



STATEMENT BY THE GROUP OF 77 AND CHINA DURING 7TH WORKING GROUP MEETING OF THE REGULAR BUDGET AND TCF TARGETS FOR 2016-2017, DELIVERED BY THE CHAIRMAN OF THE GROUP OF 77, H.E. AMBASSADOR ARMIN ANDEREYA, PERMANENT REPRESENTATIVE OF CHILE

Vienna, 5 June 2015

Co-chairs,

1. The Group of 77 and China would like to thank the Co-Chairs for preparing the revised draft Proposal for the Agency's Programme and Budget and TCF Targets for 2016-2017.
2. The Group of 77 and China would like to recall that the Draft Working Paper submitted by the Co-chairs on 21 May 2015, was viewed by the Group as a carefully drafted and balanced compromise for the diversity of views and preferences stated during the extensive, in-depth discussions held since the beginning of this year on the Regular Budget and TCF Targets for 2016-2017. During the meeting on Friday 29 May 2015, the Group listened carefully to the views and proposals made.
3. The Group notes that the revised version prepared by the Co-chairs -besides some editorial changes and the inclusion of draft recommendation and resolutions- proposes amendments in section B, including new paras 5 and 7; section C, including new paras 9, 11, 12; as well as changes in para 18 in section D.
4. In seeking to achieve a balanced outcome that will allow the Agency to perform its mandate, the Group has carefully considered the revised draft Proposal and would like to make the following comments:
 - a) While acknowledging the concerns expressed by some Member States on the impact of exchange rate fluctuations, the Group would like to recall that exchange rate fluctuations in other currencies have in the past resulted in large increases in target shares of several Member States. The Group views that paragraph 11 could be improved by taking into account the different views expressed during the Working Group meetings. The Group finds that the increase in Euro terms in the TCF is sufficiently reflected by the figures included in the proposal.
 - b) The Group would like to reiterate the importance of the Indicative Planning Figures for the predictability of the Technical Cooperation Fund and the advance planning of the TC Programme by the Secretariat.
 - c) The Group stresses that, in accordance with past practice, separate IPF should be set for each year of the biennium.
 - d) The Group is prepared to show flexibility in para 18. However, the Group would like to stress that when setting future targets, due consideration should be given to all relevant factors, including the increase in the Regular Budget and the growing number of Member States drawing from the TC Fund.