



STATEMENT OF THE GROUP OF 77 AND CHINA DURING THE SEVENTH MEETING OF THE WORKING GROUP ON THE REGULAR BUDGET AND TCF TARGETS FOR 2018- 2019, ON 22 MAY 2017, DELIVERED BY H.E. AMBASSADOR REZA NAJAFI, PERMANENT REPRESENTATIVE OF THE ISLAMIC REPUBLIC OF IRAN

Co-Chairs,

1. The Group of 77 and China wishes to thank you for convening this seventh meeting of the Working Group, as well as for the informal consultations held with the Group. The Group would also like to thank the Secretariat for presenting additional information during today's meeting.

Co-Chairs,

2. As you are aware, on 10 May, the Group presented a non-paper on the TCF Targets for 2018-2019 and the IPFs for 2020-2021. The non-paper contains the main elements of the Group's position, as stated during the previous meetings of this Working Group and also the recent session of the Programme and Budget Committee. Those elements are outlined in a structured and comprehensive manner in the Group's non-paper. I do not intend to reiterate them at this stage, but, rather, to briefly highlight their thrust.

3. As mentioned on different occasions, the Group is of the view that a decision on the TCF Targets for 2018-2019 and the IPFs for 2020-2021 should take into account the following elements:

- the IPFs
- the increasing number of Member States with a national TCP
- the increasing number of Member States which will require full support under the 2018-2019 TCP
- the evolution in the level of the Regular Budget
- the Board decision of June 2016 to place the appropriate emphasis on the Agency's activities directly related to the implementation of the SDGs in Member States
- the large unfunded components of TC projects in Member States, also termed as footnote a/ projects
- the price increases and
- other relevant factors.

4. Taking into consideration the financial constraints currently faced by many IAEA Member States and in a spirit of compromise, the proposal by the Group, as contained in the non-paper, is based upon only a few of these elements, namely, the IPFs, the increasing number of Member States with a national TCP and the increasing number of Member States which will require full support under the 2018-2019 TCP, as mentioned by the Secretariat. Other equally important elements, such as the evolution of TCF Targets vis-à-vis that of the Regular Budget, the amount of footnote a/ projects, and the decision to place the appropriate emphasis on the Agency's activities directly related to the implementation of the SDGs in Member States are not contemplated, at this point in time, in the Group's proposal, as contained in the non-paper.

Co-Chairs,

5. The Group of 77 and China underlined on several occasions that, according to its Statute, "The Agency shall seek to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity throughout the world". Furthermore, the Agency is authorized "To encourage and assist research on, and development and practical application of, atomic energy for peaceful uses throughout the world". The promotional activities of the Agency, constitute, therefore, the main statutory function of the Agency. The Technical Cooperation Programme (TCP) is the main vehicle for executing this statutory function. The Technical Cooperation Fund (TCF) is the main source of financial resources for the TCP. The Group also

stated that, as we celebrate the 60th Anniversary of the IAEA, it is all the more important to remind ourselves of the centrality of the promotion of the peaceful uses of nuclear energy in the creation of the Agency and throughout its history. Over the last years, the role of the IAEA in development, including in the achievement of the Sustainable Development Goals, has been underlined.

6. It is worth highlighting that, over the last 10 years, around 30 new Member States joined this Agency or had their membership approved by the General Conference. For many of them – if not most –, the importance of the IAEA lies primarily on its central role in the promotion of the peaceful uses of nuclear energy. Having a TCF with “sufficient, assured and predictable” resources is essential to achieve this objective. The Group reiterates its position about the need to have an appropriate balance between the promotional and non-promotional activities of the Agency. The level set for the TCF Targets is central if we are to assure this balance.

7. With these brief comments, the Group remains ready to engage in further discussions with a view to arriving at a decision encompassing the Regular Budget, the TCF Targets for 2018-2019 and the IPFs for 2020-2021.

Thank you, Co-chairs.