

**Opening Statement of Chairwoman Kay Granger
House Committee on Appropriations
Subcommittee on State, Foreign Operations and Related Agencies
Hearing with Ambassador Susan Rice
April 7, 2011**

I want to welcome everyone to today's Subcommittee hearing. Ambassador Rice, thank you for appearing today to testify on the Administration's fiscal year 2012 budget request for the United Nations and other international organizations.

I want to begin by offering my condolences to the families of the U.N. staff who were killed and injured in recent weeks in Afghanistan, Ivory Coast, and Congo. We appreciate the sacrifices made on a daily basis by the men and women who work for the U.N.

Ambassador Rice, this is the first time you have appeared before our Subcommittee, and we thank you for your service during an extremely challenging time. We look forward to your comments on many important issues around the world and hope you will share your first-hand perspective on what is gained through the substantial U.S. investment in the United Nations.

Madam Ambassador, this country is facing a fiscal crisis, and funding for the U.N. and other international organizations will be scrutinized along with every program in the State, Foreign Operations, and Related Programs bill.

The fiscal year 2012 request for U.N. accounts is more than \$3.8 billion, but that is only a portion of what the U.S. government has been programming through the United Nations. In 2009, for example, the U.N. and related organizations received more than \$6 billion of U.S. funding – almost double the amount directly appropriated.

The House-passed fiscal year 2011 continuing resolution, H.R. 1, took an initial step toward re-evaluating these contributions. Funding was dramatically reduced by offsetting assessed costs with credits already on the books and by scaling back voluntary contributions. While the changes in H.R. 1 represent a first attempt to re-balance spending, much more has to be done. I hope it can be done working together with my colleagues on the other side of the aisle, the authorizing committees, and the Administration.

Madam Ambassador, as you know, in addition to H.R. 1, there have already been bills introduced in the House to either withhold or reduce funds to the U.N. In the past, strong U.S. actions have pressured the U.N. to take on reforms. I can assure you that if members of the House don't see changes, legislative steps will continue and funds will be in jeopardy.

I hope you will provide an update on the Administration's efforts to push for U.N. reform. There are many areas that need improvement -- international peacekeepers must be held to high standards, procurement processes must prevent graft and corruption, and whistleblowers must be protected -- just to name a few.

I also must raise my concerns about U.S. credits that exist at the United Nations. Late last year, the Committee was told that more than \$400 million of credits had accumulated. I am concerned about the process, or lack thereof, that has evolved over the last few months, regarding these credits. Soon after the credits were revealed to the Committee, the Administration identified \$100 million of perimeter security upgrades that were needed at U.N. facilities in New York. At the end of December, we were told that credits were applied for this purpose.

While I understand the need to address security vulnerabilities, it is how the Administration went about funding this project that concerns me. This requirement was never presented in a budget request, nor were funds ever appropriated for this purpose. There seems to be an assumption by the Administration that once the Congress appropriates money to the U.N., funds can be used for any project that seems worthy. This is not the case.

Madam Ambassador, I urge the Administration to carefully examine how credits are used and to improve communication with this Committee.

In addition to all of the daunting budget and management challenges I've mentioned, I hope you can update the Subcommittee on the very serious policy matters that come before you every day. In particular, we would like to hear your comments on Israel and the Palestinian territories, get a better understanding of the response to the crisis and next steps in Libya, and be updated on U.N. efforts to restrain Iran's nuclear ambitions.

In closing, Ambassador Rice, I want to thank you and the U.S. delegations stationed in New York and around the world. Your work is extremely difficult and we appreciate your service. Thank you for being here today.

#####