



STATEMENT OF THE GROUP OF 77 AND CHINA DURING THE IAEA INFORMAL PROGRAMME AND BUDGET COMMITTEE MEETING, ON 19 FEBRUARY 2018, DELIVERED BY H.E. AMBASSADOR REZA NAJAFI, PERMANENT REPRESENTATIVE OF THE ISLAMIC REPUBLIC OF IRAN

Mr. Chair,

1. The Group would like to thank the Secretariat for the Agency's Draft Budget Update for 2019 contained in GOV/2018/1 and for the presentation provided today.
2. The Group maintains its principled position with regard to the Regular Budget, which calls for a balanced distribution of the budget so as to reflect the equal importance of the three pillars of the Agency, namely (a) the promotion of peaceful uses of nuclear technology, including technical cooperation, (b) safety and (c) safeguards.
3. The Group recognizes that Safeguards is one of the statutory functions of the Agency, and supports the integration of €1.1 million to the 2019 budget for Major Program 4 completing the integration of € 5.2 million into the Regular Budget of the funding for the Agency's verification and monitoring in the Islamic Republic of Iran in the light of UNSCR 2231 (2015), as previously agreed by Member States.
4. The Group notes with concern that the proposed total Regular Budget includes a price adjustment of 3.5%, which would lead to a significant increase in the Regular Budget contributions by Member States. The Group looks forward to having a thorough discussion on this high figure of price adjustment with a view of making an informed decision at the earliest.
5. The Group notes with concern the Secretariat's proposed special measures which includes reprioritization, delay or deferral of some promotional activities of the Agency. The Group requests further information on all possible implications of the proposed special measures on the activities of MP1, MP2 and MP6, in particular on the deferring recruitment to some professional positions in MP6.
6. In this regard, the Group urges the Secretariat to provide assurances to Member States that these proposed one-time special measures mentioned in Annex II of the Draft Budget Update for 2019 will not adversely affect the quality of the expected results of MP1, MP2 and MP6.
7. In this context, the Group is ready to engage in further consultations with the Secretariat and other Member States to find consensus on the Agency's Draft Budget Update for 2019.

Thank you, Mr. Chair.