



G-77 and China statement during the Informal Meeting of the Programme and Budget Committee, Friday, 5 February 2021 delivered by H.E. Alejandro Solano Ortiz, Permanent Representative of Costa Rica

Madam Chair,

1. The Group of 77 and China wishes to thank the Secretariat for issuing the Agency's Draft Programme and Budget 2022–2023 as contained in GOV/2021/1 and for the presentation provided today. The Group welcomes the timely release of the document, which will allow for the early start of discussions and hopefully, the timely completion of negotiations.

2. The Group would like to thank Director General Grossi for the new and updated format of the Draft Programme and Budget and appreciates that in making this budget proposal, due note was taken of the current and challenging global economic environment, which has had a disproportionate impact on developing countries. The Group is pleased to note that the document has also taken steps to address some of the concerns raised by the Group in previous budget cycles.

Madam Chair,

3. The Group has taken note of the Draft Programme and Budget and is studying it carefully. The Group will engage meaningfully and constructively in the discussions, both in the informal PBC format, as well as in the Working Group format and would like to extend its full support to the Ambassador of New Zealand, H.E. Ms Nicole Robertson, and the Ambassador of Pakistan, H.E. Mr Aftab Ahmad Khokher for their co-chairmanship of the Working Group on the Regular Budget and TCF targets for 2022-2023.

4. The Group notes that the Draft Programme and Budget for 2022 - 2023 represents a zero real growth rate with a 1.7% price adjustment. The Group maintains 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 three pillars of the Agency, namely (a) the promotion of peaceful uses of nuclear technology, including Technical Cooperation, (b) Safety and (c) Safeguards. The Group is of the view that there should be a balance between promotional and non-promotional activities.

5. In this regard and in relation to the Technical Cooperation Fund (TCF), the Group stresses that the TCF targets should take into account the changes made 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.

6. The Group notes the Indicative Planning Figures (IPF) of €89 558 000 for 2022 and €89 558 000 for 2023 for the TCF as contained in the Draft Programme and Budget. The Group remains convinced that in view of the aforementioned factors, the TCF targets for 2022 - 2023 would require an upward adjustment.

7. The Group further notes the increase in the unfunded component of the proposed budget. The Group supports the Director General's commitment to enlarge the donor base, including by forging new partnerships with non-traditional donors. Further, the Group wishes to reiterate the need to ensure that fund raising for extra budgetary projects should not adversely impact the Technical Cooperation Programme, especially the financing of footnote/a projects. In this regard, the goal of achieving sufficient, assured and predictable resources for the Technical Cooperation Program remains a priority for the G77. Furthermore, the Group appreciates the allocation of €3 million from the Major Capital Investment Fund (MCIF) for ReNuAL2. The Group acknowledges the vital role that the Nuclear Applications Laboratories at Seibersdorf continue to play in providing support to Member States, particularly during the current pandemic.

Madam Chair,

8. The Group has taken note of the proposed cost saving and efficiency measures, including those of a cross-cutting nature, which will be implemented throughout the biennium. The Group has also noted the decision taken to limit staff costs to 75% of the operational regular budget. The Group believes that such measures should not negatively impact the promotional activities of the Agency. In addition, the Group requests further information on the implementation and possible impact of these measures.

9. With regard to possible options for the After-Service Health Insurance (ASHI) liability funding mechanism, the Group looks forward to receiving information from the Secretariat, as stated in the document. The Group trusts that the forthcoming information will be in line with the relevant processes and discussions in the United Nations General Assembly and good practices from United Nations system organizations and other international organizations.

10. The Group notes that the budget proposal is made at a time of not only a challenging economic environment but also one of rising demands on the Agency's services, in particular the TC programme, as well as efforts to achieve equitable geographical distribution and gender balance within the Secretariat.

11. Finally, the Group would like to reiterate its principled position that the Agency's Programme and Budget should represent a balance between promotional and non-promotional activities and further emphasizes the need for sufficient, assured and predictable resources for the TC programme in order to achieve the objectives of the Agency, as laid out in Article II of the Statute.

Thank you Madam Chair.