairman, the U.N. provides a vital platform for the world to come together and address global challenges, from climate change to peacekeeping to infectious disease. This includes the efforts by the U.N. and partners, including the U.N. Foundation, to vaccinate more than 1 billion children against polio. And today as we speak, U.N. humanitarian agencies are helping to feed, shelter, and provide medical care to earthquake victims in Nepal.

Efforts to reform the U.N.'s budgetary management and accountability processes are critical to ensuring that the U.N. can continue this vital work in the most effective and efficient way possible. The United States has been a strong supporter of these reforms. Some have suggested that we should attempt to force additional reforms by refusing to pay our financial obligations to the U.N.

We believe that the United States is best positioned to advance a constructive reform agenda when we are fully engaged, which means in part paying our dues on time, in full, and without preconditions. Otherwise, we alienate our allies, whose support we need and put U.N. activities that are directly in our national interests such as peacekeeping in financial jeopardy. Maintaining our good financial standing at the U.N., in short, is critical to our ability to advance a constructive reform agenda.

Thank you for your time and attention.

[The prepared statement of Mr. Detchon follows:]

#### PREPARED STATEMENT OF REID DETCHON

Mr. Chairman, Senator Udall, members of the subcommittee, thank you for giving me the opportunity to testify today. It is an honor to appear before you to discuss the critical role of the United Nations as a venue for multilateral engagement, and especially with regard to global climate change.

My name is Reid Detchon, and I am Vice President for Energy and Climate Strategy at the United Nations Foundation here in Washington, DC. While my background and expertise lie in the energy and climate fields, I would like to say a few more general words at the outset about the importance of strong and constructive U.S. engagement with the United Nations. This is an issue that my organization cares about deeply, and while partially beyond my scope, I would be happy to relay any questions you might have to my colleagues at the Foundation.

The U.N. is an imperfect but necessary institution, providing a universal platform to address some of the most vexing challenges facing humanity—issues that no country, no matter how prosperous or powerful, can address alone. The United States has played a central role in the U.N.'s work from the very beginning, and will continue to do so as long as the organization exists. The benefits to our Nation and to the world range from peacekeeping to humanitarian relief, as the U.N. takes on the problems that are too tough for any one country to handle. One need look no further than the current work being undertaken by U.N. humanitarian agencies

to help feed, shelter, and provide medical care to millions of people in earthquake-hit Nepal, or efforts by the U.N. and partners to vaccinate more than 1 billion children against polio over the years, to understand the ongoing need for this type of multilateral institution.

Over the years, Congress has demonstrated a keen interest in continuing efforts to reform the U.N.'s budgetary, management, and accountability processes. Such initiatives are critical to the U.N.'s ability to meet the challenges of the 21st century and ensure that member state resources are used most effectively, and the U.N. has made notable progress in this regard. Significant changes in how the organization does business have occurred in a number of areas in recent years, from the management of peacekeeping operations, to tougher ethics rules, to streamlined budgeting processes, to improvements in how the U.N. delivers humanitarian and development aid on the ground. These and other measures have fundamentally strengthened the U.N. as an institution, although much work remains to be done to build on these achievements.

Some additional, more recent reforms accomplished at the U.N. include, among other things: a new policy of making all of the institution's internal audit reports publicly available online—a victory for transparency that the United States called “a turning point in how the U.N. does business”; the General Assembly's approval of a core budget for 2014–15 that cut spending, reduced staffing by 2 percent, and stabilized compensation for U.N. employees; and implementation of the Global Field Support Strategy—an initiative aimed at improving the efficiency and speed of administrative and logistical support to U.N. field missions—which has led to a \$250 million reduction in operational costs for U.N. peacekeeping.

Despite this progress, however, some have suggested that the United States should withhold its financial contributions to the U.N. in order to force additional reforms. This strategy means well but is fatally flawed. None of the recent reforms I just described would have been possible without strong U.S. engagement. That means, in part, meeting our financial obligations to the institution by paying our dues on time, in full, and without onerous preconditions. Failing to do so can take away our seat at the table; it reduces our influence over the reform process, alienates our allies, whose support is critical to progress on our policy objectives, and puts U.N. activities that are directly in our national interest—such as peacekeeping operations—in financial jeopardy. Maintaining our good financial standing at the U.N., in short, is critical to our ability to advance a constructive reform agenda.

The United Nations' most important role is to serve as a convening body for the world's nations to address global challenges. Turning to the subject I know best, the challenge of assessing and responding to the threat of global climate change is a textbook case of the U.N.'s value to the international community. If confronted with a problem of global scale and significance, anyone would want to assemble the best experts from all over the world to assess it and propose possible responses. In fact, that describes exactly what the U.N. has done with regard to climate change. For such problems, it is often said that if we didn't have a U.N., we would have to invent it.

Two U.N. agencies—the World Meteorological Organization and the United Nations Environment Program—created the Intergovernmental Panel on Climate Change (IPCC) 27 years ago to prepare assessments, based on available scientific information, on all aspects of climate change and its impacts, to help formulate realistic response strategies. The initial task for the IPCC, as outlined in a resolution of the U.N. General Assembly in 1988, was to prepare a comprehensive review and recommendations with respect to the state of knowledge of the science of climate change, the social and economic impacts of climate change, and possible response strategies and elements for inclusion in a possible future international convention on climate.

The scientific evidence assembled by the first IPCC Assessment Report in 1990 underlined the importance of climate change as a challenge that inherently requires international cooperation. Two years later, in June 1992, the world agreed in Rio de Janeiro on the U.N. Framework Convention on Climate Change. President George H.W. Bush, for whom I served in the Department of Energy, signed this treaty on behalf of the United States, and it was ratified by the U.S. Senate without dissent later that year. Its central objective was to achieve “stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system.”

Since then the IPCC has delivered four more comprehensive scientific assessments on climate change. This process is based entirely on published, peer-reviewed studies; it does not involve independent research. The Fifth Assessment Report, the product of more than 830 experts from more than 80 countries, consisted of three Working Group reports and a Synthesis Report for policymakers. It was approved

by the IPCC's member countries (195 in number) and released in four parts between September 2013 and November 2014.

What did this report conclude?

- Warming of the climate system is unequivocal.
- It is at least 95 percent certain that human influence has been the dominant cause of the observed warming since the mid-20th century.
- Continued emission of greenhouse gases will cause further warming and long-lasting changes in all components of the climate system, increasing the likelihood of severe, pervasive, and irreversible impacts for people and ecosystems.

Those are scientific assessments, produced impartially by a U.N. process, to inform public policy.

In December, negotiators from all the countries in the world will meet in Paris for the 21st Conference of the Parties to the U.N. Framework Convention on Climate Change. Ever since 1992, the U.N.'s member states have grappled with what to do about this thorny topic. This year, they seem ready to agree.

No country likes to be told what to do—not the United States or China or India. Instead, the agreement being forged for Paris will build on national commitments to action, taken in each country's own self-interest. The U.S. position will reflect the decision we have made to double the fuel economy of our cars and light trucks, as well as new efforts to reduce carbon dioxide pollution from power plants. China will present its pledge to get 20 percent of its total energy consumption from zero-emission sources by 2030. That will require China to deploy an additional 800 to 1,000 gigawatts of nuclear, wind, and solar energy—almost as much as the entire electricity generation capacity of the United States today. India will showcase its plans to deploy 100 gigawatts of solar in just 7 years—that's the equivalent of 100 giant nuclear or coal power plants—and another 75 gigawatts of wind, biomass, and hydro. These are remarkable numbers that are changing the global energy landscape.

The agreement expected to be reached in Paris, incorporating the actions of nearly every country on Earth, will have "legal force" because it represents the sum of legally binding actions taken at the national level, but it is not binding on the United States in the sense of requiring change in existing statutory authority. Rather, it reflects a new global approach to climate action, based on leadership by companies and by governors and mayors in addition to national governments. New business opportunities are emerging every day as the cost of clean energy technologies becomes increasingly competitive throughout the world, and investors are responding with more than \$300 billion a year in capital investment.

The U.N.'s Secretary General, Ban Ki-moon, recognized this opportunity in 2011 in launching his initiative on Sustainable Energy for All, which sets three ambitious but achievable global goals for 2030:

- Ensuring universal access to modern energy services—to reach the 1.2 billion people without any electricity and the 2.7 billion people who still use polluting fuels like wood and charcoal for cooking and heating.
- Doubling the global rate of improvement in energy efficiency—from roughly 1.3 percent to 2.6 percent a year.
- Doubling the share of renewable energy in the global energy mix—to roughly 36 percent from 18 percent today, while reducing the use of traditional biomass.

The U.N. General Assembly is poised to include all three of these objectives in a new Sustainable Development Goal on energy as part of the post-2015 development agenda, expected to be agreed in New York in September.

Sustainable Energy for All also represents an innovative new partnership model for the U.N., bringing the public and private sectors together on equal footing to support best policies and practices and mobilize private investment toward common goals. Literally trillions of dollars will be required to achieve the initiative's three global objectives by 2030—a level of investment that governments alone cannot provide. The projects must therefore be economically viable, and private-sector investment will be needed to complement the important work of governments, development banks, other institutions, and civil society. The structure, systems, and processes of Sustainable Energy for All are intended to reflect this essential partnership between government, the private sector, and civil society.

Another example that illustrates the value of the U.N. system for protecting the global environment is the Montreal Protocol, the highly successful international agreement to phase out the use of chlorofluorocarbons (CFCs), adopted pursuant to the Vienna Convention for the Protection of the Ozone Layer, which was itself drafted by the U.N. Environment Program and agreed in 1985. As would later happen on climate change, countries came together under the auspices of the U.N.—first to understand an emerging threat to the global environment, then to conclude

a framework agreement on how to address it, and finally to negotiate a plan of action.

Mr. Chairman, I hope these examples serve as vivid illustrations of the value of the United Nations as a forum for convening all the nations of the world to agree on concerted action to address global threats—not just in peacekeeping, but also in protection of the global environment.

Thank you for your time and attention and for the honor of addressing this subcommittee today.

Senator BARRASSO. Well, thank you very much for your thoughtful testimony today.

I would like to start with the questioning. Mr. Schaefer, with regard to the U.N. budget, I appreciate you providing this subcommittee with several concrete proposals for responsible reforms at the United Nations. The United States is the largest financial contributor to the U.N., and I am concerned that the financial burden at the United Nations is not shared equally or in accordance with current economic realities.

So could you explain why the United States is paying more to the U.N. budget than all of the other permanent members of the U.N. Security Council combined?

Mr. SCHAEFER. Well, the U.N. bases its scale of assessments, which is the apportionment of the expenses of the organization, on their portion of the global GNI. Then a number of discounts are applied to certain countries based on whether they are below income thresholds and whether they are considered least developing countries. If they are below a certain income level, they also receive debt burden adjustments that ratchet their assessments down. And all of these deductions are then added to the assessments of countries that do not receive those reductions.

The United States has the largest share of the global economy among the Security Council members, and if you add up the other countries there, they do in fact have an assessment lower than the United States. A part of that is because China receives discounts for its regular budget assessment. If you take a look at China's share of the global economy, it should be between 10 and 11 percent of the U.N. regular budget, but it receives low-income adjustments and debt-burden adjustments to its regular budget assessment which reduces its final regular budget assessment. Since the peacekeeping budget is based on the regular budget assessment, this ends up reducing China's peacekeeping budget assessment as well.

So all things being equal, if you just added up the share of the global economies, China should have a much higher assessment. Russia should be a little bit higher, and Britain and France are about the right level. And the United States should be lower.

Senator BARRASSO. So what actions could Congress take to limit the growth in the U.N. budget and ensure a more equitable distribution of the costs as you just outlined?

Mr. SCHAEFER. Well, right now there is a maximum cap on the regular budget at 22 percent. That cap was implemented because the United States made it mandatory in return for payment of arrears that accrued during the 1990s as part of the Helms-Biden agreement.

The Helms-Biden agreement also had a requirement in there that the U.N. put in place a hard cap of 25 percent on peace-



keeping assessments for the United States as well. That cap was not put into place, but Ambassador Holbrooke came to the U.S. Senate and testified that they had reached an agreement whereby the U.S. assessment would gradually be reduced over 4 or 5 years to 25 percent. That level was never reached.

The U.S. assessment declined more slowly than promised by Ambassador Holbrooke and got below 26 percent in 2009. But it has increased over the past two scales of assessments and now is just about 28.4 percent, and it is going to reach, I think, higher than 29 percent with the next scale. And with the size of the peacekeeping budgets coming up, that has very important implications for the U.S. taxpayer.

Senator BARRASSO. Because it does seem the administration's request for funding to meet the 2016 budget for the U.N., is again higher than the 25 percent. I think the request this time was at 28.36 percent. So without any changes, you do expect the amount owed by the United States at the U.N. to continue to increase.

Mr. SCHAEFER. Absolutely. And the other U.N. member states have very little incentive to go along with changes to lower the U.S. assessment down because that would, of course, lead them to paying higher costs. The way that the United States solved this problem before was withholding. Congress enacted and President Clinton signed into law the hard cap that led to arrears in the 1990s. Those arrears put pressure on the organization and led other member states to agree to, first of all, the 22 percent cap on the regular budget, but also to agree to other reforms, including the new formula for peacekeeping assessments that Ambassador Holbrooke presented to the U.S. Senate.

I think that the United States should enforce that 25 percent cap and hold the resulting arrears away from the organization with the promise to pay once they do, indeed, follow through and put a hard 25-percent cap for the United States and for any other member state.

Senator BARRASSO. Thank you.

Mr. Detchon, on November 3 of this past year, you wrote a column entitled "Climate Action Means a Brighter Future." In the column you said there is good reason for us to act not only because of the dangers, you said, of disruptive climate change. You said, but because of a new climate economy, it will be better for business. You go on to say it will improve our health, prosperity, and security, as well as our environment.

I would like to highlight a letter from Wyoming Governor Matt Mead to the EPA Administrator, Gina McCarthy, about—this was a letter last week. And I am going to submit the Governor's letter to the record.

[EDITOR'S NOTE.—The letter mentioned above can be found in the "Additional Material Submitted for the Record" section at the end of this hearing.]

Senator BARRASSO. In his letter, he highlights a recent study by the Center for Energy Economics and Public Policy at the University of Wyoming, and the study is called *The Impact of the Coal Economy on Wyoming*. It was published this year in February. And I am going to put that study in the record too.

[EDITOR'S NOTE.—The Wyoming Study mentioned above was too voluminous to include in the printed hearing. It will be retained in the permanent record of the committee.]

Senator BARRASSO. The study says overall proposed carbon regulations result in a predicted decline in the State's combined coal and natural gas revenues of between 36 and 46 percent by the year 2030. It says Wyoming can expect to lose 7,000 jobs.

So my State is finding that the President's clean power plan, as part of his international climate change commitment, is going to cost thousands of good paying jobs, dramatically slash State revenue that pays for college scholarships, schools, medical emergency services, road safety programs, environmental protection programs, water quality services, veterans services, vital State services.

So as a doctor, I attest that unemployment caused by any plan will lead to serious health impacts for unemployed husbands and mothers, as well as children of the unemployed. I have actually written a report called "Red Tape: Making Americans Sick." I am going to put that in the record.

[EDITOR'S NOTE.—The report mentioned above was too voluminous to include in the printed hearing. It will be retained in the permanent record of the committee.]

Senator BARRASSO. It talks about the high impacts of individuals of long-term unemployment.

So given all this information, is the deal the President is trying to commit America to in Paris through the United Nations, without approval from Congress, it seems—is this going to improve Wyoming's health, prosperity, and security, as well as our environment, as your column suggests?

Mr. DETCHON. I certainly hope so, Mr. Chairman. The President, of course, has to represent the whole country, and there will be varying impacts by State. I was very impressed to read about the 3,000-megawatt wind project that you have underway in Wyoming, and I think that is an example of some of the new opportunities that are emerging.

I think that you would say that AT&T is not the same company it was in 1970, nor is IBM, but newer technologies that are more agile and deliver better outcomes were able in a competitive marketplace to out-compete the existing monopolies. And I think much the same is happening in the energy industry today. We are getting diversified energy supplies that, in many cases, are out-competing the existing ones. I think that most of the decline in coal demand is due to natural gas substitution. So that is unrelated to the clean power plan, which is prospective and will occur in several years as implemented at the State level.

Finally, I would say that the EPA, as I understand it, has made very careful attempts at the State level to recognize existing realities that each State has different circumstances and needs to be given a chance to respond appropriately. And so I think that the impacts will vary a lot by State in generally positive ways.

Senator BARRASSO. Thank you very much.

Senator UDALL.

Senator UDALL. Thank you, Chairman Barrasso.

And one of the things, Mr. Detchon, you seem to be hitting on is that there are opportunities for our businesses also with regard to, say, the Sustainability for All initiative. Do you believe there are opportunities for U.S. businesses to engage with developing countries as they work to improve access to renewable energy and improve energy efficiency? How can the State Department work with these businesses to ensure that they have access to these emerging markets? And do you do that too at the U.N. Foundation?

Mr. DETCHON. Yes. Thank you, Senator.

The Sustainable Energy for All initiative is, as I noted in my testimony, a public-private partnership working with, in particular, financial leaders to accelerate the deployment of clean energy technologies.

It is ironic that in the United States, where we invented many of these technologies, we have the most competitive energy market in the world. And so it is the hardest place in the world for these new technologies to penetrate. In many other countries, it is quite the opposite. I read recently that the National Bank of Abu Dhabi said that solar is competitive in that region with oil at \$10 a barrel. So you have very different circumstances around the world.

In areas that are not served by the electricity grid around the world, poor people are paying the equivalent of 40 to 50 cents a kilowatt-hour for the little electricity that they get from diesel-fired generator sets. It has been said by Harish Hande, who runs SELCO Solar in India, that solar energy is a luxury for the rich and a bargain for the poor.

So we need to think about the particular context in which these technologies compete. I think that the advent of available energy and clean energy in areas that now have none and have no prospect of economic development is going to create a virtuous cycle of economic growth and new markets for consumer companies, including those in the United States.

Senator UDALL. And you would expect that with aggressive action by U.S. companies, that they will get a part of those markets in terms of creating jobs and growing jobs here and probably growing jobs other places in the world.

Mr. DETCHON. Absolutely. Certainly you can see from the President's Power Africa initiative that General Electric was one of the major partners there and was concluding, I think, some 7 billion dollars' worth of deals to deliver electricity into East Africa. So I think that there are opportunities, large and small, around the world, and that leading the world in these technologies through our R&D is going to lead to the sort of Silicon Valley of energy.

Senator UDALL. Now, one of the things you mentioned in your testimony here was that it was the marketplace and the pricing that was driving utility companies to go to natural gas rather than coal. And really, what you have is, as Senator Barrasso and I both know, additional production of natural gas. You really, in a way, have a glut on the market. It has driven down the price. And so these utility companies looking at the situation and with natural gas being cheaper—they would much rather be burning natural gas than be burning coal. And so that is really the big transformation we are seeing take place, rather than this being the administration putting regulations in place. Is it not?

Mr. DETCHON. Yes, sir. I think that is exactly right.

Senator UDALL. Now, it has been mentioned several times with our previous panel and then with this panel about the total U.N. budget being about \$44 billion. This amounts roughly to the same overall budget as Angola. In return, the U.N. manages 16 peacekeeping missions with over 130,000 troops—that is the largest deployed military in the world—11 political missions, including ones in Iraq and Afghanistan; the largest humanitarian organization in the world, the World Food Programme plus vital organizations like UNICEF and WHO, who help the U.N. vaccinate 60 percent of the world's children. If they were not doing that, those children were not vaccinated, we would have some big problems out there. Plus, there are dozens of specialized agencies which work closely with American businesses on issues like shipping, civil aviation, and of course, the U.N. offers a forum for all countries to gather and discuss the critical issues of the day.

I think if you put those kinds of things that the U.N. is doing every day, put that in light, many would say the overall budget does not seem out of proportion. And I am wondering, Mr. Detchon, you looking at it from—it sounds like you specialize in energy and in climate. Would you agree with that in terms of some of the things that are out there? And what are the examples you would bring to the table in terms of energy and climate change?

Mr. DETCHON. Thank you, Senator.

I am reminded that nobody likes to pay taxes either, and they get imposed upon us but that is the price we pay to keep society safe and secure.

I think that trying, as Mr. Schaefer said, to find appropriate measures of fair share, based on capacity to pay, is absolutely the right metric to pursue. I would note that in the last round of negotiations, the General Assembly raised the contribution rates of China and Russia by 50 percent or more, and we hope that that will continue in the same direction to make it more equitable.

But I would also note that there are two questions here. One is equity and one is cost. The equity issue has to do with capacity to pay, but as an absolute number, the cost of peacekeeping is a number that essentially is under our control because we have to vote for each of these missions as a member of the Security Council. So no mission is going to go forward without U.S. approval.

And finally, I would note that money is not the only measure of a country's contribution. The United States provides roughly 100 military experts, troops, and police to U.N. peacekeeping. Bangladesh, the leading country, contributes 9,500 individuals. Others among the top countries contributing troops are Rwanda, Nepal, Senegal, and Ghana. Now, these are countries that do not have the capacity to pay large amounts of money, but they are sharing the blood of their children to protect people around the world, and I think they should be honored as well.

Senator UDALL. Thank you.

Senator BARRASSO. Thank you, Senator Udall.

Mr. Schaefer, I want to just follow up on this line of questioning regarding the U.N. peacekeepers because currently the United States is paying about \$2.4 billion in taxpayer funds to U.N. peacekeeping budgets, and we have just heard the number of personnel

that may be representing different countries and the issues of oversight and accountability, responsibility, because there have been numerous reports describing the sexual exploitation and abuse by the U.N. peacekeepers and civilian personnel participating in these U.N. peacekeeping missions. And I think we would all agree this is a very serious problem.

So despite years of focus on this issue and the United States contributing such a percentage with 28 percent to the U.N. peacekeeping budget, really we seem to be unable to stop the criminal conduct of these troops. So what steps can we take to address the abuse and the misconduct of U.N. peacekeepers, as well as preventing it from happening in the future?

Mr. SCHAEFER. One point I would like to make first is that the U.N. does good work in a number of different areas, but that does not mean that everything the U.N. does is equally valuable. The Clinton administration did a review of U.N. organizations back in 1995, and it led them to actually withdraw from the U.N. organization called the United Nations Industrial Development Organization because it was not providing any value that they could determine.

I think similar evaluation should be done across the U.N. system on a periodic basis to evaluate and determine whether we should and should not continue to participate and provide support the way we have.

There are also parts of the U.N. regular budget like the economic commissions that together comprise about a half a billion dollars. These largely replicate the activities of the regional development banks, the countries' own development plans, U.S. and other countries' bilateral development programs, the World Bank and other economic bodies. They are largely redundant and do not provide anything uniquely of value, but yet they are very expensive in terms of the U.N. regular budget.

So these are the types of things that need to be looked at in terms of cost-effectiveness within the U.N. system, and the United States should try and focus resources where they would be more effective.

In terms of sexual exploitation and abuse, it has been absolutely horrendous what these past two reports have revealed.

The first one was a leaked experts report that was commissioned actually by the U.N. itself and was presented to the U.N. in 2013. That report found not only that there was a culture of secrecy in the U.N. that prohibited reporting the sexual exploitation and abuse, they found that the U.N. itself is inaccurately reporting and tabulating these numbers. Therefore, the claims that the U.N. is making in terms of advancement on these issues do not stand up to scrutiny.

The U.N. has been making claims for a number of years to have a zero tolerance policy in sexual exploitation and abuse by its peacekeepers and its civilian personnel. Unfortunately, this report also revealed that it is nearly impossible to sever civilian employees in the U.N. system when they do these things partially because their process for gathering necessary evidence to make a case are so slow and are also not preserved appropriately in the U.S. system. Those matters need to be addressed.

Troops are only under the authority of their militaries and their home country governments, which is appropriate as a military deployment. But they also need to be held to account. The U.N. should demand that troop-contributing countries provide the U.N. with specific data as to what they are doing to process these investigations, how they are proceeding, what the eventual results are, and to report back to the person making the allegations and the victims in these cases what has actually happened. That is not occurring either.

Troop-contributing countries that do not cooperate with these measures should be constrained in their participation in U.N. peacekeeping operations or have their compensation to the troops, their per-troop compensation, severely cut back as a punishment for failing to comply with these things, which not only impugn the reputation of the organization but harm an untold number of people around the world that are supposed to be protected by those U.N. peacekeepers.

Senator BARRASSO. Thank you.

Senator Udall.

Senator UDALL. Thank you, Chairman Barrasso.

On this issue of peacekeeping, I think it is important that we keep in mind what we are getting there. And the current peacekeeping budget is around \$8.5 billion, and it sounds like a big number and is a big number. That \$8.5 billion funds the lifesaving work of more than 130,000 uniformed personnel spanning 16 missions around the world. But to put it in context, that is less than the city of Chicago's annual budget. In some of these cases, if the U.N. was not there, it would cost the United States much more.

And I am citing here a GAO study that has looked at this and found U.N. missions were eight times cheaper than U.S. forces acting alone. For a U.N. mission, the cost per peacekeeper per year is about \$15,000. In 2014, each U.S. soldier in Afghanistan cost \$2.1 million.

Admiral Mike Mullen, the former Chairman of the Joint Chiefs of Staff, observed that U.N. peacekeepers "help reduce the risks that major U.S. military interventions may be required to restore stability in a country or a region." So I think you have some of our major military people weighing in and saying this is important work. We need to be out there doing this with the U.N. Obviously, we have many responsibilities to do with our military also.

Mr. Detchon, do you have any comment on that?

Mr. DETCHON. Well, I certainly agree, Senator, that it is a bargain for the United States.

At the same time, I respect the chairman's comments about misbehavior by troops. That is extremely serious and it ought to be pursued vigorously and transparently. Unfortunately, such misbehavior is a tale as old as time and has occurred under every flag and now even the U.N's.

I would recall that not only do we have more than 100,000 peacekeepers in 16 missions around the world, but as of March, 1,564 have given their lives to keep the peace. So I think we have to recognize that bad comes with good sometimes and balance the two. But the contribution that these peacekeepers are making is re-

markable and also, as you say, Senator, an economic bargain for the United States.

Senator UDALL. And obviously, as Chairman Barrasso has made the point—and you have just made it too—misbehavior should not be tolerated. Also, we should not have situations like in Haiti where U.N. troops go in and apparently are the cause—it has been pretty well documented—of the cholera and the spreading of cholera. And there has been no real accountability there. So I mean, the U.N. needs to be just as accountable as other governments and organizations around the world. No doubt about that.

Just a final question because you mentioned, Mr. Detchon, about the IPCC conclusions on climate change. And I think one of the things that is important to emphasize—you talked about 190 countries agreeing. The important point there is that these countries are working together on the IPCC, but they have scientists in their own countries that are reviewing what is said by other scientists and they are only signing on if their scientists look at the science and say this is looking pretty solid and we believe in these conclusions. And it is pretty remarkable when you think of all the disagreements we have around the world, that 190 countries would agree with the conclusions and where we are. Do you have any comment on that?

Mr. DETCHON. Well, that is exactly right, Senator, and I would even make it stronger than that. The scientists participate. In the category of bargains, more than 800 scientists participated in this last round, and they were not compensated for that work. They do this as a contribution to the world. They give their time freely to help assess the scientific evidence as best they can.

And I have lost my train of thought. Your point, sir.

Senator UDALL. About the IPCC and the scientists.

Mr. DETCHON. What I wanted to say was that not only do the scientists participate, but these reports are approved by governments. Now, this is a really important point because if there is appropriate criticism of the IPCC process in my judgment, it is that governments weaken the statements that the scientists want to make. Governments are unwilling to be as clear as the scientists are willing to be. And so if anything, the IPCC reports represent a conservative reading of the evidence and, as you say, Senator, have to be approved by every country that participates.

Senator UDALL. Chairman Barrasso, thank you. A very productive hearing I thought.

Senator BARRASSO. Thank you very much, Senator Udall, for your thorough preparation and questioning.

I appreciate all the witnesses for making the time to be here today. I will thank each of you for sharing your thoughts and insights with our subcommittee.

We are going to leave the record open until the close of business on Monday, May 11, for any members of this committee who are not able to attend. They may have written questions for either our first or second panel. And since our committee will be considering a potential State Department reauthorization bill, I ask that you quickly respond to any written questions from the members of the committee. Thank you very much.

And the hearing is adjourned.

[Whereupon, at 4:25 p.m., the hearing was adjourned.]

## ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

### WRITTEN STATEMENT SUBMITTED BY PETER YEO, BETTER WORLD CAMPAIGN

On May 6, 2015, the Senate Foreign Relations Subcommittee on Multilateral International Development, Multilateral Institutions, and International Economic, Energy, and Environmental Policy held a hearing to examine various aspects of U.S. foreign policy related to multilateral and bilateral development policy. One of the key issues discussed was proposals to reform the management, budgeting, and accountability processes of the United Nations. Given the Chair's interest in U.N. reform, the Better World Campaign wanted to provide some additional information and recommendations on several specific issues raised during the discussion.

#### U.N. PEACEKEEPING ASSESSMENT RATES

U.N. peacekeeping missions are one of the most important and publicly visible activities undertaken by the organization in the field. Each day, U.N. peacekeepers work to stabilize some of the world's most dangerous and remote conflict zones, protecting civilians from violence, facilitating the delivery of humanitarian assistance to vulnerable communities, disarming, demobilizing, and reintegrating former combatants into society, building the capacity of national police forces, and promoting free and fair elections and the creation of stable governing institutions. The work of these missions is squarely in our national interests, as countries undergoing conflict threaten U.S. national security, risk becoming havens for terrorist or criminal organizations, and feature levels of deprivation and abuses of human rights that are an affront to the values of the American people.

With nearly 130,000 personnel serving on 16 missions around the world, U.N. peacekeeping constitutes the largest deployed military force in the world. Despite the sheer size of this endeavor, its geographic reach, and the diversity and complexity of the mandates described above, U.N. peacekeeping is highly cost-effective. In fact, the U.N.'s annual peacekeeping budget only represents around 0.5 percent of total global military spending, and U.N. operations overall are eight times cheaper than fielding a comparable U.S. force. Peacekeeping is also an important example of global burden-sharing: while the United States, as a permanent member of the Security Council, has final say over the decision to deploy, withdraw, expand, or contract any U.N. peacekeeping mission, it provides very few uniformed personnel. Indeed, other countries—particularly developing countries like Bangladesh, Ethiopia, Nepal, and Ghana—provide the vast majority of troops for these operations.

For these reasons, BWC strongly opposes the arbitrary 25 percent cap on U.S. contributions to U.N. peacekeeping operations enacted in the 1990s. This policy represented a troubling break from the long-standing policy of member states paying their treaty-obligated U.N. membership dues. This is because if every member state chose to pay at a self-determined percentage level, then underfunded peacekeeping missions would be a constant, as countries would almost certainly pay less than necessary. (Little different than if individuals could choose how much they pay in taxes.) Unfortunately, this arbitrary cap continues to be on the books, forcing Congress to revisit the issue every year.

Failing to lift the cap also risks putting the United States into arrears at the U.N.; underfunds critical peacekeeping missions—such as those in South Sudan and Liberia—that are clearly in our national interest and that we have voted for on the Security Council; and denies reimbursement to countries, including key U.S. allies like Jordan, who contribute troops to these missions so the United States doesn't have to. Moreover, far from saving U.S. taxpayers money, failing to pay our peacekeeping dues at the full rate assessed by the U.N. simply kicks the can down the road. Due to the fact that our contributions to U.N. peacekeeping missions are treaty-obligated (by virtue of our membership in the U.N.), failing to pay our dues in full now simply requires us to pay a larger sum at some point down the road. Partially because of this, Congress has included language lifting the cap in annual appropriations bills for 15 of the last 21 years. It is critical that Congress do the same for FY 2016 and include language in any State Department Reauthorization bill repealing the cap language.

Nevertheless, we also understand the concerns expressed by members of the subcommittee about ensuring that all U.N. member states are paying their fair share of these critical efforts. After all, while peacekeeping rates are renegotiated every



3 years, the current methodology for apportioning peacekeeping expenses has not changed since 2000. During that same period, however, peacekeeping has become a much more dangerous endeavor, with peacekeeping forces being called upon to carry out more complex, multidimensional mandates in places where there is often no peace to keep. In fact, over the last decade, more than 1,400 peacekeepers have died on mission, representing more than 43 percent of all U.N. peacekeeping fatalities since the first mission was deployed in 1948. Consequently, it is critical that any effort to adjust assessment rates ensure that troop-contributing countries are fairly compensated.

As such, the United States should use its voice, vote, and influence to advance the following four recommendations regarding U.N. peacekeeping assessment and reimbursement rates:

1. *Share Assessment Rate Data.* While the criteria and elements of the scale of assessments are publicly explained by the U.N., it should also share the raw data used to calculate assessment rates. If implemented, such steps could address concerns that political motivations affect rate determinations.

2. *Update the Assessment Rate Formula.* The current formula for determining peacekeeping assessments dates from 2000 and is based primarily on gross national income (GNI), though it is also adjusted by other factors like per capita income. The current system may result in some countries paying more or less than their fair share. The scale of assessments should better reflect the principle of capacity to pay by, for example, using GNI adjusted for purchasing power parity (PPP).

3. *Periodically Review Reimbursement Rates.* Given the increasing danger of missions and the persistent friction between troop contributing countries and donor countries regarding reimbursement rates for U.N. peacekeepers, the rates should be revisited every 3 years, similar to the way peacekeeping assessment rates are renegotiated.

4. *Report on Reimbursement Funds.* Future decisions to raise reimbursement rates need to be based on accurate and timely data in order to ensure that such increases are evidence-based. The lack of such data has been decried by major funders of U.N. peacekeeping and the dearth also makes it difficult to know where gaps exist. Information on the use of funds must also highlight when countries lack resources due to member state funding shortfalls. Member states must understand how underfunding missions and/or not paying at their full assessed rate negatively impact the troop contributing countries (TCCs) ability to adequately resource missions and how it can undermine the overall effectiveness of U.N. peacekeeping. TCCs should report on how their reimbursement funds are utilized, along with—when relevant—how any shortfalls in member state contributions impact their ability to resource missions.

#### STRENGTHENING OVERSIGHT AND ACCOUNTABILITY OF U.N. PROCUREMENT

Efforts to ensure greater oversight and accountability in U.N. procurement are critical toward ensuring that the organization uses member state resources in the most efficient and effective way possible. One major past initiative mounted by the U.N. in this regard was the Procurement Task Force (PTF), a temporary entity established in 2006 to investigate and reform procurement problems and to address fraud and corruption in the U.N. Secretariat. In its 3 years of operation, the PTF racked up successful criminal convictions of a U.N. employee and contractor, initiated disciplinary actions against 17 other U.N. employees, and suspended or removed more than 45 private companies from the U.N. contracting process, according to records and interviews. It identified more than \$25 million that it says was wasted or ended up unjustly enriching vendors.

In 2008, the U.N. Board of Auditors issued a report which concluded that although some cases of fraud and corruption were found, there was no evidence of “widespread corruption” in the U.N. Accordingly, it recommended the “skill and competencies of the Procurement Task Force” be “incorporated permanently” in the U.N. We support this proposal, and believe that the United States should use its voice, vote, and influence in the U.N. General Assembly to push for the reestablishment of the PTF—or a similar entity—on a long-term, rather than ad hoc, basis, and encourage its integration within the Investigations Division of the Office of Internal Oversight Services (OIOS). Such an action could help improve the U.N.’s ability to ensure proper oversight and accountability over its contracts.

#### WHISTLEBLOWER PROTECTIONS

The FY 2015 Omnibus Appropriations Act calls for the U.N. to implement “best practices” for the protection of whistleblowers from retaliation. BWC agrees with the spirit of these proposals, and recommends that the United States use its voice, vote,

and influence to further improve whistleblower protections at the U.N. However, we strongly disagree with the law's requirement that the United States withhold 15 percent of its contributions to the U.N. unless the Secretary of State certifies implementation and enforcement of such measures. This is because the concept of withholding dues as a way to force progress on reform is a fundamentally flawed strategy. Recently, the United States has been able to use its seat at the table at the U.N. to support successful reform efforts on a broad range of issues, including:

- *Budget Cuts:* In December 2013, the General Assembly approved the U.N.'s core budget for 2014–2015, cutting spending from the U.N.'s previous 2-year budget, following the budget reduction trend seen in the previous biennium. The new budget also included a 2-percent staffing cut, translating to approximately 221 posts, and a freeze in staff compensation.
- *Transparency:* The U.N. now makes all internal audit reports issued by the Office of Internal Oversight Services (OIOS) publicly available online. This development followed similar decisions by UNICEF, UNDP, and UNFPA. The U.S. Mission to the U.N. has called this new commitment to transparency “a turning point in how the U.N. does business.”
- *Peacekeeping Reforms & Greater Efficiencies:* The U.N. continues to implement the Global Field Support Strategy, a 5-year project (2010–2015) aimed at improving the efficiency, cost-effectiveness, and speed of administrative and logistics support to U.N. peacekeeping and political missions. Implementation of this strategy has led to a \$250 million reduction in operational costs for peacekeeping missions. In addition, the cost per peacekeeper has declined by 18 percent, and there are currently 3,000 fewer support and security staff in U.N. peacekeeping missions than in 2008.
  - The Secretary General recently established a High-Level Panel on Peace Operations to undertake a comprehensive assessment of the state of U.N. peace operations. This is a significant development, as peace operations today are increasingly called on to confront politically complex and challenging conflicts, often in volatile security environments where U.N. missions are directly targeted. Mr. Jose Ramos-Horta, former President of Timor-Leste, is chairing this panel. The Panel's recommendations will be available for consideration by the General Assembly at its 2015 General Debate in September.

None of these achievements would have been possible without strong U.S. engagement. That means, in part, meeting our financial obligations to the organization by paying our dues on time, in full, and without onerous preconditions. Failing to do so takes away our seat at the table and reduces our influence over the reform process; alienates our allies, whose support is critical to make progress on our policy objectives; and puts U.N. activities that are directly in our national interests—such as peacekeeping operations—in financial peril. The dangers of withholding our U.N. dues have been acknowledged by Presidents from both parties. Indeed, in 2005, the Bush administration strongly opposed a bill introduced in the House of Representatives that would have withheld a substantial percentage of U.S. contributions to the U.N. Regular Budget pending certain reforms, as it would “detract from and undermine our efforts.” In 2011, former George W. Bush Ambassador to the U.N., Mark Wallace, explained before the House Foreign Affairs Committee that it would not be “wise or beneficial to use withholding funds to implement change.” In conclusion, maintaining our good financial standing at the U.N. is critical to our ability to continue pushing a constructive reform agenda.

MATERIAL SUBMITTED FOR THE RECORD BY SENATOR JOHN BARRASSO  
OF WYOMING, SUBCOMMITTEE CHAIRMAN

COPY OF A LETTER SUBMITTED TO THE U.N. SECRETARY GENERAL AND  
U.N. EXECUTIVE HEADS BY FORMER U.N. WHISTLEBLOWERS

April 8, 2015

Dear UN Secretary-General and UN Executive Heads:

We are United Nations whistleblowers.

Each one of us has blown the whistle on serious wrongdoing, gross misconduct and even criminal acts at the United Nations. Our collective experience of reporting misconduct in the UN covers sexual exploitation, abuse of power, corruption and other criminal behavior over a period of more than a decade and a half. Each one of us has faced retaliation for reporting the wrongdoing. Our cases are well-known and, sadly, deter others from reporting wrongdoing. This must change.

Over the past decade the UN and its specialized agencies have established new whistleblower policies, but many of these lag behind modern standards<sup>1</sup> and are poorly implemented. The policies afford little to no measure of real or meaningful protection for whistleblowers.

As our experience shows, retaliation against whistleblowers affects the entire UN system and goes largely unchecked at all levels, including in the Executive suites. Some UN whistleblowers have been fired or demoted; others have been subject to more subtle forms of abuse like non-renewal of contracts or sudden transfer to duty stations on the other side of the globe; many face plain, simple harassment and intimidation.

As a result, fear of reporting wrongdoing is widespread. UN whistleblowers are forced to go through lengthy, and often expensive, internal appeal processes in which the burden of proof, as a practical matter, rests on the *whistleblower* to demonstrate retaliation (the usual standard in national systems requires the *employer* to justify their actions were not retaliatory).

Put simply, the UN system of justice fails whistleblowers, and most of us have been forced to leave the UN to save our livelihoods, our health and our reputations. The UN Appeals Tribunal has recently demonstrated the failure of the UN justice system, ruling in the case of James Wasserstrom that determinations made by the UN Ethics Office (whose record in addressing reprisal is itself scandalous) are not appealable decisions.

Whistleblower rights are human rights. Whistleblowers should be protected by the principles of the Universal Declaration on Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights.

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<sup>1</sup> We note the standards of whistleblower protection in place in large parts of the world. See, for examples, <http://www.oecd.org/g20/topics/anti-corruption/48972967.pdf> and <https://wed.eoe.int/ViewDoc.jsp?id=2188855&Site=CM>.

We call on you to urgently review whistleblower protection for UN staff, and for those serving in affiliated specialized agencies and international organisations not protected by national laws. In the case of whistleblowers, this immunity can easily become raw impunity. Without proper whistleblower protection, wrong-doing at the United Nations—be it sexual exploitation, abuse of power, fraud or corruption—will not be reported and will continue to go unchecked. There will be no accountability. This can only damage the UN's moral standing and, ultimately, its legitimacy.

We call on you to take the following concrete steps:

- recognize that whistleblower rights are human rights, which must be promoted and protected within the UN, as well as in affiliated specialized agencies and international organisations with immunity from national laws.
- publicly release the external study of whistleblower protections at the UN conducted by Justice Louise Otis.
- submit the proposed revisions to the UN protection against retaliation policy for public consultation, and specifically seek feedback from our whistleblower coalition and from organisations with expertise on whistleblower policies, such as the Government Accountability Project.
- extend whistleblower protections to UN peacekeepers, police officers, contractors, victims and any other person who provides information about misconduct that could undermine the organisation's mission. The key to receiving protection should be the content of the information disclosed, not the identity of the person disclosing it.<sup>2</sup>
- immediately end the practice of subjecting known UN whistleblowers to lengthy internal appeals processes for contesting the loss of their job or other adverse employment decisions.
- establish an external independent mechanism for claims of retaliation against UN whistleblowers and provide regular reports to the UN General Assembly.
- provide an external arbitration option for all whistleblowers. The decision maker should be selected by mutual consent through a “strike” process.<sup>3</sup>
- recognize that whistleblowers are vulnerable across the UN system, possibly for the duration of their careers, and provide them with appropriate psychological support and counselling, as well as career development.

<sup>2</sup> This is a best practice in place at other intergovernmental organisations, including the African Development Bank and Asian Development Bank.

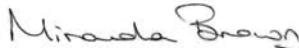
<sup>3</sup> Section 7048 (a) of the 2014 U.S. Consolidated Appropriations Act requires the United Nations to offer whistleblowers “access to independent adjudicative bodies, including external arbitration,” as a condition of full U.S. funding. External arbitration is contemplated as a normal option to resolve retaliation cases in the U.S. Whistleblower Protection Act and is used by international trading partners and sovereign nations caught up in similar wrangles.

We stand ready to assist you in reforming whistleblower protection at the UN.

Sincerely,



James Pooley



Miranda Brown



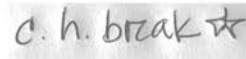
Aicha Elbasri



James Wasserstrom



Vesna Dzuverovic



Cynthia Brzak



Rasna Warah



Nasr Ishak



Mahan Amarnath



Beatrice Edwards, Executive Director  
Government Accountability Project

<sup>4</sup> Electronic signature not available.

## The Climate of Insecurity

Jeff Kueter

President, George C. Marshall Institute

The Intergovernmental Panel on Climate Change (IPCC), the international body that purportedly reflects the state of human understanding of climate change, will soon declare that human-induced change in climate “indirectly increases the risks from violent conflict in the form of civil war, inter-group violence and violent protests by exacerbating well-established drivers of these conflicts such as poverty and economic shocks.”<sup>1</sup>

The IPCC isn’t the only group pushing this view. Days before the most acute superpower crisis of the post Cold War era exploded, during an ongoing civil war in Syria, and amidst continued uncertainties in Afghanistan, the Secretary of State declared climate change to be “the world’s most fearsome weapon of mass destruction.”<sup>2</sup> Lest anyone conclude Secretary Kerry was simply engaging in a rhetorical flourish, the newly appointed head of the State Department’s planning unit, former Congressman and think tank executive Tom Perriello, reinforced the point, stating “Anyone who looks at conflicts around the world understands the role changing climate is playing,” adding that such an understanding should be “integrated into all aspects of diplomacy and development.”<sup>3</sup> Then, the *pièce de résistance*, in early March the Pentagon’s Quadrennial Defense Review called the effects of climate change “threat multipliers” that “will aggravate stressors abroad such as poverty, environmental degradation, political instability, and social tensions – conditions that can enable terrorist activity and other forms of violence.”<sup>4</sup>

These claims are hardly new. Efforts to scare the American public by linking the consequences of energy consumption to international instability and war have been developing for many years now. Indeed, those efforts harken back to a decades-old debate over whether population growth and overconsumption lead to resource scarcity and conflict. As I noted in a September 2012 study of the connection between climate change and national security, these “... efforts to link climate change to the deterioration of U.S. national security rely on improbable scenarios, imprecise and

speculative methods, and scant empirical support. Accepting the connection can lead to the dangerous expansion of U.S. security concerns, inappropriately applied resources, and diversions of attention from more effective responses to known environmental challenges.”<sup>5</sup>

Indeed, the claims being advanced by the IPCC and the State and Defense Departments are fanciful. Let’s take them in turn:

***Climate Change is a Fearsome Weapon of Mass Destruction***

No, actual weapons are designed with the deliberate intent to kill people. Nuclear weapons used in World War II are estimated to have killed hundreds of thousands of people. The weapons available to any nuclear power today dwarf the World War II bombs in destructive power and even the crudest device can cause enormous physical damage. Use of chemical or biological weapons of mass destruction likely pose fewer fatalities than nuclear weapons, but with equally unthinkable consequences.

Deaths associated with climate change-induced storms or other “extreme weather” events first have to be distinguished from naturally occurring weather-related events, droughts, famines, etc. Even if one could distinguish naturally occurring storms and “extreme weather” events (floods, tornadoes, etc.) from those that are “intensified” by anthropogenic global warming, the fatalities involved with such storms are very small when compared to the destructive power of nuclear weapons. According to NOAA, 103 people died in the United States in 2012 as a result of tornadoes, floods, and hurricanes.<sup>6</sup> There are extremes, of course; 553 people perished from tornadoes in 2011 and 1,016 from hurricanes in 2005. Death is a tragedy and I won’t belittle these losses, but the difference in scale is obvious.

One analysis of global mortality trends put the question even more starkly:

“Thus, while extreme weather-related events garnish plenty of attention worldwide because of their episodic and telegenic nature, their contribution to the global mortality burden is relatively minor: 0.03 percent of global deaths.”<sup>7</sup>

Furthermore, even if Secretary Kerry could waive a magic wand and remove the human impact on the climate, there would still be weather-related deaths. Indeed, the IPCC’s own assessment of climate science casts doubt on the linkage between man’s activities and extreme weather events. Dr. Robert Pielke, Jr, compiled the following statements from the IPCC’s Fifth Assessment Report’s chapter on extreme weather:<sup>8</sup>

- “Overall, the most robust global changes in climate extremes are seen in measures of daily temperature, including to some extent, heat waves.



Precipitation extremes also appear to be increasing, but there is large spatial variability”

- “There is limited evidence of changes in extremes associated with other climate variables since the mid-20th century”
- “Current datasets indicate no significant observed trends in global tropical cyclone frequency over the past century ... No robust trends in annual numbers of tropical storms, hurricanes and major hurricanes counts have been identified over the past 100 years in the North Atlantic basin”
- “In summary, there continues to be a lack of evidence and thus low confidence regarding the sign of trend in the magnitude and/or frequency of floods on a global scale”
- “In summary, there is low confidence in observed trends in small-scale severe weather phenomena such as hail and thunderstorms because of historical data inhomogeneities and inadequacies in monitoring systems”
- “In summary, the current assessment concludes that there is not enough evidence at present to suggest more than low confidence in a global-scale observed trend in drought or dryness (lack of rainfall) since the middle of the 20th century due to lack of direct observations, geographical inconsistencies in the trends, and dependencies of inferred trends on the index choice. Based on updated studies, AR4 conclusions regarding global increasing trends in drought since the 1970s were probably overstated. However, it is likely that the frequency and intensity of drought has increased in the Mediterranean and West Africa and decreased in central North America and north-west Australia since 1950”
- “In summary, confidence in large scale changes in the intensity of extreme extratropical cyclones since 1900 is low”

At best, the security consequences of climate change are indirect. Man’s activities have to warm the Earth, that warming has to produce demonstrable environmental side effects, those side effects have to overwhelm human tolerance and adaptive or responsive efforts, and then, and only then, are the conditions for conflict sowed. As I noted:



“... each step involves acceptance of two separate sets of arguments, each with its own set of assumptions, theories and variables. The arguments are sequential and additive, meaning that each action creates a response leading to another action. The overall argument weakens substantially if it can be shown that environmental stressors are not sources of intrastate or interstate conflict – or if temperatures do rise as much as predicted or expected, implying that environmental conditions may not worsen enough to cause instability or conflict.”<sup>9</sup>

So then, rhetorical flourishes aside, the merits of the claim are weak and, frankly, the argument is dangerous for it clearly distracts policymakers from immediate and tangible threats to international security and risks trivializing the threats posed by actual weapons of mass destruction.

#### **Climate Change is a “Threat Multiplier” and Increases the Risk of Conflict**

The climate-security argument is a perfect example of a linear argument – some action occurs which renders another action worse than it may have already been, which, in turn, may worsen something else until the end result (war, death, etc.). The conditions that are “worsened” will happen regardless, rendering unique causality impossible. Rising temperatures do not by themselves result in war or civil instability. Rising temperatures are “threat multipliers,” meaning, in true linear fashion, they supposedly make other things worse. A review of the climate security literature shows famine and drought as the outcomes most likely cited to incite civil instability or nation-state conflict.

The surface temperature trends depicted in Figure 1 show a rising trend from the early 20<sup>th</sup> century to a recent leveling.<sup>10</sup> There are many, many concerns with this depiction of temperature and its meaning for the climate science and policy debate, but for purposes of testing the proposition that warming temperatures lead to conflict, accept it as true.

As the figure shows, temperature has increased by nearly a 1°C. Are there more droughts? More famines? Are there any conflicts that can be linked to these variables to the exclusion of other factors?

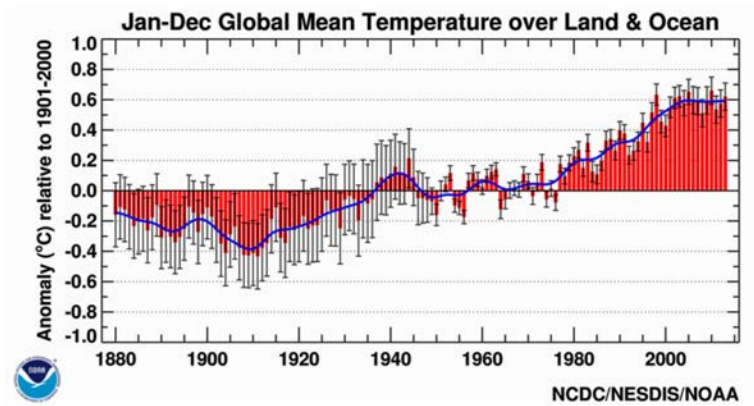
According to the UN’s Food and Agriculture Organization (FAO), “In the past 50 years, global crop production has expanded threefold. This increase has been driven largely by higher yields per unit of land and crop intensification....”<sup>11</sup>

The World Health Organization reports that “Analysis of FAOSTAT data shows that dietary

energy measured in kcals per capita per day has been steadily increasing on a worldwide basis; availability of calories per capita from the mid-1960s to the late 1990s increased globally by

**Figure 1**

**Surface Temperature Trends, 1880-2013**



approximately 450 kcal per capita per day and by over 600 kcal per capita per day in developing countries (see Table 1).<sup>12</sup> That table is reproduced below:

**Table 1. Global and regional per capita food consumption (kcal per capita per day)**

Region	1964 - 1966	1974 - 1976	1984 - 1986	1997 - 1999	2015	2030
World	2358	2435	2655	2803	2940	3050
Developing countries	2054	2152	2450	2681	2850	2980
Near East and North Africa	2290	2591	2953	3006	3090	3170
Sub-Saharan Africa	2058	2079	2057	2195	2360	2540
Latin America and the Caribbean	2393	2546	2689	2824	2980	3140
East Asia	1957	2105	2559	2921	3060	3190
South Asia	2017	1986	2205	2403	2700	2900
Industrialized countries	2947	3065	3206	3380	3440	3500
Transition countries	3222	3385	3379	2906	3060	3180

And the data shows the trend towards more food consumption per person per day is true across every region of the world. Countries in “economic transition” showed a drop in the late 1990s, which given the overall trends suggests economic and political explanations over environmental ones, and even they are projected to rise in the coming years. So, even during a period when global temperatures are rising, food production continues to expand.

Finally, the World Health Organization offers this insight into the future, stating:

“In recent years the growth rates of world agricultural production and crop yields have slowed. This has raised fears that the world may not be able to grow enough food and other commodities to ensure that future populations are adequately fed. However, the slowdown has occurred not because of shortages of land or water but rather because demand for agricultural products has also slowed. This is mainly because world population growth rates have been declining since the late 1960s, and fairly high levels of food consumption per person are now being reached in many countries, beyond which further rises will

be limited.”<sup>13</sup>

What about droughts? The IPCC and the climate insecurity community assert that rising temperatures produce more droughts and therefore famine. According to new research, the trends are less than clear. *Science* magazine, no home for the skeptical community, reported that:

“The picture of expanding drought painted by the Intergovernmental Panel on Climate Change may not be quite as arid as it looks. A technique commonly used to estimate the severity of a drought may actually overestimate the effects of dry spells, new research suggests. Worldwide climate data combined with a more refined technique for assessing droughts reveal that they haven’t expanded as much in recent decades as previously thought.”<sup>14</sup>

Dr. Pielke, Jr., again doing yeoman’s work separating the science from the hyperbole, offers this insight into what the IPCC actually says about drought:

“This is a short post about drought, which simply summarizes the bottom-line conclusions of two of the most recent major scientific assessments of extreme events and climate change, one by the US government, released in 2008 under the Bush administration (and then reaffirmed in the CCSP Unified Synthesis under the Obama Administration) and the second from the IPCC.

First, from the US government’s assessment of extreme events in the US, here is what it concluded about drought:

*‘The most widespread and severe drought conditions occurred in the 1930s and 1950s (Andreadis et al., 2005). The early 2000s were also characterized by severe droughts in some areas, notably in the western United States. When averaged across the entire United States (Figure 2.6), there is no clear tendency for a trend based on the PDSI. Similarly, long-term trends (1925-2003) of hydrologic droughts based on model derived soil moisture and runoff show that droughts have, for the most part, become shorter, less frequent, and cover a smaller portion of the U. S. over the last century (Andreadis and Lettenmaier, 2006). The main exception is the Southwest and parts of the interior of the West, where increased temperature has led to rising drought trends (Groisman et al., 2004; Andreadis and Lettenmaier, 2006). The trends averaged over all of North America since 1950 (Figure 2.6) are similar to U.S. trends for the same period, indicating no overall trend.’*

Got that? Over the climate time scales 'droughts have, for the most part, become shorter, less frequent, and cover a smaller portion of the U. S. over the last century.' ...

The IPCC in 2012 conducted a survey of drought globally, and concluded with the following:

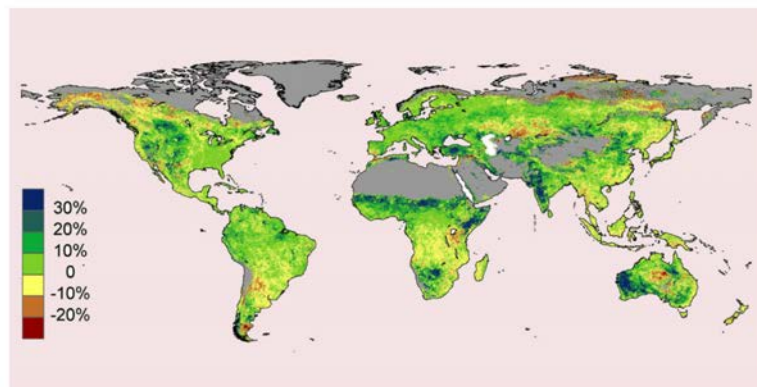
*'There is not enough evidence at present to suggest high confidence in observed trends in dryness due to lack of direct observations, some geographical inconsistencies in the trends, and some dependencies of inferred trends on the index choice. There is medium confidence that since the 1950s some regions of the world have experienced more intense and longer droughts (e.g., southern Europe, west Africa) but also opposite trends exist in other regions (e.g., central North America, northwestern Australia).'*

Got that? Some places have become dryer, others wetter, and not much confidence in asserting the presence of any trends at the global scale.<sup>15</sup>

Additionally, trends suggest surface vegetation is increasing worldwide. A 2013 study looked over the 29-year period 1982-2010 (see Figure 2) and found that most of the areas showed a net greening, with an overall increase of 11%.<sup>16</sup>

**Figure 2**

**Satellite Data Shows the Percent Change that Foliage Cover Has Changed, 1982-2010**





Even when droughts occur, they don't lead to war. One recent survey explored the linkages between water scarcity, drought, and incidence of civil wars. They found that factors other than the environment were much more significant in explaining the onset of conflict. They conclude:

"The results presented in this article demonstrate that there is no direct, short-term relationship between drought and civil war onset, even within contexts presumed most conducive to violence ... Ethnopolitical exclusion is strongly and robustly related to the local risk of civil war. These findings contrast with efforts to blame violent conflict and atrocities on exogenous non-anthropogenic events, such as droughts or desertification. The primary causes of intrastate armed conflict and civil war are political, not environmental."<sup>17</sup>

Furthermore, my detailed review of the empirical literature on the role of environmental degradation as a source of conflict shows:

"By themselves, environmental factors and climate change are not threat multipliers. The review of actual experiences with environmental stresses and calamities reveals that they contribute to conflict and state instability only at the margins. From tribesmen in Africa to nation states in both the developing and developed world, environmental and climatic variables fail to demonstrate explanatory power as a source or driver of conflict."<sup>18</sup>

### Conclusion

Readers are encouraged to look at the underlying proof offered in support of the climate insecurity thesis. There they will find "expert opinion" of retired military officers and think tank executives and descriptive scenarios that on the surface appear plausible (famine/floods produce refugees in unstable places creating conditions for further instability). But, further scrutiny of the scenarios offered and the case studies on which the claims are based reveal more nuanced explanations. Political and economic factors prove to be much better and more compelling explanations for men to fight other men.

Our national security establishment would better serve the national interest by focusing their attention elsewhere.

## Endnotes

- <sup>1</sup> Tom Bawden (2014). "Official Prophecy of Doom," *The Independent*, <http://www.independent.co.uk/environment/climate-change/official-prophecy-of-doom-global-warming-will-cause-widespread-conflict-displace-millions-of-people-and-devastate-the-global-economy-9198171.html>.
- <sup>2</sup> John Kerry (2014). "Remarks on Climate Change" Delivered on February 16, 2014, in Jakarta, Indonesia, <http://www.state.gov/secretary/remarks/2014/02/221704.htm>.
- <sup>3</sup> Ryan Grim (2014). "State Department Review to Emphasize Effects of Climate Change on Global Conflict." *Huffington Post*, [http://www.huffingtonpost.com/2014/02/21/tom-perriello\\_n\\_4827886.html?utm\\_hp\\_ref=tw](http://www.huffingtonpost.com/2014/02/21/tom-perriello_n_4827886.html?utm_hp_ref=tw).
- <sup>4</sup> U.S. Department of Defense (2014). *Quadrennial Defense Review*. (Washington, DC): 8.
- <sup>5</sup> Jeff Kueter (2012). *Climate and National Security: Exploring the Connection* (Arlington, VA: George C. Marshall Institute): 5, <http://marshall.org/climate-change/climate-and-national-security-exploring-the-connection/>.
- <sup>6</sup> [http://www.nws.noaa.gov/om/hazstats/resources/weather\\_fatalities.pdf](http://www.nws.noaa.gov/om/hazstats/resources/weather_fatalities.pdf)
- <sup>7</sup> Indur Goklany (2007). *Death and Death Rates Due to Extreme Weather Events* (International Policy Network: London): 6, [http://www.csecc.info/reports/report\\_23.pdf](http://www.csecc.info/reports/report_23.pdf).
- <sup>8</sup> Robert Pielke, Jr. (2013). "Coverage of Extreme Events in the IPCC AR5." <http://rogerpielkejr.blogspot.com/2013/10/coverage-of-extreme-events-in-ipcc-ar5.html>.
- <sup>9</sup> Kueter (2012): 2.
- <sup>10</sup> From NOAA at <https://www2.ucar.edu/climate/faq/how-much-has-global-temperature-risen-last-100-years>
- <sup>11</sup> UN Food & Agriculture Organization (2013). *FAO Statistical Yearbook 2013* (Rome, Italy: United Nations): 128, <http://issuu.com/faoftheun/docs/syb2013issuu>.
- <sup>12</sup> World Health Organization (2013). "Global and Regional Food Consumption Patterns and Trends," [http://www.who.int/nutrition/topics/3\\_foodconsumption/en/](http://www.who.int/nutrition/topics/3_foodconsumption/en/).
- <sup>13</sup> World Health Organization (2013). "Global and Regional Food Consumption Patterns and Trends," [http://www.who.int/nutrition/topics/3\\_foodconsumption/en/index6.html](http://www.who.int/nutrition/topics/3_foodconsumption/en/index6.html).
- <sup>14</sup> Sid Perkins (2012). "Recent Drought Trends Not So Cut-and-Dried." *Science Now*, November 14, 2012, <http://news.sciencemag.org/earth/2012/11/recent-drought-trends-not-so-cut-and-dried>.
- <sup>15</sup> Roger Pielke, Jr. (2012). "Drought and Climate Change." <http://rogerpielkejr.blogspot.com/2012/09/drought-and-climate-change.html>.
- <sup>16</sup> Sci-News.com (2013). "Rising Carbon Dioxide Levels Cause Desert Greening, Satellite Observations Reveal," <http://www.sci-news.com/othersciences/geophysics/science-carbon-dioxide-desert-greening-01209.html>.
- <sup>17</sup> Theisen, Ole Magnus, Helge Holtermann, and Halvard Buhaug. "Climate Wars? Assessing the Claim that Drought Breeds Conflict." *International Security* 36, no. 3 (2011): 79-106.
- <sup>18</sup> Kueter (2012): 34.

COPY OF A LETTER SUBMITTED TO THE EPA BY  
WYOMING GOVERNOR MATHEW H. MEAD

MATTHEW H. MEAD  
GOVERNOR



STATE CAPITOL  
CHEYENNE, WY 82002

Office of the Governor

April 28, 2015

The Honorable Gina McCarthy  
Administrator  
U.S. Environmental Protection Agency  
1200 Pennsylvania Avenue, N.W.  
Washington, DC 20460

Re: Docket ID No. EPA-HQ-OAR-2013-0495. Standard of Performance for Greenhouse Gas  
Emissions from New Stationary Sources: Electric Utility Generating Units

Dear Administrator McCarthy,

On September 20, 2013, the Environmental Protection Agency (EPA) proposed performance standards for new electric utility generating units. These performance standards are not based on achievable control technologies and serve only to halt construction of new coal-fired power plants. On May 9, 2014, I submitted a comment letter detailing my concerns.

I write now to ask that you consider a recent study by the Center for Energy Economics and Public Policy at the University of Wyoming. The study, titled "The Impact of the Coal Economy on Wyoming," was published in February of 2015. The study addresses the influence of the coal industry on Wyoming's economy and analyzes impacts to the industry and Wyoming's economy.

The study determined the single largest threat to Wyoming's coal industry is EPA's Clean Power Plan (this proposed rule and related 111(d) proposed rulemaking). You have the discretion to consider additional information when a rule is not yet final. I formally request this study be a part of the record and consideration in making your final decisions regarding this proposed rulemaking.

Sincerely,

A handwritten signature in blue ink, appearing to read "Matthew H. Mead".

Matthew H. Mead  
Governor

MHM:mdm

cc: The Honorable Mike Enzi, U.S. Senate  
The Honorable John Barrasso, U.S. Senate  
The Honorable Cynthia Lummis, U.S. House of Representatives