



Statement of the Group of 77 and China during the Second Meeting of the Working Group on the Regular Budget and TCF Targets for 2022-2023 on 9 March 2021, delivered by H. E. Ambassador Solano Ortiz, Permanent Representative of Costa Rica

Co-Chairs,

1. The Group of 77 and China wishes to thank the Co-Chairs for convening this meeting and the Secretariat for providing some of the information that was requested at the previous Working Group meeting.
2. The Group stands by its earlier statements as delivered at the informal PBC and the First meeting of the Working Group on the Regular Budget and TCF Targets and while being mindful of the Secretariat's presentation, the Group has the following remarks to make.
3. The Group notes that while the approved price adjustment for 2020 was 1.5%, the actual price adjustment was 2.2%, reflecting the weighted average of actual increases in Professional Staff costs (2.6%), General Staff costs (1.5%) and inflation in Austria (1.4%). Therefore, in 2020, the approved price adjustment was short 0.7% of the price adjustment applied in practice. In this regard, the Group would like further information on how this shortfall has been absorbed within existing resources and what it could represent should the situation be repeated in 2021.
4. The Group would also appreciate further clarification of the actual impact on the budget by the decision adopted at last week's Board of Governors meeting regarding Personnel Matters, as contained in documents GOV/2021/9 and GOV/INF/2021/14, especially bearing in mind the proposed 75% cap on staff costs.

Thank you, Co-chairs.