

MULTILATERAL ECONOMIC ASSISTANCE

International Financial Institutions
International Organizations and Programs

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International Financial Institutions

(\$ in thousands)

Account	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
IFI	1,383,042	1,219,199	1,335,330

The FY 2006 request for the IFIs includes \$1.329 billion for scheduled annual commitments and \$6.57 million to clear a portion of outstanding U.S. arrears, which currently total \$687.04 million.

IFIs provide loans, grants and investments in developing and transition economies and private sector enterprises in countries where risks are too high for private financing alone and where leverage is needed to encourage private financing. Bank policies and assistance programs reflect U.S. priorities in promoting growth, increasing productivity, and reducing poverty in developing countries.

The FY2006 request includes the initial scheduled commitment to three new replenishments – the fourteenth replenishment of the International Development Association (IDA-14), the tenth replenishment of the African Development Fund (AfDF-10), and the eighth replenishment of the Asian Development Fund (AsDF-9).

U.S. leadership in the IDA-14 replenishment negotiations achieved a number of key reforms, most notably a significant increase in grant financing. The share of new funding disbursed to the poorest countries through grants, rather than loans, will increase from about 25 percent to approximately 45 percent. Agreement was also reached on an expanded results measurement system and progress toward greater transparency.

In the AfDF-10 replenishment negotiations, the U.S. was also successful in attaining a substantial increase in grant financing to the poorest countries, from a level of about 20 percent to approximately 45 percent. The replenishment also achieved greater selectivity and effectiveness of operations, enhanced transparency and anti-corruption measures, and greater support to post-conflict countries.

The AsDF-9 replenishment negotiations established, for the first time in the AsDF, a grant window where approximately 30 percent of assistance to the poorest countries will be in the form of grants. Agreement was also reached to increase the weight given to good governance and strong policy performance in the system used to allocate AsDF resources to countries, to provide a significant increase in resources for anti-corruption activities, and to establish a results management unit to oversee the implementation of a new results measurement strategy throughout the institution.

International Financial Institutions
(\$ in thousands)

	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
Global Environment Facility	138,418	106,640	107,500
International Development Association	907,812	843,200	950,000
Multilateral Investment Guarantee Agency	1,117	-	1,742
Asian Development Fund	143,569	99,200	115,250
African Development Bank	5,075	4,067	5,638
African Development Fund	112,060	105,152	135,700
European Bank for Reconstruction and Development	35,222	35,148	1,016
Inter-American Development Bank - Multilateral Investment Fund	24,853	10,912	1,742
Inter-American Investment Corporation	-	-	1,742
International Fund for Agricultural Development	14,916	14,880	15,000
Total	1,383,042	1,219,199	1,335,330

International Organizations and Programs

(\$ in thousands)

Account	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
IO&P	294,899	325,767	281,908

The FY 2006 request of \$281,908,000 for International Organizations and Programs (IO&P) would advance the United States' strategic goals by addressing challenges that require international consultation and coordination. In some areas, such as protecting the ozone layer or safeguarding international air traffic, solutions cannot be effective unless problems are addressed globally. In other areas, such as development programs and addressing the needs of children and mothers, the United States multiplies the influence and effectiveness of its contributions through support for international programs.

- *United Nations Voluntary Fund for Technical Cooperation in the Field of Human Rights (\$1,425,000)*

Contributing to the Fund advances the U.S. goal of promoting democracy and human rights. The UN can use the Fund to undertake projects, which, in some instances, the United States cannot implement bilaterally. A secure tradition of voluntary funding, anchored by the U.S. contribution, guarantees availability of such assistance to those nations that seek assistance in strengthening their own democratic institutions, and protecting the human rights of their citizens. Many of these nations are newly independent, and are struggling to adopt, implement and adhere to the democratic principles promoted by the donor nations.

- *United Nations Voluntary Fund for Victims of Torture (\$4,750,000)*

Contributions to this Fund also support the U.S. foreign policy goal of promoting democracy and human rights. Assisting torture victims helps establish and reinforce a climate of respect for the rule of law, good governance and human rights. U.S. contributions underscore our commitment to the rights of the individual and to the essential importance of protecting these rights. Contributions to the Fund also demonstrate the U.S. commitment to humanitarian assistance to victims of human rights violations. The Fund provides worldwide humanitarian assistance to torture victims and their families and also finances training programs for health care professionals specializing in the treatment of torture victims and human rights courses for government officials and police forces. Today, 80,000 victims of torture and their relatives and about 200 organizations around the world are assisted by the Fund. Types of assistance to victims of torture provided by the Fund are by order of importance: psychological, medical, social, legal, and economic.

- *Organization of American States Fund for Strengthening Democracy (OAS Democ Fund) (2,500,000)*

Strengthening democracy is a strategic goal of President Bush's policy. FY 2006 funding for the OAS Democ Fund will advance that goal by promoting democracy programs of the OAS and leveraging further funding from other donors. In recent years, the OAS has demonstrated newfound strength and purpose in promoting representative democracy and respect for human rights and the rule of law. The OAS Democ Fund is an effective tool in mobilizing OAS efforts in that regard, through conflict resolution, electoral observation missions and technical assistance, and programs to strengthen democratic institutions and political parties. The OAS Democ Fund continues to play a critical role in capitalizing and seeding many of those aforementioned programs. The OAS Democ Fund also provides quick, early funding for critical programs, such as high priority OAS missions responding to crisis situations (Haiti, Venezuela), promoting conflict resolution, and providing technical electoral assistance. The OAS Democ Fund also supports the Inter-American Commission on Human Rights, which monitors and adjudicates human rights complaints in the Western Hemisphere, and contributes to the highly successful OAS de-mining program (AICMA),

which is making real progress toward achieving a landmine-free Central America. Furthermore, mandates of the Summit of the Americas, as well as recent OAS commitments to implement the Inter-American Democratic Charter, which was inspired by the 2001 Quebec Summit, have increased demands on the OAS Democ Fund to support the efforts of the Unit for Promotion of Democracy to prevent and address threats to democracy in the hemisphere.

- *United Nations Development Program (UNDP) (\$95,000,000)*

UNDP promotes and supports democracy and prosperity worldwide. UNDP's programs are closely aligned with U.S. strategic interests. UNDP adopted five "core goals" for its work in the next four years: (1) reduce human poverty; (2) foster democratic governance; (3) manage energy and environment for sustainable development; (4) support crisis prevention and recovery; and (5) respond to HIV/AIDS. UNDP is also a valuable partner in the Administration's efforts in post-conflict recovery and reconstruction, including in Afghanistan, Iraq, and Liberia. UNDP is responsible for the creation of the UN's Commission on the Private Sector and Development, and for the Commission's inaugural report with recommendations to foster development of the private sector in developing countries.

UNDP is the UN's primary development agency with a presence in over 136 countries; it has transformed itself from a project financing entity into an organization focused on governance and institutional capacity building. UNDP has also instituted a results-based management system to monitor and improve its performance.

As the chair of the United Nations Development Group (UNDG), which coordinates the activities of all UN development agencies, UNDP is in a unique position to influence the UN's development policies and practices. At the country level, it provides services to nineteen agencies and manages the Resident Coordinator System -- a system essential to shaping a common UN approach to the development needs of a country.

Program Assessment Rating Tool (PART)/Performance Evaluation

For preparation of the FY 2006 budget, the Administration reevaluated the Department's contribution to UNDP for the second time using the Program Assessment Rating Tool (PART). UNDP showed an improved rating from results not demonstrated to effective. The program received excellent scores in regards to the program's purpose: to provide central funding and coordination of UN activities that advance economic and social development while combating poverty and disease worldwide. The assessment also found that the program does have a limited number of long-term performance goals with ambitious targets and timeframes. The program has responded to OMB's findings and recommendations by implementing measurable annual performance targets, an efficiency measure, and by effectively demonstrating that program managers are held accountable for achieving key U.S. objectives within the UN organization. The PART process provided information that was taken into account in the overall decision-making process for UNDP's resource allocation.

Key Indicators: (1) "Operational Support Costs" as a Percentage of Total Costs; (2) Percentage of countries where annual targets were fully achieved out of the total number of countries (92) where UNDP provided support for democratic governance goal; and (3) Percentage of countries where annual targets were fully achieved out of the total number (36) of countries where UNDP provides support to conflict prevention and peace building.

- *United Nations Development Fund for Women (UNIFEM) (\$950,000)*

UNIFEM's goal is to improve the status of and opportunities for women in the least developed countries through greater participation in political, economic, and social life. Investments in women -- in their health, education, and economic access -- are key components of sustainable development. The more education women have, the more likely they are to be economically productive and engage in public life. They are also more likely to begin childbearing later in life, to educate their children, and to have healthier children -- passing the advantages they have gained on to the next generation. UNIFEM's goals coincide with several key U.S. strategic goals: economic development, democracy and human rights, and global growth and stability.

UNIFEM works in over 100 countries with a growing network of affiliated individual advisors and organizations in Africa, the Arab States, Asia and the Pacific, Central and Eastern Europe, as well as Latin America and the Caribbean.

- *Organization of American States Development Assistance Programs (\$5,225,000)*

Key U.S. policy objectives include the promotion of economic prosperity, social well-being and global environmental issues as essential underpinnings of stable democratic governments. FY 2006 funding for OAS Development Programs would help advance those goals. The OAS recently established the Inter-American Agency for Cooperation and Development to strengthen program execution and provide a mechanism for partnerships with private sector and non-governmental entities to develop projects that promote the use of best practices in education, government procurement and science and technology.

In the wake of the terrorist attacks of 9/11, the Agency has been praised for its commitment to port security training, which supports the U.S. goals of combating corruption and smuggling. The OAS also developed an airport-security training program for Caribbean international airports and may expand that program to Central America. The Agency has been very successful in the area of education by offering several training programs in technical fields. In response to the Summit of the Americas, it has developed training programs for teachers that are available online through the Education Portal of the Americas. Funds are also used to implement cooperative multinational programs in areas such as social and educational development, environmental protection and watershed management, and science and technology.

The National Institute of Standards and Technology offers courses through the OAS on standardization that will allow Latin American and Caribbean countries to place their goods on the world market, an essential prelude to the Free Trade Area of the Americas (FTAA). A contribution in FY 2006 will allow the OAS to meet its Summit of the Americas mandates in the areas of economic and social development, education, science and technology, and sustainable rural development activities, as well as assist Caribbean and other small-state economies to prepare for the FTAA.

- *World Trade Organization (WTO) (\$950,000)*

The successful conclusion of the WTO Doha Round of trade negotiations remains a key U.S. international economic policy objective. Providing a strong trade capacity building assistance program for developing countries is essential to making progress in the Doha Round.

Ministers at the November 2001 WTO Doha Ministerial Conference underscored the importance of assisting developing countries to build trade capacity so that they might participate more fully in the WTO and the global economy. The commitment by developed countries to provide capacity building assistance was key to convincing developing countries to agree to launch the Doha Round. For this reason, the WTO

established the Doha Development Agenda (DDA) Global Trust Fund to support developing countries' efforts to actively engage in WTO trade negotiations.

The WTO Global Trust Fund assists developing countries in implementing and participating in these negotiations, allowing them to further liberalize and open their trading systems. Funding for the WTO Global Trust Fund will provide necessary technical assistance to ensure all WTO Members share in the benefits of world trade, and will be supplemented by contributions by other developed countries. The requested contribution, like previous U.S. contributions to the Fund, will assist recipient countries in understanding and adopting open and transparent rules and regulatory regimes; implementing multilateral rules (which will help boost U.S. exports); and laying the foundation for sound economic reforms that contribute to growth and stability. During the 1990s, the lowering of trade barriers contributed to five percent GDP growth annually among developing countries that were members of the WTO.

The U.S. contribution to the Fund will advance market-opening negotiations in the Doha Round, resulting in substantial benefits to American business, workers and consumers. During the 1990s, the lowering of trade barriers helped U.S. exports reach approximately \$1 trillion annually, generating employment for 12 million Americans.

Successful and timely conclusion of the Doha Round will help achieve our strategic goals of further market opening, expansion of U.S. exports, and international growth and stability. Maintaining funding for the WTO DDA Trust Fund for FY 2006 would underscore in a concrete way our strong commitment to the Doha Round, in particular the importance we attach to full participation of developing countries.

- *International Civil Aviation Organization (ICAO) Aviation Security Fund (\$950,000)*

Following the events of 9/11, aviation security has taken on additional importance at the urging of the United States. The ICAO Aviation Security Fund aims to strengthen aviation security worldwide by preventing terrorism and unlawful interference with civil aviation and its facilities. ICAO has established new standards for cockpit security and crew procedures. ICAO is also implementing a global harmonized blueprint for the introduction of biometric facial recognition information into passports, visas, and other machine-readable travel documents. Rapid and effective adoption of these standards worldwide will have significant benefits for the United States by enhancing the security of foreign aircraft entering U.S. airspace and using U.S. airports.

ICAO's security audit program monitors compliance with security standards by identifying countries that do not adhere to the standards and helping them develop and implement actions to comply. The FY 2006 request would provide funding to help to speed up the completion of security audits in a greater number of countries.

- *International Maritime Organization (IMO) (\$400,000)*

At U.S. urging, the IMO launched a major maritime security initiative after 9/11, culminating in the December 2002 approval of security amendments to the International Convention for the Safety of Life at Sea (SOLAS) and an international Code for the Security of Ships and of Port Facilities, which greatly increases the security responsibilities of governments, ports, companies, and ships. These standards went into effect worldwide in 2004. Rapid and effective implementation of these standards will have significant benefits for the United States by enhancing the security of foreign vessels entering U.S. ports and by improving security of foreign ports visited by U.S. vessels. A U.S. voluntary contribution would support vital IMO technical assistance to countries to help them meet the new security standards. It would also help fund IMO evaluations of flag state adherence to IMO standards under an audit program currently being implemented to enhance adherence to safety and environmental, as well as security, standards.

- *United Nations Environment Program (UNEP) (\$9,524,000)*

UNEP is the world's largest international environmental organization, and it provides important value to the United States on two levels. First, UNEP is the primary policy forum at which the countries of the world meet to decide how to address critical emerging environmental threats. UNEP has launched a wide range of important negotiations, such as those dealing with depletion of the ozone layer, global warming, loss of biodiversity, the trade in hazardous wastes, and pollution from persistent organic pollutants and other toxic chemicals and pesticides. This type of international policy forum is absolutely essential for dealing with global environmental problems that a single country or region could not address unilaterally.

Second, UNEP sponsors a wide range of environmental programs, many of which are important for U.S. interests. For example, we strongly support UNEP's regional seas program, which helps address marine pollution and protects ecosystems around the globe, as well as its Division of Early Warning and Assessment, which identifies new global environmental problems. UNEP's Chemicals Unit has done a superb job in supporting work to develop new international agreements in this field to address emerging problems of concern to the United States such as mercury pollution. The Post Conflict Assessment Unit is playing a vital role in helping nations such as Afghanistan and Liberia address the environmental degradation resulting from conflicts. UNDP may extend that work to Sudan and Iraq, as appropriate. Other important UNEP programs include its support for the development of strong environmental laws and regulations in developing countries, its promotion of best available environmental technologies, and its work to identify the problems associated with air pollution in Asia (the Atmospheric Brown Cloud). UNEP has joined the United States as a major partner in the "White Water to Blue Water Partnership" integrated watershed management program, and has worked closely with the United States to provide NASA LANDSAT satellite data to African governments for monitoring land use and environmental change. UNEP is also actively engaged in Tsunami response. They are examining how the condition of coral reefs and mangroves affected the impact of the wave and are working with other reconstruction partners to bring an environmental perspective to the reconstruction effort. UNEP has just completed a strategic plan for capacity building, which broadly reflects U.S. efforts to increase UNEP's focus on building capacity in member states to address environmental challenges.

- *Montreal Protocol Multilateral Fund (\$21,500,000)*

The U.S. contribution to the Montreal Protocol would benefit U.S. national interests by protecting the health of American citizens, the world community, and the global environment. The agreement, the Montreal Protocol on Substances that Deplete the Ozone Layer, ratified by the United States in 1988, protects the ozone layer by setting forth measures to control the global emissions of substances, such as chlorofluorocarbons, that deplete it. These manufactured chemicals emitted into the atmosphere have led to the destruction of the stratospheric ozone layer, permitting dangerously high levels of ultraviolet (UV) light to reach the earth's surface. Increasing UV radiation has been linked to higher rates of skin cancer, cataracts, and immunosuppression in humans and other animals, as well as harmful alterations to global ecosystems. Since the inception of the Fund, over \$1,200,000,000 in assistance for agreed incremental costs has been provided in over 3,500 projects to more than 120 developing countries. When fully implemented, these projects will result in the permanent elimination of over 140,000 tons of ozone depleting substances. Obligations taken on by both developed and developing countries to the Protocol are expected to bring the ozone layer back to its pre-industrial state sometime around 2050.

Ozone depletion is a global problem, and the Montreal Protocol Multilateral Fund provides resources to developing country parties to the Protocol to support efforts to reverse the human-created damage to the ozone layer, as a result of emissions of ozone-depleting substances (ODSs). With the U.S. contribution, the Fund will help ensure that ODS phase-out schedules are met. To date, U.S. contributions have provided

significant opportunities for American industries to export technologies and consulting expertise. The U.S. is a leader in ozone protection technologies and has captured a significant portion of the economic opportunities created by Multilateral Fund projects.

- *International Conservation Programs (\$5,914,000)*

Many developing countries face the daunting challenge of improving their standard of living while at the same time preserving their natural resources. Illegal logging and related illegal trade and corruption in the forest sector, for example, are robbing governments of much needed revenue. U.S. contributions to international conservation programs help address these problems by providing the means, policy approaches, and technical expertise to assist developing countries in building their capacity to conserve and sustainably manage vital ecological and economic natural resources. In some cases, U.S. contributions leverage millions of dollars in project co-funding. In addition, these programs offer mechanisms for the exchange of information and new environmental technologies, which have provided valuable new market opportunities for U.S. expertise and technical know-how. These international programs include:

- The World Conservation Union (IUCN) is the foremost scientific forum for the advancement of U.S. conservation and sustainable development objectives and complements the international environmental priorities of U.S. agencies. IUCN technical and management expertise is helping advance emerging U.S. priority issues, such as addressing the ecological and economic damage caused by invasive species -- the single greatest cause of habitat destruction after land conversion. The IUCN has six commissions that draw on the knowledge base of 10,000 volunteer scientific experts worldwide. Its mission is to encourage and assist societies throughout the world through the provision of sound scientific and technical advice; to conserve the integrity and diversity of nature; and to ensure that the use of natural resources is ecologically sustainable. U.S. funding helps to shape IUCN's activities on U.S. priorities such as conserving tropical forests, coral reefs, endangered species, and combating invasive alien species.
- The International Tropical Timber Organization (ITTO) is the only international forum which brings together both producing and consuming countries of tropical timber to address all aspects of the tropical timber economy, including promotion of market transparency and sustainable management of the tropical forest resource base. Its 54 members represent 95 percent of world trade in tropical timber. The United States is one of the world's largest importers of tropical timber, and U.S. domestic and importing industries actively participate in ITTO. ITTO's recognition of the timber market's dependency on sustainable harvesting links U.S. trade interests with U.S. priorities for sustainable forest management, with the goal of ensuring a long-term supply of tropical wood from well-managed forests. Based on our experience, the annual U.S. contribution leverages six to ten times that amount in project co-financing from other major ITTO donors and is allocated for projects of high priority to the U.S.
- The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) is the only treaty that monitors and regulates the international trade in species that are determined by the 154 parties to be threatened with extinction within their natural range, such as elephants, rhinoceros and many crocodylia. CITES advances U.S. environmental goals of preserving global biodiversity and important wildlife and plant species while affording possibilities for their sustainable development. The United States is a founding member of CITES and has significant influence in the decision-making process.
- The Ramsar Convention on Wetlands of International Importance (RAMSAR) provides the only global framework for national action and international cooperation for the conservation and wise use of

wetland resources. In addition to information sharing and providing technical assistance to member states, the 135 parties to RAMSAR have designated, with the cooperation of host governments, over 1,000 sites for inclusion in RAMSAR. The U.S. contribution to RAMSAR helps to support the core budget of RAMSAR and funds a U.S.-initiated wetlands training and capacity building grants program for the Western Hemisphere. The U.S. maintains a decision-making role in the grants funded under this initiative.

- The U.S.-inspired United Nations Forum on Forests (UNFF) was established in 2000 as a subsidiary body of the Economic and Social Council (ECOSOC), with the mandate to facilitate sustainable forest management, raise the standards of other countries to U.S. levels, and enhance cooperation and coordination among the many international organizations and treaties related to forest issues. The United States was actively engaged in establishing the UNFF as a practical and results-oriented mechanism to facilitate and improve coordination and efficiency among major multilateral forest-related initiatives. The existence of the UNFF has also allowed the U.S. to stave off pressure to negotiate a new global forest treaty, which would require substantially more financial commitment and would adversely impact both U.S. environmental and economic goals.
- The United Nations Convention to Combat Desertification (UNCCD) is intended to address the fundamental causes of famine and food insecurity, especially in Africa, by stimulating more effective partnership among government representatives, local communities, and NGOs, encouraging the dissemination of information derived from new technology. The United States became a party in February 2001, which has provided an excellent opportunity to share extensive U.S. experiences and expertise in addressing desertification.
- The United States is one of 12 member countries of the Montreal Process Working Group on Criteria and Indicators for the Conservation and Sustainable Management of Temperate and Boreal Forests. The Montreal Process countries account for 60 percent of the world's forests and over 90 percent of the world's non-tropical forests, as well as 40 percent of world trade in forest products. Participation enables the United States to advance national interests by promoting sustainable forest management in the developing countries of the Montreal Process and advancing the use of internationally agreed criteria and indicators worldwide. U.S. industry and the 50 states are actively engaged in the Montreal Process.
- The goals of the National Forest Program Facility of FAO are to integrate sustainable forest management into broader national policies to promote sustainable livelihoods and to build consensus among stakeholders on how to address forest issues in the context of sustainable development. The Facility offers grants for selected activities emphasizing practical efforts, participatory processes, informed decision-making, and public-private partnerships. It is hosted by the FAO and financed via a Multi-donor Trust Fund managed by FAO. U.S. contributions to the Facility would finance activities of high priority to the United States, such as promoting good governance, improving forest law enforcement, and monitoring and assessing forest conditions.
- *Intergovernmental Panel on Climate Change (IPCC) / United Nations Framework Convention on Climate Change (UNFCCC) (\$5,320,000)*

The IPCC and UNFCCC are the premier international structures for scientific assessments of climate change and for multilateral cooperative efforts to address climate change. U.S. participation promotes international climate change cooperation that is science-based and consistent with U.S. environmental and economic interests.

The FY 2006 budget request for the IPCC and UNFCCC would be used to provide support to IPCC core activities and programs; the UNFCCC administrative budget for the 2006-07 biennium; voluntary contributions toward UNFCCC trust funds for developing country participation and for supplementary activities that advance U.S. interests; the Global Climate Observing System and the successor organization to the Group on Earth Observation for providing comprehensive observations for monitoring, modeling, and predicting climate variability and change; and voluntary contributions to help fund the Annex I Experts Group, an ad hoc group related to the UNFCCC that addresses implementation issues.

U.S. participation in and support for the UNFCCC helps advance specific Administration initiatives regarding technology transfer to and capacity-building in developing countries, as well as the enhancement of bilateral climate change cooperation. U.S. participation in and support for the IPCC helps advance specific Administration initiatives regarding climate change science and technology, including global observation systems, carbon sequestration, and climate modeling.

- *United Nations Educational, Scientific and Cultural Organization (UNESCO)/International Contributions for Scientific, Educational and Cultural Activities (ICSECA) (\$1,000,000)*

World Heritage Committee (WHC) - The FY 2006 request would provide for continued U.S. participation in the WHC. The U.S. contribution would be used to support technical assistance to countries for the protection and preservation of their world heritage sites and for emergency assistance to stabilize World Heritage sites and for related preservation purposes.

Intergovernmental Oceanographic Commission (IOC) - For the coordination of international ocean science programs of critical interest to the U.S., ICSECA funding would continue to support the unique mandate and role of the IOC, which the U.S. supported throughout the 18 years of absence from UNESCO. IOC programs support research to improve forecasts for the protection of life and property and also play a critical role in the President's Earth Observation Initiative. The IOC helps operate the Pacific Ocean tsunami early warning system and will play a central role in the development of a tsunami early warning system for the Indian Ocean.

Other UNESCO Voluntary Contributions - The FY 2006 request would help to rejuvenate UNESCO's work in the natural sciences and engineering fields. These are areas where the U.S. is a dominant force and where UNESCO can concretely contribute to bringing science, technology, and engineering know how to bear in solving practical problems impeding such goals as improving access to clean water and securing stable and renewable energy.

- *World Meteorological Organization (WMO) Voluntary Cooperation Program (\$1,900,000)*

Since its inception in 1967, the WMO's Voluntary Cooperation Program has provided training and equipment to help developing countries participate in WMO programs, particularly the World Weather Watch (WWW). WWW provides the framework to coordinate the exchange of weather data and information through observing, telecommunication, and processing centers operated by nations throughout the world. The result of the WWW programs is the 24-hours-per-day/7-days-a-week global exchange of vital atmospheric and oceanic data and products to give the United States and other nations the basic information needed to better forecast severe weather events; assist with critical information on natural and man-made disasters that affect life, safety, water use, and crop yields around the globe; support civil aviation; provide basic global data needs for industry and many U.S. agencies, including the Department of Defense; and monitor changes in the climate throughout the world.

- *United Nations Children's Fund (UNICEF) (\$114,000,000)*

UNICEF acts as the global champion for children and strives to ensure the survival and well being of children throughout the world. In this role it has well-developed capacities in the areas of humanitarian relief and long-term development. The success of UNICEF in addressing the needs of children and their caregivers impacts directly on many national interests of the United States including international security, health, education, economic prosperity, democracy and human rights, humanitarian response, and crime and drugs.

UNICEF is active in 158 countries, vaccinating children, providing them nutritional supplements and safe drinking water, catalyzing national governments to invest in the health and education of future generations and working directly with communities to give children the best start possible in life. UNICEF has focused on five organizational priorities; "immunization plus"; integrated early childhood development; girls' education; fighting HIV/AIDS; and protection of children from violence, exploitation, abuse and discrimination. UNICEF is an active partner with one or more U.S. government agency in each of these areas, and enjoys strong relationships on technical matters with USAID, Department of Health and Human Services Centers for Disease Control, Peace Corps, the Department of State and others.

In 2003 UNICEF assembled a coalition of donors, civil-society organizations and multilateral institutions to assess new opportunities in improving child survival and mobilize the resources necessary to do so. Other global efforts, such as the global Polio Eradication Initiative and the Roll-Back Malaria campaign also draw heavily on the field presence, technical expertise and logistical capabilities of UNICEF. Partnerships with UNICEF extend into diverse areas including mine education, protecting children affected by armed conflict, and addressing the issues around children orphaned by HIV/AIDS.

Within the UN system UNICEF is a lead agency in pioneering reforms like joint-programming and utilizing joint premises. UNICEF is also a leader in regard to partnerships with civil society and the private sector. Unique among UN agencies, UNICEF gets nearly one-third, or nearly \$500 million per year in private sector contributions. Through the use of "goodwill ambassadors" and donations-in-kind, UNICEF has demonstrated an ability to leverage these relationships in direct support of program activities. UNICEF has also made significant progress in moving to results-based management of its operations, and in coordinating effectively with other agencies, both in emergency situations and in long-term development efforts. In 2003, the UNICEF Executive Board, led by the United States, also addressed the system-wide problem of using "core" non-earmarked contributions to subsidize the infrastructure costs used in delivering earmarked contributions. This issue was addressed by revising the scale of assessments for earmarked contributions and developing a methodology that more fairly allocated administrative costs between earmarked and non-earmarked funds.

The reach and reputation of UNICEF make it an institution with a unique capability to convene and utilize events like the 2002 UN General Assembly Special Session on Children, which mobilize political and economic will for investing in future generations. Retaining the core funding of UNICEF enables an institution central to our interests, which reflects the humanitarian spirit of the American people, to go about its important work in partnership with the world.

- *United Nations Office for the Coordination of Humanitarian Affairs (OCHA) (\$600,000)*

The FY 2006 request includes a contribution to the OCHA to fund core-operating resources. The United States has relied on OCHA to an ever-greater degree to coordinate massive UN relief programs. Funding for core resources for OCHA would enable it to prepare for emergencies and to respond quickly when disasters -- man-made and natural -- occur. Under the leadership of the new Under Secretary-General,

OCHA is working to coordinate political and humanitarian efforts to assist hard-to-reach population groups, such as in Sudan, North Korea, Uganda, and Colombia.

- *UN International Democracy Fund (UNIDF) (\$10,000,000)*

The FY 2006 request would provide funding for the establishment of an International Democracy Fund to reside in the United Nations, as announced by the President at the United Nations General Assembly in September, 2004. The call for democracy comes from many quarters and several regions. Increasingly, the absence of democracy and its constituent components, are seen to detract from a path of progress. The challenge is to support the work of both governments and the private sector as they help countries develop democratic institutions. The UNIDF would be structured like other independent UN bodies and would provide analysis and technical assistance to nations transitioning to democratic systems of government. The UNIDF would assist nations in democracy training and building capacity for the establishment of democratic institutions.

The UNIDF would chiefly support democratic transitions and consolidation through training and advisory services, but also house experts in democracy promotion. Think tank work would occur at the headquarters with a lean, institute-like staff to work with transitional nations. Training courses would be given at headquarters and in the field, while technical assistance and advisory services would focus resources in the field.

UNIDF's mission would be to help focus, coordinate and strengthen the number of good programs in the UN on rule of law and democracy building, not duplicate them. The Fund would help mainstream democracy and rule of law in the UN system. It would also help to improve the UN's overall democracy-building programs by complementing the efforts of UNDP and UNESCO, as well as the UN democracy caucus. The UN has been called on to assist a number of member states in moving toward building democracies. For example, in Afghanistan and Iraq, the UN is assisting citizens in a wide range of activities which, when completed, will enable these countries to institute democracy reforms and encourage political participation. The UN already has the personnel within its larger institutional structure dedicated to providing help in establishing stability in post conflict situations.

Contributions to this fund will advance the U.S. goal of promoting democracy in the world.

International Organizations and Programs
(\$ in thousands)

	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
International Organizations			
Center for Human Settlements	746	149	-
IMO Maritime Security Programs	-	99	400
International Civil Aviation Organization	994	992	950
International Conservation Programs	6,362	6,349	5,914
International Contributions for Scientific, Educational, and Cultural Activities	1,889	837	1,000
International Panel on Climate Change/UN Framework Convention on Climate Change	5,567	5,952	5,320
Montreal Protocol Multilateral Fund	20,876	21,328	21,500
OAS Development Assistance Programs	5,468	4,861	5,225
OAS Fund for Strengthening Democracy	2,982	2,976	2,500
OAS Special Mission in Haiti	4,971	-	-
Reserve to be Allocated	-	24,800	-
UN Children's Fund	119,292	124,000	114,000
UN Development Fund for Women	994	1,984	950
UN Development Program	101,398	108,128	95,000
UN Environment Program	10,935	10,912	9,524
UN High Commissioner, Human Rights	2,484	-	-
UN International Democracy Fund (UNIDF)	-	-	10,000
UN Office for the Coordination of Humanitarian Affairs (UN OCHA)	-	-	600
UN Voluntary Fund for Technical Cooperation in the Field of Human Rights	1,491	1,488	1,425
UN Voluntary Fund for Victims of Torture	5,468	6,944	4,750
UNIFEM Trust Fund	-	992	-
World Meteorological Organization	1,988	1,984	1,900
World Trade Organization	994	992	950
Subtotal - International Organizations	294,899	325,767	281,908
Total	294,899	325,767	281,908

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