



**G-77 and China statement during the Informal Meeting of the Programme and Budget Committee, Thursday, 16 March 2023,
delivered by H.E. Mr. Azzeddine Farhane,
Ambassador and Permanent Representative of Morocco**

Mr. Chair,

1. The Group of 77 and China wishes to thank the Secretariat for issuing the Agency's Draft Programme and Budget 2024–2025 as contained in GOV/2023/1 and for the presentation provided today.

Mr. Chair,

2. The Group has taken note of the budget proposal and is studying it carefully. The Group understands that the proposal is made at a time of not only a continuing challenging economic environment but also one of rising demands on the Agency's services, in particular the TC programme. 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 Belgium, H.E. Ms Caroline Vermeulen, and the Ambassador of Egypt, H.E. Mr Mohamed Elmolla for their co-chairmanship of the Working Group on the Regular Budget and TCF targets for 2024-2025

3. The Group notes that the Draft Programme and Budget for 2024 - 2025 represents a zero real growth rate with a 2.7% 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 firmly believes that there should be a balance between promotional and non-promotional activities.

4. In relation to the Technical Cooperation Fund (TCF), the Group stresses that the TCF targets should be determined in tandem with 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.

5. The Group notes the Indicative Planning Figures (IPF) of €92 600 000 for 2024 and €92 600 000 for 2025 for the TCF as contained in the Draft Programme and Budget. However, the Group stresses that the agreed revised target of €93 686 000 for 2023 should be the base for determining the TCF targets for 2024-2025. The Group remains convinced that in view of the aforementioned factors, the TCF targets for 2024 - 2025 would require an upward adjustment.

6. 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 seeking funds 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 G-77.

Mr. Chair,

7. 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 requests further information on the implementation and possible impact of these measures. It has been the Group's consistent position that such measures should not negatively impact the promotional activities of the Agency. The Group therefore welcomes the decision to limit staff costs to 74% of the operational regular budget and to allocate the resources thus saved to TC activities.

8. The Group continues to support the efforts as highlighted in the budget proposal to achieve equitable geographical distribution and gender balance within the Secretariat.

9. 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 to further emphasize 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.

10. Finally, 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.

Thank you Mr. Chair.