



**Statement of the Group of 77 and China
during the First Meeting of the Working Group on the Regular Budget and TCF
Targets for 2024 – 2025 of the IAEA,
on 24 March 2023,
delivered by H. E. Ambassador Aftab Ahmad Kokher,
Permanent Representative of Pakistan**

Co-Chairs,

1. The Group of 77 and China wishes to thank you Co-Chairs for convening this meeting and congratulates you on the assumption of your duties as Chairpersons of this Working Group. We have full confidence in your wisdom and capability in guiding our work and look forward to engaging in a constructive manner and a spirit of openness in our deliberations in the coming months on the Regular Budget and the Technical Cooperation Fund Targets for 2024-2025.
2. The Group has listened carefully to the information provided today regarding the breakdown of regular budget expenditures and efficiencies. The Group is still analysing the proposals in detail and will provide its comments in due course. The Group looks forward to further information and breakdown regarding human resources and the implementation of the staff cap across the Major Programmes.
3. The Group reiterates its long-held view that the Agency's budget should reflect the balance between the three pillars of the Agency's work, namely the promotion of peaceful uses of nuclear technology including technical cooperation, safety and safeguards. In addition, the Group notes that the funds available in the TCF are exclusively for the approved Technical Cooperation Programme.
4. We take note of the proposed cost saving and efficiency measures that reach the figure of € 10.9 million, including € 4.7 million to be allocated to possible increases in energy costs. While taking note of the Secretariat's proposal to ensure prioritization, efficiencies and synergies, in the proposed budget, and while awaiting further clarification on different approaches regarding efficiencies and effectiveness, the Group is of the firm opinion that such efforts should not negatively affect the desired balance between promotional and non-promotional activities.
5. 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). Therefore, the Group is of the view that there remains a great need for sufficient, assured and predictable resources to fully

implement approved TC projects including footnote a/ projects. For instance, for 2023, footnote a/ projects amounts to almost half of the TCF targets.

6. While the Group underlines that 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 Group once again recalls that 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.

7. The Group believes that, as acknowledged in paragraph 9 of document GOV/2021/25, 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 relevant factors, including the increasing number of TCP recipients, as well as the level of maturity of their respective TC Programmes.

Co-Chairs,

8. The Group notes that under the 2024-2025 TCP, 148 Member States, including 35 LDCs, will have a national TCP, representing an increase of 5 Member States compared to the previous biennium. The Group believes that more effort should be made to provide sufficient resources, including staff, for the management of the TCP, if its priority areas are to be achieved, such as ensuring adequate support to the growing number of Member States participating in the TCP and to the extended demand of Member States for the peaceful uses of nuclear technology for their sustainable development, as well as ensuring the capability to adequately respond to Member States' requests for support through the TCP.

9. The Group also stresses the need for the Secretariat to place appropriate emphasis, upon request and in accordance with national priorities, on activities directly related to the implementation of the SDGs during the preparation of the Programme and budget proposal for 2024-2025, to help developing countries, including the Least Developed Countries to achieve their developmental Objectives.

10. The Group takes note of recent efforts of the Programme of Action for Cancer Therapy (PACT), and also the initiative Rays of Hope, to assist Member States to build and expand their cancer care capacity; as well as the current focus on supporting Member States in building their capacity in relation to the early detection and control of zoonotic diseases. The Group reiterates that PACT, Rays of Hope, ZODIAC, nuclear power applications and other areas such as Food and Agriculture, Health and Nutrition, Industrial Applications/Radiation Technology and Water and Environment should continue to receive the same appropriate focus in accordance with the needs and priorities of Member States.

11. The Group highlights the need for continued support for the application of the Sterile Insect Technique (SIT) to mosquito control, in line with General Conference Resolutions on the

development of the SIT for the control or eradication of malaria-, dengue-, zika and other disease-transmitting mosquitoes. The Group requests the Secretariat to continue to mobilize resources for the SIT in order to assure its adequate implementation. The Group further welcomes the outreach to promote the contribution of nuclear sciences and applications to socio-economic development.

12. The Group supports the ReNuAL 2 project as a key priority that contributes to the statutory function of the Agency, in seeking to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity throughout the world. Accordingly, the Group strongly believes that the ReNuAL 2 should receive an appropriate portion of the Capital Regular Budget for 2024 and 2025.

13. As regards Nuclear Power, Fuel Cycle and Nuclear Science, the Group welcomes the Agency's intention to continue to support interested Member States to assess their future energy demands and to evaluate and understand the potential for nuclear power to be part of their energy mix and strategies, including in the context of achieving the SDGs and to continue its support for Member States considering embarking on, or extending, Nuclear Power Programmes.

14. With regards to Programme 3.5, while the Group reiterates that it is financed by extrabudgetary resources, the Group requests to be kept abreast of any regularization of staff and other administrative costs in the Division of Nuclear Security.

15. While the Group appreciates the importance of verification as a statutory function of the Agency, it notes that resources allocated to Nuclear Verification activities continue to represent by far the largest share of the Regular Budget.

16. The Group notes that the savings and efficiencies identified in the draft Budget and would like to underline that it should not negatively impact the Technical Cooperation Programme and its delivery, including the valuable participation of experts from developing countries in the Agency's activities.

17. On that matter, the Group has taken note that the Board of Governors has authorized the DG to accept the amendment to the ICSC Statute and requests the Secretariat to propose plans to prevent budgetary shortfalls that may occur due to the implementation of the amended ICSC Statute.

18. The Group understands that the Working Group has started its work later than usual and therefore expresses its readiness to engage in intensive negotiations with an aim to reach a conclusive outcome as early as possible.

19. The Group is confident that this Working Group will allow for a meaningful dialogue with substantive outcomes for the Board's action.

Thank you, Co-Chairs.