



International Atomic Energy Agency
GENERAL CONFERENCE

GC(XVII)/518
24 September 1973
GENERAL Distr.
Original: ENGLISH

Seventeenth regular session

Agenda item 14
(GC(XVII)/512)

THE AGENCY'S BUDGET FOR 1974

Report of the Programme, Technical and Budget Committee

Rapporteur: Mr. T.C. HAMMOND (Canada)

1. At its one hundredth and one hundred and first meetings on 21 September 1973, the Committee considered item 14 of the agenda -- The Agency's budget for 1974. The Committee had before it the draft budget estimates for 1974^{1/} and a draft resolution on the financing of technical assistance presented jointly by the delegations of Argentina, Brazil, Colombia, Costa Rica, the Arab Republic of Egypt, Finland, Ghana, Guatemala, India, Indonesia, Italy, Jamaica, Mexico, Netherlands, Panama, Peru, Philippines, the United Kingdom of Great Britain and Northern Ireland and Uruguay.^{2/}
2. The Director General was urged to continue his efforts to make all possible economies, for instance by keeping the number of staff members to the minimum required to carry out the Agency's essential work and by reducing the number of scientific meetings.
3. In the course of the general discussion some delegations expressed reservations with regard to the method used to finance the additional expenditures resulting from fluctuations in currency exchange rates. A few delegations were against the inclusion of an appropriation section for contingent financing to meet the impact of currency realignments. It was suggested that the Director General should follow closely the discussions in the United Nations family on this subject.

^{1/} GC(XVII)/505, Corr.1 and Mod.1.

^{2/} GC(XVII)/COM.1/117.

4. The Committee deplored the steady decline in the real value of the funds available for technical assistance and urged all Member States to make such voluntary contributions to the General Fund as to reach and possibly exceed the target for that fund; it accordingly recommended that draft resolution B - Operational Budget allocations for 1974 - should be amended in that sense.
5. At the conclusion of the general discussion it was generally agreed to recommend the General Conference to adopt the four draft resolutions annexed hereto.

A N N E X

DRAFT RESOLUTIONS

A. REGULAR BUDGET APPROPRIATIONS FOR 1974

The General Conference,

Accepting the recommendations of the Board of Governors relating to the Regular Budget of the Agency for 1974^{1/},

1. Appropriates an amount of \$25 064 000 for the Regular Budget expenses of the Agency in 1974, as follows:

<u>Section</u>	<u>United States dollars</u>
1. Policy-making organs	837 000
2. Executive management and administration ^{2/}	3 447 000
3. Common services	3 310 000
4. Technical assistance and training	984 000
5. Research and isotopes ^{3/}	2 596 000
6. Operational facilities ^{4/}	1 847 000
7. Technical operations ^{5/}	4 002 000
8. Safeguards	3 441 000
9. Contingent financing:	
Sub-Section A	2 100 000
Sub-Section B	<u>2 500 000</u>
	<u>4 600 000</u>
TOTAL	<u>25 064 000</u>

2. Decides that the foregoing appropriation shall be financed as follows:
 - (a) \$1 927 000 from miscellaneous income, including refunds from the United Nations Joint Staff Pension Fund and from the Special Account of the United Nations; and
 - (b) \$23 137 000 from contributions by Member States on the basis of the scale of assessment fixed by the General Conference in Resolution GC(XVII)/RES/....;
3. Decides further that the funds appropriated for Section 9 in paragraph 1 above shall be used only with the prior approval of the Board of Governors solely for the purpose of compensating for changes in currency exchange rates; and
4. Authorizes the Director General:
 - (a) In respect of the Laboratory, the expanded programme on nuclear safety and environmental protection, publications, research contracts and services provided to Member States or international organizations, to incur expenditures additional to those for which provision is made in the Regular Budget for 1974, provided that the relevant emoluments of any staff involved and all other costs are entirely financed from revenues arising out of sales, work performed for Member States or international organizations, research grants, special contributions or other sources extraneous to the Regular and Operational Budgets for 1974; and
 - (b) With the prior approval of the Board of Governors, to make transfers between any of the Sections listed in paragraph 1 above.

1/ GC(XVII)/505, Corr.1 and Mod.1.

2/ Comprising Executive management and technical programme planning, Administration and Service and support activities.

3/ Comprising Food and agriculture, Life sciences and Physical sciences.

4/ Comprising the Laboratory, the International Centre for Theoretical Physics and the International Laboratory of Marine Radioactivity.

5/ Comprising Nuclear power and reactors, Nuclear safety and environmental protection and Information and technical services.

B. OPERATIONAL BUDGET ALLOCATIONS FOR 1974

The General Conference,

(a) Accepting the recommendations of the Board of Governors relating to the Agency's operational programme for 1974^{1/}, and

(b) Noting that funds from various sources, estimated at \$1 209 000, are expected to be available for that programme,

1. Decides that for 1974 the target for voluntary contributions to the General Fund shall be \$3 million;
2. Urges all Member States to make voluntary contributions to the General Fund for 1974 in accordance with Article XIV.F of the Statute, with paragraph 2 of its Resolution GC(V)/RES/100 as amended by Resolution GC(XV)/RES/286, or with paragraph 3 of the former Resolution, as appropriate, so that this target may at least be reached and, if possible, exceeded;
3. Allocates the following sums for the Agency's operational programme for 1974:

	<u>United States dollars</u>
Operating Fund I	1 064 000
Operating Fund II	3 145 000
	4 209 000

4. Authorizes the Director General to incur expenditure for the International Laboratory of Marine Radioactivity or for the International Centre for Theoretical Physics in addition to those for which provision is made in the Operational Budget for 1974, provided that the relevant emoluments of any staff involved and all other costs are entirely financed from revenues arising out of work performed for Member States or international organizations, research grants, special contributions or other sources extraneous to the Regular and Operational Budgets for 1974.

^{1/} GC(XVII)/505 and Mod.1.

C. THE WORKING CAPITAL FUND IN 1974

The General Conference,

Accepting the recommendations of the Board of Governors relating to the Agency's Working Capital Fund in 1974^{1/},

1. Approves a level of \$2 million for the Agency's Working Capital Fund in 1974;
2. Decides that the Fund shall be financed, administered and used in 1974 in accordance with the relevant provisions of the Agency's Financial Regulations^{2/};
3. Authorizes the Director General to make advances from the Fund:
 - (a) Not exceeding \$25 000 at any time, to finance temporarily projects or activities of a strictly self-liquidating character which will not necessitate an increase in the Fund in future years; and
 - (b) With the prior approval of the Board of Governors, unless in his opinion the situation requires immediate action before such approval can be obtained, to meet the cost incurred by the Agency in organizing and rendering emergency assistance to Member States in connection with radiation accidents, up to \$50 000 in each case; and
4. Requests the Director General to submit to the Board statements of advances made from the Fund under the authority given in paragraph 3 above.

^{1/} GC(XVII)/505, Corr.1 and Mod.1.

^{2/} INFCIRC/8/Rev.1 and Mod.1.

D. THE FINANCING OF TECHNICAL ASSISTANCE

The General Conference,

- (a) Being informed by the Board of Governors that it requested the Director General to communicate to the General Conference the material it used in reviewing the provision of technical assistance by the Agency, with special reference to 1972,^{1/}

(b) Taking note of the information on that subject provided by the Director General in his statement to the Conference,

(c) Recognizing that the provision of technical assistance is one of the main functions of the Agency, and is of importance to all Member States,

(d) Bearing in mind the need to assign to this function its due place among the Agency's other main functions, and

(e) Aware, however, that the provision of technical assistance, unlike the Agency's other main functions, is dependent largely on voluntary contributions to the Agency by Members,

1. Takes note of a request made to the Director General by the Board of Governors in June 1973 to make a study of the possibilities and implications of all modes of financing the provision of technical assistance by the Agency, including in particular financing from the Regular Budget; and
2. Requests the Board to present a report on the matter to the General Conference at its eighteenth regular session in 1974, together with the Director General's study.

1/ See document GC(XVII)/INF/142, para. 1.

