



STATEMENT OF THE GROUP OF 77 AND CHINA DURING THE SIXTH MEETING OF THE WORKING GROUP ON THE REGULAR BUDGET AND TCF TARGETS FOR 2018- 2019, ON 28 APRIL 2017, DELIVERED BY MR. MOSTAFA SHISHECHIHA, COUNSELLOR, PERMANENT MISSION OF THE ISLAMIC REPUBLIC OF IRAN

Co-Chairs,

1. The Group of 77 and China wishes to thank the Co-Chairs for convening this sixth meeting of the Working Group. The Group would also like to thank the Secretariat for providing a revised proposal of the Agency's Draft Programme and Budget 2018-2019, as contained in Note 39. Since the document was released only less than two days ago, the Group, at this stage, will limit itself to presenting a few preliminary comments on the revised proposal, which is still under consideration.

2. As the Group has highlighted, the promotional activities of the IAEA constitute the main statutory function of the Agency and its Technical Cooperation Programme (TCP) is the main vehicle for executing this function. In this context, although the Group notes, that the revised proposal does not affect the amount to be allocated to Major Programme 6 compared to that mentioned in document GOV/2017/1, which can be considered an important element of any agreement of this Working Group, the Group would like to underline the following points:

- The need to have an adequate balance between promotional and non-promotional activities of the Agency;
- In this regard, the Group takes note of the allocation of 25.67 million euros to MP6 for the Management of Technical Cooperation for Development, which amounts to a 3.2% increase over 2017. Although the percentage of increase for Major Programme 6 is the highest one among Major Programmes, the increase proposed for this MP – around 796.000 euros – continues to be significantly lower than the one being proposed for MP 4, in financial terms;
- The Group reaffirms that more effort should be made to provide sufficient resources, including staff, for the management of the TCP if the priority areas for MP6 are to be given proper attention, such as ensuring adequate support to the growing number of Member States participating in the TCP and to the extended demand of Member States for the peaceful uses of nuclear technology for their sustainable development, including the achievement of the SDGs, as well as ensuring the capability to adequately respond to Member States' requests for support through the TCP. This increased demand for support, as we all know, involves not only developing countries, but also some developed ones.
- In this context, there should be a further increase of the budget for MP6 which is mentioned in document GOV/2017/1 and in the revised proposal.

3. The Group notes that, in the preparation of The Agency's Programme and Budget 2018-2019, the Secretariat intends to take into account comments received in the consultative process with Member States. The Group therefore requests the Secretariat at the earliest time, well in advance of the June Board, to present the proposed language to be introduced in the Blue Book. In this context, the Group wishes to reiterate the following points:

- The language in the Programme and Budget should be aligned with that of General Conference resolutions. This is particularly important with regard to the text of Programme 3.5 (Nuclear Security);
- In the future, it would be useful to consider including cross-references to GC resolutions in the document;

- Given the emphasis placed, in the draft Programme and Budget document, on “Enhancing the effectiveness, efficiency and quality of the TCP and progressive implementation of outcome monitoring and evaluation measures”, the Group requests the Secretariat to include detailed information in the revised version on how the same type of measures have been/are being applied to the other Major Programmes.

Co-Chairs,

4. Bearing in mind the statements delivered by the Group in previous meetings, the Group would like to recall shortly its following views:

5. In relation to the issue of the TCF Targets for 2018-2019 and Indicative Planning Figures (IPFs) for 2020-2021, the G-77 and China firmly believes that, in accordance with the decisions of the Board, the Technical Cooperation Fund Targets to be established for 2018 and beyond must be proportionate to the evolution of the Regular Budget. In this regard, the Group notes that the evolution of TCF Targets in percentage and financial terms has been significantly lower than the one of the Regular Budget and is of the view that this situation should be taken into account in the definition of the TCF Targets.

6. In the Group’s view, it is important to recall that the respective IPFs should be taken as the starting point for the biennium 2018-2019, as noted in the recommendations of Working Group on Financing of the Agency’s Activities (document GOV/2014/49). The Group believes that the TCF Targets should be increased accordingly, taking into account 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 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.

Co-Chairs,

7. These are some of the elements that should be taken into account in the determination of the TCF Targets for 2018-2019 and the IPFs for 2020-2021. The Group is ready to engage in further discussions with a view to arriving at a definition encompassing the level of the Regular Budget, the TCF Targets and the IPFs.

Thank you, Co-Chairs.