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## Organization for the Prohibition of Chemical Weapons (OPCW): Budget and U.S. Contributions

The Organization for the Prohibition of Chemical Weapons (OPCW), located in The Hague, Netherlands, is the international organization responsible for overseeing implementation of the Chemical Weapons Convention (CWC, or Convention). The parties to the CWC have agreed to destroy and prevent the development and use of chemical weapons, as well as to restrict the use of dual-use chemicals while promoting technical cooperation. Assessed use of chemical weapons by Syria, North Korea, and Russia since 2013 has drawn renewed U.S. and international attention to chemical weapons issues and placed additional demands on the OPCW.

### Background and Context

The CWC opened for signature in January 1993 and entered into force on April 29, 1997. Currently 193 states are party to the treaty. Israel has signed but not ratified the Convention. Egypt, North Korea, and South Sudan have not signed the CWC. The United States signed the CWC in 1993; the U.S. Senate subsequently held hearings and debated the treaty before granting its advice and consent to ratification on April 24, 1997 (S.Res. 75, 105<sup>th</sup> Congress). Congress passed the CWC implementing legislation as a part of the FY1999 Omnibus Appropriations Act (P.L. 105-277) in October 1998. This legislation provides the statutory authority for domestic compliance with the Convention's provisions. The United States is scheduled to complete destruction of its chemical weapons stockpiles by 2023.

### CWC Provisions and OPCW Role

The CWC bans the development, production, transfer, stockpiling, and use of chemical and toxin weapons, and mandates the destruction of all chemical weapons and their production facilities. The CWC requires states parties to provide declarations, which detail chemical weapons-related activities or materials and relevant industrial activities. The OPCW Technical Secretariat, which employs about 500 staff, verifies the accuracy of these declarations, inspecting and monitoring states' facilities and activities, including chemical weapons destruction efforts.

The CWC created a complex verification regime, with different obligations applying to different types of chemical facilities. The convention establishes three schedules of chemicals, grouped by relevance to chemical weapons production and the extent of their legitimate uses. Some chemical facilities are subject to systematic onsite verification; others are subject to periodic verification inspections. CWC states parties may also request challenge

inspections at facilities suspected to be in violation of the convention. The CWC states parties reimburse the OPCW for the cost of inspections.

### Governing Structure and Budget Process

CWC states parties review implementation of the Convention and oversee the work of the OPCW through two governing bodies: the Conference of States Parties (CSP, or Conference) and the Executive Council (EC, or Council). The CSP consists of representatives of all states parties to the CWC. The EC is made up of 41 member states elected on a rotating basis for a two-year term by the CSP; the CWC requires the Council membership to reflect "equitable geographical distribution."

The OPCW Director General (DG) prepares the budget estimate and sends it to the EC. After reviewing the budget, the EC sends it to the CSP for approval. The Conference meets annually to approve the OPCW's program and budget and to decide on other matters brought before it by the EC, the DG, and member states. The CSP approves the budget as recommended by the EC, or returns the budget draft with recommendations to the EC for resubmission.

The CWC requires the CSP to appoint the OPCW DG, who serves for a four-year term. The current DG, Fernando Arias, a Spanish diplomat, was appointed in December 2017. In addition to preparing the budget, the DG reviews inspection reports, oversees the Technical Secretariat, and works to promote universal membership in the CWC.

The OPCW is a "related organization" of the United Nations (U.N.) system. The two organizations signed a Relationship Agreement in 2001 in which they agreed to cooperate closely, especially in cases "of particular gravity and urgency."

### OPCW Budget Structure and 2021 Funding

The OPCW budget consists of the Regular Budget Fund, the Working Capital Fund, and the Voluntary Fund for Assistance. The OPCW budget is determined on an annual calendar year basis. The organization follows the principle of "zero-based budgeting" characterized by zero nominal growth in member states' assessed contributions.

Both CSP and EC decisions regarding the OPCW budget (described above) require a two-thirds majority of those present and voting. Typically, the Conference approves the following year's budget each September; the Conference approved the 2021 budget in December 2020. For 2021, the

OPCW's regular assessed budget is \$86.8 million (EUR 71.7 million), financed primarily from member states' assessed annual contributions (CWC Article VIII), member states' reimbursements of the costs of verification activities (described below) on their territory (CWC Articles IV and V) and cash surplus from previous years.

### Verification Costs

In addition to assessed annual contributions, states parties must reimburse the organization for the full costs of Article IV and V verification activities on their territory. Article IV of the CWC requires states to destroy their chemical weapons and specifies that "all locations at which chemical weapons ... are stored or destroyed shall be subject to systematic [OPCW] verification through on-site inspection and monitoring with on-site instruments." This article also requires states to

provide access to any chemical weapons destruction facilities and their storage areas... for the purpose of systematic verification through on-site inspection and monitoring with on-site instruments.

CWC Article V contains similar provisions for chemical weapons production facilities.

### Voluntary Contributions

Member states may also make extra-budgetary voluntary contributions to the OPCW that are meant to supplement its regular work. Member states may also provide in-kind contributions, such as the donation of equipment or personnel. OPCW member states established a fund, which the organization has since renewed annually, in December 2015 for OPCW special missions. This fund is intended to cover certain unforeseen activities, such as fact-finding missions to determine whether a chemical weapon was used. The OPCW created a separate extra-budgetary fund for work in Syria, the Trust Fund for Syria Missions.

In addition, a new ChemTech Centre, funded through voluntary contributions, is scheduled to be completed by the end of 2022. The OPCW says the new research facility will provide "new and improved verification tools and expanded capabilities to conduct non-routine missions, and providing greater support for international cooperation and assistance activities."

### U.S. Contributions

The United States is the largest financial contributor to the OPCW, providing both assessed and voluntary funding. The share of U.S. assessed contributions is 22% of the regular OPCW budget. Congress appropriates this funding through the Contributions to International Organizations (CIO) account in annual Department of State, Foreign Operations, and Related Programs (SFOPS) Appropriations Acts. These contributions also include U.S. reimbursements for inspection and verification expenses related to the organization's activities within the United States, as required under CWC Articles IV and V. **Table 1** highlights U.S. assessed contributions to OPCW from FY2018 to FY2022, which have ranged between \$17 million and \$21 million, and include Articles IV and V costs.

U.S. assessed contributions to the OPCW may fluctuate by year for a number of reasons, including the euro-U.S. dollar exchange rate, variations in Articles IV and V inspection activity costs, OPCW budget modifications, and changes to the U.S. assessment rates. At times, the United States has been behind in its assessed payments due to the differences between the OPCW fiscal year (January 1-December 31) and the U.S. fiscal year (October 1-September 30).

**Table 1. U.S. Assessed Funding to OPCW, CIO Account: FY2018-FY2022**

in current euros (€) and U.S. dollars (\$)

	FY18 actual	FY19 actual	FY20 actual	FY21 est.	FY22 req.
U.S. assessment (22%) (€)	14,417	14,766	14,766	14,766	14,766
Article IV and V costs (€)	3,500	352	972	2,000	2,000
<i>Total Requirements (€)</i>	<i>17,917</i>	<i>15,118</i>	<i>15,738</i>	<i>16,766</i>	<i>16,766</i>
<b>Total Requirements (U.S. \$)</b>	<b>20,912</b>	<b>16,923</b>	<b>17,443</b>	<b>19,762</b>	<b>19,725</b>

**Source:** Department of State Congressional Budget Justifications, Appendix 1, various years.

**Notes:** OPCW assessments levels and Article IV and V costs are calculated based on euros. Exchange rates are based on State Department estimates. For FY2021 and FY2022, "est." and "req." mean estimated and requested, respectively.

The United States provides voluntary funding to OPCW primarily through the Nonproliferation, Antiterrorism, Demining, and Related Programs (NADR) account in annual SFOPS Appropriations Acts. These contributions generally fund the Trust Fund for Syria Missions, which supports the work of the related Declaration Assessment Team (DAT) and the Fact-Finding Mission (FFM). In FY2019, OPCW received \$10.347 million through the NADR account, according to the latest available State Department data. Congress does not specifically appropriate this funding; instead, it appropriates a lump sum to NADR account and the State Department allocates funding based on U.S. policy priorities.

### Additional Resources

CRS In Focus IF10354, *United Nations Issues: U.S. Funding to the U.N. System*, by Luisa Blanchfield

CRS Insight IN10936, *Resurgence of Chemical Weapons Use: Issues for Congress*, by Mary Beth D. Nikitin

CRS Report RL33865, *Arms Control and Nonproliferation: A Catalog of Treaties and Agreements*, by Amy F. Woolf, Paul K. Kerr, and Mary Beth D. Nikitin

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