

108TH CONGRESS  
2D SESSION

# H. R. 4284

To require the withholding of United States contributions to the United Nations until the President certifies that the United Nations is cooperating in the investigation of the United Nations Oil-for-Food Program.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 5, 2004

Mr. FLAKE (for himself, Mr. PENCE, Mr. DAVIS of Tennessee, Mr. BURTON of Indiana, Mr. STENHOLM, Mr. BALLENGER, Mr. MATHESON, Mr. CHABOT, Mr. TANCREDI, Mr. SMITH of Michigan, Mr. PITTS, Mr. AKIN, Mr. BARTLETT of Maryland, Mrs. BLACKBURN, Mr. CANTOR, Mr. CARTER, Mr. CHOCOLA, Mrs. CUBIN, Mr. DOOLITTLE, Mr. FEENEY, Mr. GARRETT of New Jersey, Mr. GINGREY, Mr. GUTKNECHT, Ms. HART, Mr. HENSARLING, Mr. HERGER, Mr. JONES of North Carolina, Mrs. KELLY, Mr. KING of Iowa, Mr. KLINE, Mrs. MUSGRAVE, Mrs. MYRICK, Mr. RYAN of Wisconsin, Mr. SHADEGG, and Mr. TOOMEY) introduced the following bill; which was referred to the Committee on International Relations

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## A BILL

To require the withholding of United States contributions to the United Nations until the President certifies that the United Nations is cooperating in the investigation of the United Nations Oil-for-Food Program.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “United Nations Oil-  
3 for-Food Accountability Act of 2004”.

4 **SEC. 2. FINDINGS.**

5 Congress finds the following:

6 (1) Allegations have been raised of substantial  
7 fraud and corruption in the administration of the  
8 Office of the Iraq Oil-for-Food Program of the  
9 United Nations.

10 (2) The United Nations received 2.2 percent of  
11 the proceeds of the sale of the oil exported from Iraq  
12 under the oil-for-food program, representing ap-  
13 proximately \$1,400,000,000, to fund the administra-  
14 tive costs of the program.

15 (3) The General Accounting Office estimates  
16 that during the period from 1997 through 2002, the  
17 former Iraqi regime received \$10,100,000,000 in il-  
18 legal revenues from the oil-for-food program, includ-  
19 ing \$5,700,000,000 received from oil smuggled out  
20 of Iraq and \$4,400,000,000 received from sur-  
21 charges on oil sales and illicit commissions from sup-  
22 pliers exporting goods to Iraq.

23 (4) Any illicit activity by United Nations offi-  
24 cials, personnel, agents, or contractors, including en-  
25 tities that have entered into contracts under the oil-

1       for-food program, is unacceptable and should be  
2       thoroughly investigated.

3           (5) Documents in the files of the former Oil  
4       Ministry of Iraq indicate that Benon Sevan, the Ex-  
5       ecutive Director of the oil-for-food program, and  
6       other senior United Nations officials may have been  
7       connected to an illicit scheme in which approxi-  
8       mately 270 prominent foreign officials, business peo-  
9       ple, and political entities received the right to trade  
10      in Iraqi oil at below-market prices.

11          (6) On April 21, 2004, the United Nations Se-  
12      curity Council adopted Resolution 1538, which es-  
13      tablished a high-level inquiry into allegations regard-  
14      ing the administration of the oil-for-food program.  
15      The inquiry will be led by Paul Volcker, but the in-  
16      vestigators will not have subpoena power.

17          (7) The ability and credibility of the United Na-  
18      tions Security Council to act in matters of war and  
19      peace is threatened by the alleged influence of politi-  
20      cally connected individuals, companies, and institu-  
21      tions of the permanent member states who received  
22      Iraqi oil contracts.

23          (8) The ability and credibility of the United Na-  
24      tions to convey legitimacy to the new Government of  
25      Iraq and assist in the reconstruction of postwar Iraq

1 is hampered by these allegations of United Nations  
2 corruption and mismanagement in the oil-for-food  
3 program.

4 **SEC. 3. OIL-FOR-FOOD PROGRAM DEFINED.**

5 In this Act, the term “oil-for-food program” means  
6 the program established and administered pursuant to  
7 United Nations Security Council Resolution 986 (April 14,  
8 1995) and subsequent United Nations resolutions to per-  
9 mit the sale of petroleum products exported from Iraq and  
10 to use the revenue generated from such sale for humani-  
11 tarian assistance.

12 **SEC. 4. PAYMENT OF UNITED STATES CONTRIBUTIONS FOR**  
13 **UNITED NATIONS REGULAR BUDGET CONTIN-**  
14 **GENT UPON PRESIDENTIAL CERTIFICATION**  
15 **OF UNITED NATIONS COOPERATION.**

16 (a) WITHHOLDING OF PORTION OF ASSESSED CON-  
17 TRIBUTIONS.—Until the President submits to Congress a  
18 certification that satisfies the requirements described in  
19 subsection (b), amounts shall be withheld from amounts  
20 appropriated for contributions to international organiza-  
21 tions as follows:

22 (1) Of the funds appropriated for contributions  
23 to international organizations in an Act making ap-  
24 propriations for fiscal year 2005, 10 percent of the  
25 amount available for United States assessed con-

1       tributions to the regular budget of the United Na-  
2       tions for such fiscal year.

3           (2) Of the funds appropriated for contributions  
4       to international organizations in an Act making ap-  
5       propriations for fiscal year 2006, 20 percent of the  
6       amount available for United States assessed con-  
7       tributions to the regular budget of the United Na-  
8       tions for such fiscal year.

9       (b) CERTIFICATION.—The certification referred to in  
10      subsection (a) is a certification made by the President to  
11      Congress that—

12           (1) the United Nations has in effect procedures  
13       that provide the General Accounting Office access to  
14       all documents relating to the oil-for-food program so  
15       that the Comptroller General may perform nation-  
16       ally mandated reviews of United Nations operations;

17           (2) the United Nations Secretary General has  
18       formally confirmed that the United Nations will not  
19       assert the inviolability of United Nations papers and  
20       internal records that concern the oil-for-food pro-  
21       gram or a sanction imposed on Iraq related to the  
22       oil-for-food program;

23           (3) the United Nations Secretary General has  
24       authorized the release to the law enforcement au-  
25       thorities of any member state of the United Nations

1 authentic copies of any document in the possession  
2 of the United Nations, including any document in  
3 the possession of a person who was engaged on a  
4 contract basis to provide goods or services to the  
5 United Nations, that in the judgment of the request-  
6 ing authority directly or indirectly concerns the oil-  
7 for-food program or a sanction imposed on Iraq re-  
8 lated to the oil-for-food program upon request by  
9 such law enforcement authority;

10 (4) the United Nations has waived any immu-  
11 nity enjoyed by any United Nations official from the  
12 judicial process in the United States for any civil or  
13 criminal acts or omissions under Federal or State  
14 law that may have transpired within the jurisdiction  
15 of the United States in connection with the oil-for-  
16 food program; and

17 (5) any United Nations official who benefitted  
18 financially from the oil-for-food program has reim-  
19 bursed the Government of Iraq and any other entity  
20 affected by the illicit activity of such official the full  
21 amount that such official improperly received from  
22 the oil-for-food program.

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