



STATEMENT OF THE GROUP OF 77 AND CHINA DURING THE IAEA INFORMAL PROGRAMME AND BUDGET COMMITTEE MEETING, ON 23 MARCH 2018, DELIVERED BY H.E. AMBASSADOR CARLOS JÁTIVA, PERMANENT REPRESENTATIVE OF ECUADOR

Mr. Chair,

1. The Group would like to thank the Secretariat for convening today's Informal Programme and Budget Committee Meeting and for the presentation provided.
2. The Group would like to reiterate 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 remains concerned about the proposed total Regular Budget that 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 continue having a thorough discussion on this high figure of price adjustment with a view of making an informed decision at the earliest.
4. The Group is of the view that the new biennium price adjustment methodology needs to achieve predictability in the price adjustment for the following bienniums as well as to reduce its fluctuations. In this regard, the Group notes the information provided by the Secretariat regarding the development of this methodology. The Group will study it in further detail, and looks forward to continue engaging with the Secretariat on this topic.
5. Concerning the proposed one-time special measures, the Group is of the view that sustained efforts to minimize the increase in the overall level of the Regular Budget over 2018 should reduce expenses through continued identification of sustainable efficiencies and austerity measures, rather than delaying the agreed programmatic activities, particularly the promotional activities.
6. The Group reiterates its concern about the Secretariat's proposed special measures, which include reprioritization, delay or deferral of some promotional activities of the Agency and the possible implications of these measures on the activities of MP1, MP2 and MP6, in particular on the deferring recruitment to some professional positions in MP6. In this regard, the Group would like to have more information about the proposed reductions which might affect the agency's priorities as established in the 2018-2019 Budget, especially TC.
7. In the same context, the Group urges the Secretariat to continue providing all necessary 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.
8. In conclusion, the Group reemphasizes its readiness to continue engaging 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.