



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

**Vienna, 22 March 2021**

Co-Chairs,

1. The Group of 77 and China wishes to thank the Co-Chairs for convening this meeting and the Secretariat for the provision of further information in response to requests made at the previous Working Group meetings.
2. While engaging in discussions in this Working Group, the positions of the G-77 and China will continue to reflect adherence to the Group's principles as well as considerations, which have been clearly enunciated in its previous statements. However, at this stage, the Group would like to focus on the following areas.

Co-Chairs,

3. While the COVID-19 pandemic has created financial difficulties globally, it has also had a detrimental effect on developing countries' efforts and capacities for the pursuit of the SDGs. Recognizing that the TCP plays an important role in reinforcing these efforts, ensuring sufficient, assured and predictable resources for the TCP has become more urgent. In this regard, the Group also recalls its previous statement at the TACC in November 2020, where it stressed that the resources of the TC programme shall not be negatively impacted by the current situation caused by the COVID-19 pandemic and that the goal of achieving sufficient, assured and predictable resources shall be always our priority during the preparation of the Program and Budget 2022-23.
4. The Group further underscores that the promotional activities of the Agency, delivered through the Technical Cooperation Programme (TCP), are its main statutory function and would like to underline that the largely unfunded components of TC projects show that the TCF has not been Sufficient Assured and Predictable (SAP). In this regard, the Group is of the view that a decision on the TCF Targets for 2022-2023 and IPFs for 2024-2025 should take into account the following elements:
  - The IPFS should be taken as the starting point for the respective biennia;
  - The increasing number of Member States with national TCPs, including 35 LDCs;
  - The increasing number of Member States which will require full support under the 2022-2023 TCP;
  - The evolution in the level of the Regular Budget in line with the Board's decision GOV/2014/49 and GC.58/Res.12;
  - The need for the Agency to place the appropriate emphasis on its activities directly related to the attainment of the SDGs in Member States;

- The large unfunded components of TC projects in Member States, also termed as footnote a/ projects;
- The price adjustment, and
- Other relevant factors.

5. These will be consistent with the recommendations of the Working Group on Financing the Agency's Activities (WGFAA) as stated in GOV/2014/49.

6. In response to statements made during the informal PBC and the first Working Group Meeting concerning the resources of the TCF, the Group would like to stress that resources for the TCP should be Sufficient, Assured and Predictable to meet the needs of Member States. Moreover, the discussions in this Working Group should be guided by the previous relevant decisions of the Board establishing the synchronization of the TCP cycle with the regular Programme and budget cycle. This was meant to provide a framework to consider increases to the resources for the TC Programme, including the TCF target by taking into account the changes in the level of the regular operational budget, the price adjustment in the corresponding years, and all other aforementioned relevant factors.

7. In light of the above and with a view to more constructive discussions over the biannual budget, the Group requests the Secretariat to provide detailed information on the increasing number of Member States with national TCPs; the increasing number of Member States, which will require full support; and the prioritization of the TCPs by the Agency for the attainment of the SDGs in Member States, in the overall resources allocated for the TCPs in the last budget cycle.

8. Therefore, the Group strongly underlines that the respective IPFs should be taken as the starting point and adjusted upwards accordingly.

Co-Chairs,

9. The Group reiterates that the Secretariat's efforts aimed at cross-cutting savings, efficiencies and synergies, should not negatively affect the TCP and neither should it impair the desired balance between promotional and non-promotional activities. The Group thus requests the Secretariat to provide additional detailed information on these savings and efficiencies, including on how the increase of 1.9% in the base salary scale for P-staff members will be absorbed, in the form of an annex to the draft Programme and Budget, as was done for the current budget cycle.

10. While the Group notes the cost-cutting measures in relation to travel across all the Major Programmes, we request detailed information per Programme for further consideration. In addition, the Group would also like to request information on travel related cost-saving measures and its impacts on the implementation of the TCP.

11. In conclusion, the Group of 77 and China is of the view that technical meetings on virtual platforms cannot be a substitute for face-to-face meetings, which allow for a far more enriching interaction and productive outcomes, especially with regard to training and capacity-building programmes. We therefore, strongly urge that, as the pandemic conditions permit, efforts should be made to revert to the norm of organizing physical events.

Thank you, Co-chairs.