



Statement of the Group of 77 and China during the Second Meeting of the Working Group on the Regular Budget and TCF Targets for 2024-2025 on 30 March 2023, delivered by H. E. Ambassador Aftab Ahmad Khokher, Permanent Representative of Pakistan

Co-Chairs,

1. The Group of 77 and China wishes to thank the Co-Chairs for convening this meeting and the Secretariat for providing more information since last 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 presentations, the Group has the following remarks to make.
3. The Group notes that the price adjustments applied to the years 2024-2025 are 2.7% and 2.1% respectively. In this regard, the Group reiterates that the proposed price adjustment needs to be determined while taking into account the existing economic reality.
4. The Group notes that the Secretariat's proposed measures aimed at cross-cutting savings, efficiencies and synergies, would keep the current overall share of the human resources cost at 74%, and expects that this will be the benchmark cap for succeeding biennia. The Group emphasizes that any savings and efficiencies suggested by the Secretariat on human resources and cost reductions should neither negatively affect the TCP and its delivery, nor impair the desired balance between promotional and non-promotional activities.
5. The Group thus requests the Secretariat to provide additional detailed information on these savings and efficiencies, including on how increases in the base salary scale and post adjustments are absorbed, taking into account the proposed breakdown of the major items of expenditure as highlighted in paragraph 32 in the draft programme and budget, as well as the established cap on human resources.
6. The Group understands that this meeting is meant to discuss programme and budget-related issues. Nevertheless, the Group would like to reiterate its position that while the respective IPFs should be taken as the starting point in determining the TCF targets for a biennium, in consistence with the recommendation of the Working Group on Financing the Agency's Activities (WGFAA) as stated in GOV/2014/49, the agreed revised target of € 93 686 000 for 2023 should be the base for determining the TCF targets for 2024-2025 and adjusted upwards accordingly.

Thank you, Co-chairs.