



STATEMENT OF THE GROUP OF 77 AND CHINA DURING THE THIRD MEETING OF THE WORKING GROUP ON THE REGULAR BUDGET AND TCF TARGETS FOR 2018-2019, ON 16 MARCH 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 the Co-Chairs for convening this third meeting of the Working Group. The Group notes that, at this meeting, the Secretariat will present relevant information on questions not yet covered at previous meetings, relating to different areas, as well as provide further clarification on cross-cutting issues and questions raised at previous meetings. The Group also notes that Member States have been invited to raise any additional questions.
2. Before moving to specific questions, the G-77 and China wishes to reiterate a few principled positions:
 - the promotion of the peaceful uses of nuclear energy was central in the creation of the Agency and has been central throughout its history;
 - the promotional activities of the Agency, delivered through the Technical Cooperation Programme (TCP), constitute the main statutory function of the Agency;
 - the Technical Cooperation Programme, as the main vehicle for transferring nuclear science and technology to developing countries, must have sufficient, assured and predictable (SAP) financial resources. Without a sufficiently funded TC Programme, the IAEA will not be able to achieve its objectives, as mandated in Article II of the Statute, which is to “seek to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity throughout the world”;
 - there must be a balanced distribution of the budget so as to reflect the equal importance of the three pillars of the Agency, namely the promotion of peaceful uses of nuclear energy, including technical cooperation, safety and safeguards;
 - the Group notes in this regard that significant increases have been proposed for other major programmes, as stated in previous statements of the Group;
 - the decision of Member States to synchronize the Technical Cooperation Programme (TCP) cycle with the regular programme and budget cycle provides a framework to consider increases to the resources for the TC programme, including the TCF targets. The underlying element of this process is the need to assure that the resources for Technical Cooperation are “sufficient, assured and predictable” (SAP), as well as to strike an adequate balance between the promotional and non-promotional activities of the Agency;
 - 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;
 - the respective Indicative Planning Figures (IPFs) should be taken as the starting point for the biennium 2018-2019, as noted in the recommendations of the Working Group on Financing of the Agency’s Activities (document GOV/2014/49);
 - The Group would like to recall that, when agreeing on the figures for the 2016-2017 targets, it highlighted the two following points, as contained in its statement delivered during the June 2015 Meeting of the Board

of Governors: “The Group wishes to note that whilst the IPF’s for 2016-2017 were converted into Targets without any increase on the dollar amount, this should not be seen as setting a precedent. The Group shall negotiate for appropriate increases in the TC Targets for 2018-2019, taking into account the IPFs, the price increases and all other relevant factors.

- The Group views the IPFs for the biennium 2018-2019 as the basis for negotiations for the TCF Target for that biennium and the Group will negotiate for appropriate increases to the TCF Target for that Biennium. ”

- the TCF Targets should therefore be increased accordingly, taking into account the IPFs, 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 increasing number of Member States with a TCP, the price increases and other relevant factors; and

- it is necessary to provide sufficient resources, including staff, for the management of the TCP if the priority areas for Major Programme 6 are to be given proper attention.

Mr. Chairman,

The G-77 and China looks forward to receiving detailed information concerning the following issues, which were raised by the Group during previous meetings of this Working Group:

- The approximate funds a new country programme would require;

- Considering the increase in the number of TCP recipient countries, the approximate funds needed;

- The amount of TC projects which are unfunded, the so-called “footnote-a” projects and the evolution of the number of footnote-a projects and the amount of financial resources required for them in the past few TC cycles;

- The staff needed by the Department of Technical Cooperation to give proper attention to the priority areas for MP6, such as the ones mentioned by the Group in its previous interventions;

- The financial resources needed to place the appropriate emphasis on the Agency’s activities directly related to the implementation of the SDGs, as mentioned in document GOV/2016/29, in addition to the activities already undertaken by the Agency; and

- Given the emphasis placed on “Enhancing the effectiveness, efficiency and quality of the TCP and progressive implementation of outcome monitoring and evaluation measures”, the Group requested the Secretariat to provide detailed information on how the same type of measures have been/are being applied to the other Major Programmes.

Thank you, Co-Chairs.