



**STATEMENT OF THE GROUP OF 77 AND CHINA DURING THE IAEA INFORMAL PROGRAMME AND BUDGET COMMITTEE MEETING, 4 FEBRUARY 2019, DELIVERED BY MR. YAHYA MOHAMED SAID ABDELRAHMAN, PERMANENT MISSION OF EGYPT**

Madam Chair,

1. The Group of 77 and China wishes to thank the Secretariat for issuing the Agency's Draft Programme and Budget 2020–2021. The fact that this Draft has been presented fairly early, especially both Part 1 and Part 2, is a welcome move and it will surely facilitate an early start of discussion and hopefully timely completion.
2. The Group has taken note of the Draft Programme and Budget and is studying it carefully. The Group will engage meaningfully in the budget discussions, both under the informal PBC format as well as under the Working Group format. The Group would like to extend its full support to the Ambassador of Norway, HE Ms Kjersti Ertresvaag Andersen, and the Ambassador of Peru, HE Mr Eric Anderson Machado for their co-chairmanship of the Working Group on the Regular Budget and TCF targets for 2020–2021.
3. The Group would like to reiterate its request made at last year's PBC meetings to the Secretariat to present a breakdown of regular budget expenditures for each item of expenditure with detailed description of the factors that impact the price adjustment and the overall regular budget growth, including different components of staff costs, travel costs and other items of expenditure. While the Group is studying the document, it expresses its concern over the absence of such information and calls on the Secretariat to provide it to Member States as soon as possible and to resume this practice for all future budget cycles and updates. The Group underlines that such information would allow for a more efficient evaluation of the budget proposal by Member States.
4. The Group takes this opportunity 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 promotional and non-promotional activities. In this regard, the Group also stresses the need for the Secretariat to place appropriate emphasis on the activities directly related to the implementation of the SDGs during the preparation of the Programme and Budget Proposal for 2020-2021.
5. While the Group also takes note of the efforts by the Secretariat to ensure prioritization and efficiencies in the budget preparation process and to show flexibility for sharing resources across major programmes, it is of the firm opinion that such efforts should not compromise the desired balance between promotional and non-promotional activities.
6. On the Technical Cooperation Fund (TCF), the Group stresses that the TCF targets should be adjusted to take into account changes in the level of the operational regular budget, including price adjustments. In addition, the TCF targets should also take into account the increase in the number of Member States that draw on the TCF and other relevant factors.
7. Finally, the Group emphasizes the need for sufficient, assured and predictable resources for the TC programme to achieve the objectives of the Agency as laid out in Article II of the Statute.

Thank you Madam Chair.