



**Statement of the Group of 77 and China  
during the Programme and Budget Committee (PBC),  
4-5 May 2026,  
delivered by H. E. Shambhu S. Kumaran,  
Permanent Representative of India**

**Agenda Item 2: Agency's Financial Statements for 2025, including the Report of the External Auditor**

Mr. Chair,

1. The Group of 77 and China thanks the Deputy Director General for her introductory statement and the Secretariat for the presentations delivered during the informal Workshop on Financial and Administrative Matters on 22 April 2026.
2. With regard to the Financial Statements of the Agency for 2025 including the External Auditor's report, the Group would like to make the following comments:
3. The Group would like to express its appreciation to the Comptroller and Auditor General of India for the professionalism in conducting the audit on the Agency's activities and whose independent auditing work will assist the efforts of the Agency towards efficiency and effectiveness in service delivery.
4. The Group welcomes that "an unqualified opinion" has once again been placed on the Agency's financial statements. The External Auditor has made several observations and recommendations for the improvement of the Agency's financial practices. The Group supports the implementation of relevant recommendations aimed at improving management and enhancing efficiency.
5. While appreciating the extrabudgetary contributions that were made by Member States in a position to do so, the Group continues to caution against the over reliance on extrabudgetary funds, as this could negatively impact the effectiveness and independence, as well as long term sustainability of the Agency's activities. In 2025, voluntary contributions were 34.7% of the total revenue of the Agency. At the same time, the Group notes that there was a 5.1% decrease in those contributions compared to 2024, negatively impacting the total revenue of the Agency which decreased from 724.1 million euro in 2024 to 708.2 million euro in 2025.
6. The Group calls on all Member States to pay their contributions to the Regular Budget and the Technical Cooperation Fund, on time and in full.
7. The Group also takes this opportunity to underscore the fact that TC activities continue to lack sufficient, assured and predictable resources and reiterates its request to urgently address this issue, in accordance of the recommendation of the Working Group on Financing the Agency's Activities (WGFAA) as stated in GOV/2014/49.

8. In this connection, the Group notes that, during the reporting period, the net assets of the TCF decreased by 1.5 million euro and the TC Extrabudgetary Fund decreased by 5.7 million euro. The Group emphasizes that the reported evolution of the TCF net assets and the reported decrease of the TC Extrabudgetary Fund demonstrate that resources for the TCF are still not sufficient, assured and predictable.

9. The Group notes with concern the overall increase in the Agency's liabilities, in particular the ones related to the After Service Health Insurance (ASHI), which represented 48.5% of the total liabilities in 2025. The Group notes positively the 10.3 million euro decrease in those liabilities in 2025. Nonetheless, the Group encourages the Secretariat to continue addressing the significant growing liabilities, and to consult regularly with and report to Member States about the relevant measures to be taken in that regard. The Group reiterates its request that budget information regarding staff costs, as well as regarding all the relevant expenditure items, should be presented in such a way as to permit meaningful comparison of the budget proposals on a year-on-year basis.

Finally, Mr. Chair,

10. The Group encourages the Secretariat to implement the External Auditor's recommendations in a transparent manner and where feasible, to consult with Member States.

11. With these comments, the Group of 77 and China takes note of the Agency's Financial Statements for 2025, as contained in document GOV/2026/17 and document GOV/INF/2026/2.

Thank you, Mr. Chair.



**Statement of the Group of 77 and China  
during the Programme and Budget Committee (PBC),  
4-5 May 2026,  
delivered by Ms. Devi Gopinath,  
Alternate Permanent Representative of India**

**Agenda Item 3: The 2025 Internal Audit, Management Services and Investigations Report and the 2025 Programme Evaluation Report**

Mr. Chair,

1. The Group of 77 and China thanks the Secretariat and the Director of the Office of Internal Oversight Services (OIOS) for the 2025 Internal Audit, Management Services and Investigations Report and the 2025 Programme Evaluation Report.
2. The Group expresses its appreciation for the work conducted by the OIOS to ensure management efficiency and programme effectiveness and to enhance accountability. The Group recognizes that the organizational independence of the OIOS is fundamental to fulfil the responsibilities of the internal audit activities and the OIOS must confirm it to the Board of Governors at least annually.
3. The Group is of the view that the audit and evaluation activities carried out by the OIOS should cover all Major Programmes equally.

Mr. Chair,

4. While noting that all recommendations have been accepted by the Secretariat and are being implemented, the Group further requests the Secretariat to implement the earlier outstanding recommendations. The Group notes that of eight internal audit reports finalized in 2025, seven were rated as “some improvement needed”. The Group further notes that according to OIOS Report, the Secretariat put forth a specific action plan in response to the recommendations made to further strengthen management of the execution of safeguards verification.
5. The Group notes that the 2025 internal audit report recommends achieving a robust and comprehensive data governance framework to help ensure that risks related to the use of AI in the Agency are managed. In this regard, the Group reiterates the need for consultations with Member States on criteria for the utilization of AI in the Agency’s activities as well as ethical and legal questions raised by its use.
6. With these comments, the Group of 77 and China takes note of the 2025 Internal Audit Activity Report, as contained in document GOV/2026/13, and the 2025 Programme Evaluation Report, contained in document GOV/2026/14.

Thank you, Mr. Chair.



**Statement of the Group of 77 and China  
during the Programme and Budget Committee (PBC),  
5-7 May 2026,  
delivered by Ms. Abeer Al Jammal,  
Alternate Permanent Representative of Jordan**

**Agenda Item 5: The Agency's Draft Budget Update for 2027**

Thank you, Mr. Chair,

1. The G-77 and China wishes to thank the Secretariat for issuing the Agency's Draft Budget Update for 2027 contained in GOV/2026/1.

Mr. Chair,

2. The Group notes that the Draft Budget Update for 2027 maintains the Agency's programme for the 2026–2027 biennium, as approved in GC(69)/6, and that it represents zero nominal growth (ZNG), instead of the originally envisaged zero real-growth (ZRG) as per the agreed methodology. Therefore, the non-application of the price adjustment for a second year of the biennium represents another reduction of 3.8% per annum.

3. In this regard, the Group recalls that the 2026-2027 budget was the product of significant compromise, with the result that both the regular budget and the TCF allocations fall below what the Group consider necessary to maintain the Agency functioning in these areas.

4. The Group notes that for 2027 the target figure for voluntary contributions to the Technical Cooperation Fund shall be €98 000 000, as contained in GOV/2026/1. The Group stresses 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.

5. The Group maintains its position that the current proposed update for the 2027 budget as well as the Agency's programme for the 2026-2027 biennium does not constitute a precedent against the price adjustment methodology outlined in document GOV/INF/2018/8.

6. The Group reaffirms 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 Statutory pillars of the Agency, namely (a) the promotion of peaceful uses of nuclear technology, including Technical Cooperation, (b) Safety and (c) Safeguards. The Group further reiterates its principled position that the Agency's Programme and Budget should represent a balance between promotional and non-promotional activities and that the Secretariat should increase its focus on the key aspects of the promotional activities which serve the interests of Member States, particularly developing countries.

7. 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.

8. 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,

9. The Group has taken note of the sustainable efficiencies achieved in the last two biennial programmes and budgets, which remain valid for 2026–2027, including previously reported cost-saving measures of approximately €4.4 million. The Group also notes efforts to contain travel costs through optimisation of trip numbers, duration, and participants, supported by digital technologies, as well as the Agency's use of advanced digital solutions, including artificial intelligence, to improve administrative and business efficiency. The Group reiterates its request for 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 in particular the delivery of the Technical Cooperation Programme, or the participation of experts from the developing countries in the Agency's activities.

10. The Group notes with appreciation that the HR cost continues to remain within the 75% cap established by the Director General in the previous biennia, and that the current overall share of staff costs is at 74% of the operational regular budget. The Group reiterates its request to allocate the resources thus saved to TC activities.

11. The Group underscores the need to intensify efforts to ensure equitable geographical distribution and to maintain gender balance among the Agency's staff, in accordance with GC(69)/16, and the participation of experts in the Agency's activities, and, in line with the aforementioned principle, to increase the number of staff members from developing countries which are unrepresented or under-represented in the Agency's Secretariat, particularly at the senior and policy-making levels.

12. Concerning possible options for the ASHI liability funding mechanism, the Group notes the implementation by the Director General of a set of cost containment measures as described in GOV/INF/2026/3. The Group looks forward to further update from the Secretariat on this matter, including the development of long-term measures.

13. With these comments, the Group of 77 and China takes note of the Agency's Draft Budget Update for 2027, as contained in document GOV/2026/1.

Thank you, Mr. Chair.