

REPORT BY THE BOARD OF GOVERNORS

1. In accordance with Financial Regulation 11.03(b) [1], the Board of Governors hereby transmits to the Members of the Agency the report of the External Auditor on the Agency's accounts for 1999.
2. The Board has examined the report by the External Auditor and the introduction by the Director General to the accounts, and also the accounts themselves, and submits the following draft resolution for the consideration of the General Conference.

The General Conference,

Having regard to Financial Regulation 11.03(b),

Takes note of the report of the External Auditor on the Agency's accounts for the year 1999 and of the report of the Board of Governors thereon [*].

[*] GC(44)/5

[1] INFCIRC/8/Rev.2

Forty-fourth regular session

THE AGENCY'S ACCOUNTS FOR 1999

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INTRODUCTION TO THE AGENCY'S ACCOUNTS FOR 1999 AND FINANCIAL HIGHLIGHTS

1. I present herewith the Agency's accounts for the year ended 31 December 1999. Part I contains the External Auditor's report to the Board of Governors on the audit of the accounts. Parts II and III contain the Agency's accounts, comprising Statements I to IV and Schedules S1 to S12, respectively. Part IV, entitled "Notes to the financial statements", describes the purpose and financing of the Funds and the authority under which they are administered, and the significant accounting policies applied by the Secretariat in preparing the statements and schedules. The notes offer additional information on significant items and events which could have a bearing on the financial position of the Agency, or on funds in its possession or under its control. The Annex (Part V) presents information which under the current United Nations System Accounting Standards no longer has the status of a financial statement, schedule or note, but is considered useful for Member States.

Significant changes

2. There are no significant changes in presentation and format this year.

3. I would like to take the opportunity to inform you that the Agency is installing a new accounting system, AFIMS. Phase I of the installation was effective 1 January 2000. A major part of this exercise coincided with the preparation of the Agency's Annual Accounts.

4. The General Fund has a new account under the Extrabudgetary Programme Fund (Fund group III).

South Africa - to administer contributions in support of the establishment and operation of the International Database on Irradiated Nuclear Graphite Properties.

Financial Highlights

General

5. As of the end of 1999, the Agency's total Agency cash holdings in all fund groups amounted to \$112.5 million (1998: \$125.4 million).

6. The United Nations rate of exchange of the Austrian schilling versus the United States (US) dollar increased from 11.7937 in January to 13.6640 in December 1999, with an average for the year of 12.8671. This had a significant effect on the financial results for 1999.

Fund Group I. Regular Budget Fund and Working Capital Fund

7. Appropriations originally approved in the amount of \$224.2 million at the rate of 12.70 Austrian schillings to the US dollar were recalculated at \$221.8 million using the average rate of exchange of 12.8671 Austrian schillings, in accordance with Resolution GC(42)RES/6.

8. Cash for the Regular Budget Fund, including the Working Capital Fund (WCF), decreased from \$51.8 million in 1998 to \$35.4 million in 1999. A major part of this decrease is due to the return of cash surpluses to the Member States. In addition, the value of various currency holdings decreased during the year in US dollar terms.

9. The cash surplus for 1998 amounted to \$6.9 million as compared with \$8.7 million for 1997. This reflects lower collections of prior years' arrears. Member States' individual shares in this surplus are shown in Schedule S5.

10. Owing to the delay in the receipt of contributions, the Agency fully utilized the Working Capital Fund in December. Some large contributions were received later in December, allowing the Working Capital Fund to be repaid by the end of the month.

11. The 1999 shortfall of income over expenditure of \$2.3 million (1998: an excess of \$3.9 million) consists of the following:

	<u>Millions of US dollars</u>	
	<u>1999</u>	<u>1998</u>
Unused balance of appropriations (Statement IV)	0.3	0.6
Excess (shortfall) of actual resources over adjusted estimates (Annex A1)	(2.6)	3.1
Contributions assessed on new Member States (Schedule S1)	-	<u>0.2</u>
Excess (shortfall) of income over expenditure (Statement I)	<u>(2.3)</u>	<u>3.9</u>

The shortfall of income over expenditure arises through a decrease in interest income of \$1.7 million (1999: \$3.9 million; 1998: \$5.6 million), an increase in exchange losses of \$1.1 million (1999: \$2.2 million; 1998: \$1.1 million), a decrease in assessed contributions in dollar terms and a decrease in other miscellaneous income. The increase in the loss on exchange is due to the strengthening of the US dollar against most currencies.

12. Because of the return of cash surpluses from prior years and the shortfall for 1999, the Agency is likely to encounter increasing cash flow problems in 2000.

Fund Group II. General Fund - Technical Co-operation Fund

13. The Fund's resources improved, with total pledges amounting to \$64.1 million (1998: \$53.4 million) against a target of \$73.0 million (1998: \$71.5 million). Cash held was higher than last year, with \$40.4 million (1998: \$32.6 million). A significant part of this cash is held in difficult to use currencies, although the amount involved has decreased by 20% from the previous year.

Other Fund groups

14. The financial situation of Fund groups III, IV, V and VI is satisfactory. Their resources are based on extrabudgetary contributions from Member States or Member State institutions received before the respective activities are undertaken, or funding agreements with United Nations or other international organizations and agreements with contributors.

(signed) MOHAMED ELBARADEI
Director General

**STATEMENT OF THE DIRECTOR GENERAL'S RESPONSIBILITIES
AND
CONFIRMATION OF THE ACCOUNTS WITH THE FINANCIAL REGULATIONS
OF THE INTERNATIONAL ATOMIC ENERGY AGENCY
AS AT 31 DECEMBER 1999**

The Director General's Responsibilities

The Director General is required by the Financial Regulations to maintain such accounting records as are necessary with due regard to the United Nations System Accounting Standards and to prepare annual accounts showing the income and expenditure of all the International Atomic Energy Agency's Funds during the financial year and their respective financial positions at the end of the year and the status of Regular Budget appropriations of the Agency. He is also required to give such other financial information as the Board may require or as he may deem necessary or useful.

To lay the foundations for the financial statements, the Director General is responsible for establishing detailed Financial Rules and procedures to ensure effective financial administration, the exercise of economy, and the effective custody of the Agency's assets. The Director General is also required to maintain an internal financial control which shall provide an effective examination of financial transactions to ensure: the regularity of the receipt, custody and disposal of all funds and other financial resources of the Agency; and the conformity of expenditures with the appropriations approved by the General Conference, the decisions of the Board on the use of funds for the Technical Co-operation Programme or other authority governing expenditures from extrabudgetary resources; and the economic use of the resources of the Agency.

Confirmation of the Accounts with the Financial Regulations

We hereby confirm that the following appended accounts, comprising Statements I to IV, Schedules S1 to S12 and supporting Notes, were properly prepared in accordance with Article XI of the Financial Regulations, with due regard to the United Nations System Accounting Standards.

(signed) MOHAMED ELBARADEI
Director General

(signed) ABRAHAM E. ESPINO
Director, Division of Budget and Finance

Vienna, Austria, 23 March 2000

PART I

LETTER FROM THE EXTERNAL AUDITOR TO THE CHAIRMAN OF THE BOARD OF GOVERNORS

The Chairman of the Board of Governors
of the International Atomic Energy Agency
A-1400 Vienna
Austria

30 March 2000

Sir,

I have the honour to transmit the financial statements of the International Atomic Energy Agency for the year ended 31 December 1999 which were submitted to me by the Director General in accordance with Financial Regulation 11.03(a). I have audited these statements and have expressed my opinion thereon.

Further, in accordance with Financial Regulation 12.08, I have the honour to present my report on the Accounts of the Agency for the year ended 31 December 1999.

Yours faithfully,

(signed) JOHN BOURN
Comptroller and Auditor General, United Kingdom
External Auditor

Enclosures

AUDIT OPINION

To the General Conference of the International Atomic Energy Agency

I have audited the accompanying financial statements, comprising Statements I to IV, Schedules S1 to S12 and the supporting Notes of the International Atomic Energy Agency for the financial period ended 31 December 1999. These financial statements are the responsibility of the Director General. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with the Common Auditing Standards of the Panel of External Auditors of the United Nations, specialized agencies and the International Atomic Energy Agency. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, and as considered by the auditor to be necessary in the circumstances, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Director General, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for the audit opinion.

In my opinion, these financial statements present fairly, in all material respects, the financial position as at 31 December 1999 and the results of operations and cash flows for the period then ended in accordance with the International Atomic Energy Agency's stated accounting policies set out in Note 2 of the financial statements, which were applied on a basis consistent with that of the preceding financial period.

Further, in my opinion, the transactions of the International Atomic Energy Agency, which I have tested as part of my audit, have in all significant respects been in accordance with the Financial Regulations and Legislative Authority.

In accordance with Article XII of the Financial Regulations, I have also issued a long-form Report on my audit of the International Atomic Energy Agency's financial statements.

**London, UK
30 March 2000**

(signed)

**Sir John Bourn
Comptroller and Auditor General
United Kingdom
External Auditor**

REPORT OF THE EXTERNAL AUDITOR ON THE AUDIT OF THE ACCOUNTS OF THE INTERNATIONAL ATOMIC ENERGY AGENCY FOR THE YEAR ENDED 31 DECEMBER 1999

INTRODUCTION

1. I have audited the accounts of the International Atomic Energy Agency for the financial period 1 January to 31 December 1999 in accordance with Article XII of the Financial Regulations and the Additional Terms of Reference Governing the External Audit annexed thereto. My audit has been conducted in conformity with the Common Auditing Standards of the Panel of External Auditors of the United Nations, the Specialised Agencies and the International Atomic Energy Agency. These standards require me to plan and carry out the audit so as to obtain reasonable assurance that the financial statements are free from material misstatement. The Agency's management were responsible for preparing these financial statements, and I am responsible for expressing an opinion on them based on evidence obtained in my audit.

2. I have carried out separate audits of the following Funds for which the Agency has management responsibility:

Vienna International Centre Commissary;
Seibersdorf Cafeteria;
Staff Welfare Fund;
Housing Projects Fund;
Vienna International Centre Child Care Centre - Expansion Project.

The financial statements for these Funds, together with my audit opinions on them, have been submitted to the Director General.

3. In addition to my audit of the Agency's accounts and financial transactions, I carry out reviews under paragraph 5 of the Additional Terms of Reference Governing External Audit; whereby I may make such observations as I deem necessary about the efficiency of the financial procedures, the accounting system, the internal financial controls and, in general, the financial consequences of administrative practices.

STRUCTURE OF THIS REPORT

4. Following this introduction, my report is set out as follows:

PART 1 - FOLLOW UP COMMENTS

5. This section (paragraphs 12 to 24) sets out my comments on action taken by the Agency in response to previous external audit recommendations.

PART 2 - AN EXECUTIVE SUMMARY

6. This section (paragraphs 25 to 40) summarises the main conclusions and recommendations arising from my audit in 1999.

PART 3 - DETAILED FINDINGS

7. This section details my findings in 1999 relating to:

- strengthened safeguards (paragraphs 41 to 112);
- the introduction of AFIMS (paragraphs 113 to 125); and
- other financial matters (paragraphs 126 to 130).

AUDIT OBJECTIVES

8. The main purpose of the audit was to enable me to form an opinion as to whether expenditure recorded in 1999 had been incurred for the purposes approved by the General Conference; whether income and expenditure were properly classified and recorded in accordance with the Agency's Financial Regulations; and whether the financial statements presented fairly the financial position at 31 December 1999.

AUDIT APPROACH

9. My examination was based on a test audit, in which all areas of the financial statements were subject to direct substantive testing of the transactions recorded. Finally an examination was carried out to ensure that the financial statements accurately reflected the Agency's accounting records and were fairly presented.

10. My audit examination included a general review and such tests of the accounting records and other supporting evidence as I considered necessary in the circumstances. These audit procedures are designed primarily for the purpose of forming an opinion on the Agency's financial statements. Consequently, my work did not involve a detailed review of all aspects of the Agency's budgetary and financial information systems, and the results should not be regarded as a comprehensive statement on them.

OVERALL RESULTS

11. Notwithstanding the observations in this report, my examination revealed no weaknesses or errors which I considered material to the accuracy, completeness, and validity of the financial statements as a whole. In accordance with normal practice, my staff record additional findings in management letters to the Agency's senior management. None of these matters affected my audit opinion on the Agency's financial statements and schedules; accordingly I have placed an unqualified opinion on the Agency's financial statements for 1999.

Part 1

ACTION TAKEN BY THE AGENCY IN RESPONSE TO PREVIOUS YEARS' AUDIT RECOMMENDATIONS

12. In 1998 I carried out reviews of the Agency's management of its computer policy and of Technical Co-operation projects.

Computer policy

Background

13. In my 1998 report I noted that a specialised task force had been established by the Director General in February 1999 to examine key aspects of the overall strategy and approach to IT services in the Secretariat. The task force was also asked to consider the optimum utilisation of the human resource assigned to the centralised and decentralised IT functions and services. I undertook to consider the effectiveness and appropriateness of proposed changes to the IT management structure in my examination of the 1999 financial statements.

Action taken

14. The Task Force produced their report in September 1999. This also contained a review by the Task Force's Steering Committee platforming alternative proposals which the Committee thought were more suitable. The Inter-departmental Programme Co-ordination Committee (PCC) considered the Report in October 1999 and set up an implementation group to undertake further work on key sections of the report.

Task Force recommendations

15. The Task Force recommended changes to the overall management structure of IT services in the Agency:

- the creation of a new Chief Information Officer, reporting directly to the Director General, to direct and co-ordinate Agency-wide IT priorities in accordance with the Agency business strategy and ensure software and hardware standardisation;
- the creation of three IT Business Units, under guidance from the CIO, one of which would provide inter-departmental services to other programme managers and users; and
- the creation of a Central IT Unit to service the overall IT infrastructure.

The Task force estimated that there would be cost savings of \$1.24 million from a reduction of 25 staff.

PCC Response

16. The Programme Co-ordination Committee supported the establishment of a strong central office in charge of information management but felt that the Chief Information Office should report to the Deputy Director General of Management. The Committee considered that the office should have operational authority as well as policy making co-ordination and control functions. The Committee also agreed to the relocation of IT central services to the Department of Management.

17. The Committee did not support the IT Business Unit concept noting that there was widespread concern about potential co-ordination problems and possible loss of services. The Committee was also not convinced that the savings identified by the task force would all be realised, noting also that these did not reflect transitional costs, which were likely to be significant.

Implementation Group

18. To take the above matters forward the Programme Co-ordination Committee set up an Implementation Group comprising representatives from three Divisions: Budget and Finance, Personnel, and the Office of Management Services. The Implementation Group was asked to consider the following matters:

- to define the scope, size and structure of the central IT services, including Office of Information Management, which was to be relocated from the Department of Nuclear Energy to the Department of Management;
- to review task force recommendations relating to the library and the International Nuclear Information System;
- to review the validity of the assumptions and calculations made by the Task Force on the savings that could be gained from the establishment of IT business units;
- to identify alternatives to the recommended creation of IT business units; and
- to review the viability of the recommended funding policy or alternatives thereto.

19. As the Implementation Group will not finalise its work until the first quarter of 2000, I propose to examine this matter further as a part of my audit of the 2000 accounts.

Technical Co-operation projects

20. I consider that many of the recommendations relating to Technical Co-operation projects which I made in my 1998 Report, are likely to take some time to implement and fully bed down. Therefore I decided not to review the Agency's activities in this area in detail this year, but to return to this matter in more depth during the course of my 2000 review. However, my staff have discussed the progress made to date with senior staff in the Department of Technical Co-operation. I am pleased to note that actions are underway in several areas which address matters raised in my report.

*Approval for
agricultural
extension projects*

21. One recommendation – that the Membership review and explicitly endorse their support for agricultural extension projects – has been fully addressed. A Senior Expert Group was established in 1998 to carry out an in-depth review of the Agency's programme of activities. It produced a report in October 1998, which was reviewed by the Board of Governors in February 1999. The Director General specifically asked the Group to consider whether the Agency should continue to fund Technical Co-operation projects which have only a minor nuclear component. The Group's answer was "an emphatic yes", with the proviso that the nuclear part should be essential to the success of the project. The Group considered that considerable comfort could be taken from the Agency's support for such activities, because it was not just focussing attention on major nuclear projects which would often be less appropriate for the recipient countries.

*Strengthening
project
formulation and
implementation*

22. The Agency has worked to strengthen the principles underlying the Technical Co-operation programme and develop detailed procedural guidance for its management since 1999. The September 1999 Director General Meeting, chaired by the Director General and involving all the Deputy Director Generals, approved Management Principles for the Formulation and Implementation of the Technical Co-operation Programme. Since then a working group involving staff from the Department of Technical Co-operation and other technical divisions which provide expert support to the programme, has been developing more detailed guidance. This guidance, and other work being undertaken by the Agency, should address to some degree the concerns raised in my 1998 report and my recommendations that:

- performance indicators are introduced for all Model Projects and some resources are set aside to collect performance data and monitor progress;
- the Agency reformulate its Model Project criteria to reflect the role played by the counterpart as well as the government body;
- the Agency introduces structured and documented procedures to assist in the initial selection and planning of projects;
- the Agency reviews its hand-over procedures when staff changes occur to maximise the continuity of approach for projects in progress; and
- the Agency consider what more it can do to protect and promote the financial viability of projects it has supported in the longer term.

I intend to consider these matters in more detail during the course of my next audit.

*High level
indicators*

23. I also recommended that the Agency develop a basket of high level global indicators which could complement the implementation rate, and against which a more balanced view of progress could be reported to the Governing Body. The Department of Technical Co-operation has been seeking practical ways to take this forward. It has identified some high level indicators which will be used to assess how the Agency is managing and directing the overall Technical Co-operation programme. Also, to reflect what is being achieved at the project level, and bring together the results of numerous individual projects in a meaningful way, the Agency intends to provide reports to the Board, based on the results of in-depth evaluations of thematic sections of its project portfolio. Again I intend to review progress in this area in more depth during my 2000 audit.

Field visits

24. I also recommended that the Agency make it a priority to visit projects where difficulties are known to be occurring and to take a leading role in agreeing a practical work-plan with local management to resolve them. The Agency while supportive of the intent of this recommendation, has noted the pressures on its travel budget and on staff time, given the high numbers of projects individual staff members have to deal with, as being key constraints in this area. It has sought to compensate for this by developing a 'Participatory Monitoring' approach, whereby counterpart staff take on greater responsibilities. The Department of Technical Co-operation has developed monitoring tools and provided training for counterpart bodies to assist them in identifying and dealing with problems. The new detailed project implementation guidance, will also formalise responsibilities for project monitoring and problem resolution within the Agency's project management team, to encourage timely resolution of difficulties arising.

Part 2

EXECUTIVE SUMMARY

Strengthened Safeguards

25. During the 1990s, following the discovery of undeclared nuclear activities in Iraq, the Agency sought to strengthen its safeguards activities. Three main stages have contributed to this process.

- Programme 93 + 2, which identified measures to strengthen effectiveness and improve efficiency which were within the Agency's existing legal authority (Part 1 measures) and those which required additional legal authority from Member States (Part 2 measures);
- Strengthened safeguards, which, amongst other things, developed and tested Part 2 measures; and
- Integrated safeguards, which is an on-going initiative to integrate traditional inspection measures with new Part 2 measures to maximise efficiency and effectiveness.

26. Whereas previously the Agency only provided a conclusion on non-diversion of declared nuclear materials in a State, it now has the more ambitious objective of providing credible assurance on non-diversion and of the absence of undeclared nuclear materials and activities within the State as whole.

27. I examined the Agency's performance in two areas:

- progress in introducing strengthening measures; and
- management of the process to encourage cost efficiency.

Progress in introducing strengthening measures

Formal expansion of Agency's legal authority

28. The Agency has progressed various initiatives in this area. A key achievement was the formal approval by the Board of Governors of a Model Additional Protocol in May 1997, and since then, the Agency has been active in seeking to conclude Protocols with individual States. Forty-six Additional Protocols had been approved by the Board of Governors by December 1999.

Development of infrastructure

29. The Agency has undertaken a variety of work to strengthen its own infrastructure and practices. I examined three areas— staff training; Research and Development; and development of IT tools.

- The Agency made a dedicated and concerted effort to provide training for staff in strengthened safeguards methodologies and procedures. It has introduced 11 new courses and delivered over 2,500 person days of training since 1995.

- The Agency experienced delays in meeting Research and Development needs related to strengthened safeguards, but has not assessed the overall effects of such delays on the implementation of strengthened safeguards. The Agency did not prioritise tasks related to Research and Development needs centrally, although it is currently considering ways of strengthening its programme in this respect.
- Only one of four new IT tools envisaged under Programme 93 + 2 was introduced as planned. The Agency is dependent on Member States to develop, test and provide back up for key IT systems. However, the Agency seems to have been thorough in its testing of different options.

30. In relation to the Research and Development Programme, I consider that it is important for the Agency to exercise as much control as possible to ensure the most essential work to the organisation as a whole is carried out first. **I support the Agency's consideration of a move towards more centralised planning of task priorities to facilitate this, and recommend that this approach is adopted.**

Introduction of new methodologies

31. The Agency has successfully implemented new methodologies to strengthen safeguards. I examined progress in introducing environmental sampling techniques as an additional information source; and the Agency's enhanced measures for collecting and analysing data. Considerable progress has been made in both areas.

- By the end of 1999, the Agency had carried out environmental sampling at 12 of 14 declared enrichment facilities and in most hot cell facilities or others of a similar type.
- The Agency now collects information from a wider range of sources than previously and has developed formal evaluation processes to prepare State Evaluations. It established an Information Review Committee of senior staff in 1996, and by the end of 1999, a cumulative total of 32 evaluations had been completed.

Integrating traditional and new measures

32. The Agency is currently actively developing a framework to integrate traditional and new safeguards measures. In conjunction with the completion of the Additional Protocol process by Member States, such a framework is necessary to define and implement the optimum combination of safeguards measures in any individual member State. However, the Agency did not begin to work intensively on this until late 1998. I consider that it was slow to begin this fundamental side of its work. **I welcome the priority the Agency is now giving to the development of integrated safeguards and recommend that the Agency seeks to develop its framework as quickly as possible.**

Management of the process to promote cost efficiency

Achievement against cost efficiency benchmarks

33. My staff were unable to verify satisfactorily all the costs of implementing the strengthened safeguards process against the estimates contained in Board papers where potential cost efficiencies were put to and approved by Member States. There is a lack of hard information about the costs of introducing strengthened safeguards activities. I consider that this is information which is both of interest to Member States and essential for good accountability by the Agency. The Agency was able to provide figures relating to expenditure on strengthened safeguards equipment for 1995 to 1999. I note that, for two years, 1998 and 1999, expenditure on equipment alone exceeded the Agency's earlier estimate of the total cost of strengthened safeguards for those years. **I recommend that**

the Agency improve its management information systems to remedy these weaknesses and allow detailed budgeted and actual expenditure information to be made readily accessible for analysis.

34. The Agency considers that no cost savings have yet been achieved as a result of using remote monitoring technology. A cost benefit model, developed by the Agency in mid-1999, indicates there could be significant cost increases as well as potential savings associated with remote monitoring, depending on the circumstances prevailing in an individual state, with the cost of communications being a key factor. The Agency therefore intends to carry out a detailed cost benefit analysis prior to deciding whether to proceed in an individual State. I welcome this approach. In relation to unattended verification technology, the Agency was unable to quantify, at the time of the audit, whether any savings had been achieved. Some unattended verification systems are now operational and the Agency is trying to assess their impact on its traditional inspection activities.

*Funding outside
the regular
budget*

35. The level of funding outside the regular budget increased fairly steadily during the 1990s and reached \$17 million in 1999. The Agency estimates about 60 per cent of funding outside the regular budget is spent on equipment. Since 1995 some \$12.4 million of strengthened safeguards equipment has been financed in this way. Other strengthened safeguards activities, particularly research and development work, are also funded from sources outside the regular budget, through Member State Support Programmes. The Agency does not therefore have full information on the costs incurred by Member States in support of strengthened safeguards.

*Use of staff
resources*

36. Much of the costs of developing strengthened safeguards have been in terms of staff time. However, the Agency does not record and monitor the amount of staff time spent on particular activities on a comprehensive basis. It is therefore impossible to quantify the staffing costs of strengthened safeguards activities. However, the overall numbers of regular staff and Cost Free Experts did not increase over the period since 1995, despite the fact that new, staff intensive work – such as State Evaluations and environmental sampling, was being undertaken, in addition to traditional inspection work. In the Agency's view this has been achieved through an increase in internal efficiency over the whole of safeguards activities.

37. I note that the Department of Safeguards introduced a system for inspectors to record time spent by inspectors on Inspection Related Activities at Headquarters (IRAH) at the beginning of 1999, which will eventually demonstrate the greater level of effort being devoted to activities such as State Evaluations. **I consider this is a useful development which will provide management with additional information and improve the accountability of the Agency to Member States. I recommend that the Agency consider the benefits of extending a time recording system to staff throughout the department to facilitate monitoring of how the Agency uses its resources.**

*Application of
general project
and programme
planning
principles*

38. The Agency did not have an overall implementation plan for strengthened safeguards until September 1999, when a plan was prepared for the process of developing integrated safeguards. Before this date the Agency had presented a number of papers to the Governing Board outlining its broad plans but had not established detailed targets or performance indicators to enable it to demonstrate progress to Member States against an agreed baseline. The Agency's internal plan now breaks down the different integrated safeguards elements into tasks and sub-tasks, assigns responsibility for delivery to individual units, and identifies deliverable outputs and target dates. The planning process is flexible and enhances internal accountability. I therefore welcome this more active management approach. **To improve accountability further, I recommend that the**

Agency makes a simplified version of key deliverables available to Member States and updates them regularly on progress made.

The introduction of a new accounting system (AFIMS)

39. In my 1998 report I noted that there had been delays in the implementation of the Agency's new accounting system (AFIMS). I am pleased to be able to report that it was implemented on 1 January 2000. Although I have yet to audit transactions relating to the year 2000 accounts, I understand that the new system is operating without major problems. Delays in AFIMS implementation, required the Agency to put in place alternative procedures to ensure the orderly preparation of the accounts for 1999. I am pleased to note that these procedures worked well, enabling the accounts to be produced to the normal timetable.

40. While the outcome of the AFIMS project proved satisfactory the manner in which it was implemented raises wider concerns about the development of new computer systems in the Agency. My main recommendations are:

- **as part of the post implementation review of AFIMS, the Agency establish Agency-wide system implementation procedures to reduce the risks to future system developments;**
- **all planned system improvements are supported by business cases approved by Senior Management and specifying how the new processes enhance the Agency's strategic business needs as well as the costs and benefits involved; and**
- **the Agency review the scope for, and benefits of, further system integration to reduce duplication.**

Part 3

DETAILED FINDINGS

Strengthened Safeguards System

Introduction

41. Traditional IAEA safeguards are a set of measures by which the Agency seeks to ensure that nuclear material subject to safeguards is not diverted to develop nuclear weapons or other nuclear explosive devices. Traditional safeguards include accounting to verify the quantities of nuclear materials at declared facilities and to detect any changes over time; physical containment measures such as seals and containers; and surveillance devices to detect unauthorised movement of, or access to, nuclear material or tampering with containment devices. Agency personnel make regular field visits to facilities to carry out inspections.

42. In 1999 the Agency budgeted to spend some \$79.7 million of regular budget funding on safeguards activities, and also identified a further \$20.9 million of safeguards activities it hoped to fund from sources outside the regular budget. These figures relate to both the traditional safeguards measures and new measures introduced to strengthen the safeguards process.

43. In practical terms the Agency has been continuously developing its safeguards procedures since it was established, to take account of technological advances and new requirements placed upon it by Member States. The development of a strengthened safeguards system has been an incremental process and is still on-going. During the 1990s, following the discovery of undeclared nuclear activities in Iraq in 1991, the Agency sought to strengthen its safeguards procedures in a more systematic and deliberate way. The Agency simultaneously sought to increase the cost-effectiveness of its safeguards efforts. The key initiatives which the Agency has adopted to further these aims are outlined in Table 1.

44. Whereas previously the Agency only provided a conclusion on non-diversion of declared nuclear materials in a State, it now has the more ambitious objective of providing credible assurance on non-diversion, and the absence of undeclared nuclear materials and activities within the State as a whole. The Agency first articulated this objective in Programme 93+2 and has been consistent in working towards it since. The Agency has introduced the measures and activities which will allow it to achieve the objective on an incremental basis.

45. The process of moving towards this objective is both difficult and complex for three main reasons. Firstly the Agency has to consider the many legitimate political concerns of Member States in introducing new measures. Secondly it has to address the scientific and technological difficulties of finding, testing and introducing reliable equipment and procedures to gain the assurance it needs. And finally there are complex management problems to consider in bringing all the different safeguards activities together, in a timely and cost-efficient way, into a coherent whole.

Table 1: Actions aimed at strengthening the safeguards system

Programme 93 + 2	1993 to 1995	Identified new measures to strengthen effectiveness and improve efficiency, which were within the Agency's existing legal authority (Part 1 measures); and those which required additional authority from Member States (Part 2 measures).
Strengthened Safeguards System	1996 to May 1997	Established a legal basis for Part 2 measures. The implementation of Part 1 started in January 1996.
	June 1997 onwards*	Development and testing of Part 2 measures approved in Programme 93+2
Integrated Safeguards	1998 onwards	Development of integrated safeguards: the integration of traditional inspection measures with the measures of the Additional Protocol to maximise effectiveness and efficiency.
<i>* The term Strengthened Safeguards System was first adopted in June 1997, although the introduction of individual strengthening measures, such as environmental sampling, had started earlier.</i>		

There have been three main stages in the Agency's move towards a strengthened safeguards system

46. To meet its new objective, the Agency needed both increased legal authority and new working tools and practices. The initiatives undertaken by the Agency in the 1990s have begun to address these needs. In addition, the Agency made a commitment to Member States that it would seek, in the longer term, to provide credible assurance in a cost neutral way. The Agency foresaw the need, however, for increased resources in the short term in order to establish new systems and procedures.

Audit scope

47. The external auditor, then the Auditor General of Canada, examined safeguards, including Programme 93+2 in 1993, and reviewed progress in 1995. In view of the on-going importance of safeguards to the Agency and the significant initiatives occurring in this field, I chose to re-examine this subject in 1999. I examined what the Agency has done towards implementing a strengthened safeguards system, focussing on:

- (a) its progress in introducing strengthening measures; and
- (b) its management of the process to encourage cost efficiency.

(a) Progress in introducing strengthening measures

48. The Agency has made progress in laying the groundwork for the long term strengthening of the safeguards system, but has not yet achieved full integration of traditional and new measures. My staff reviewed three key areas:

- *the formal expansion of the Agency's authority* through the agreement of a Model Additional Protocol and the process of negotiating and implementing individual Additional Protocols with Member States;
- *the development of infrastructure* by the Agency to support the strengthened safeguards system. From the wider range of measures undertaken by the Agency, I reviewed in detail three aspects - the training programmes, Research and Development activities undertaken through the Member State Support Programme and the introduction of new IT tools; and
- *the implementation of new methodologies*, particularly environmental sampling and the greater collection and analysis of information.

My staff also briefly reviewed the steps taken by the Agency towards *integrating traditional and new safeguards measures*.

Formal expansion of the Agency's legal authority

*Part 1 and
Part 2
measures*

49. Programme 93+2 identified the types of additional activities the Agency might undertake to increase safeguards effectiveness and improve cost efficiency, their associated costs and benefits, and whether they fell within the Agency's existing authority or required new authority from Member States. Part 1 measures were those that could be carried out under the Agency's existing authority. Part 2 measures required Member States to approve additional authority. Table 2, based on GOV/2863 of May 1996, summarises the main categories of measures and the numbers of Part 1 or Part 2 measures in each. A more detailed list of the individual measures is provided in Annex 1.

Table 2: Part 1 and Part 2 measures

Category	Total Measures	Part 1 Measures	Part 2 Measures
Broader Access to Information			
Expanded Declaration	15	6 (plus 2 partial ³)	9
Environmental Sampling	5	4	1
Improved Analysis of Information	1	1	0
Increased Physical Access			
Complementary Access	5 ¹	0 (plus 1 partial)	4
No-notice Access	2	1	1
Optimal Use of the Present System			
Safeguards Technology Advances	3	3	0
Increased Co-operation with States and SSACs ²	6	4 (plus 1 partial)	2
Safeguards Parameters	3	3	0
Total	40	22 (plus 4 partial)	17
¹ Authority for 1 measure is not stated			
² States' systems of accounting for and control of nuclear material			
³ Partial measures are those which, according to GOV/2863, fall under both Part 1 and Part 2 authority			

A majority of the new measures were possible within the Agency's existing authority, but the measures required for verifying the absence of nuclear material and activities, ie the main strengthening measures, fell under Part 2.

Developing the Model Additional Protocol

50. The identification of potential new safeguards measures, agreement on whether they would require additional authority or not, and the process of conferring additional authority on the Agency, were matters of intense and participatory dialogue with Member States. The Agency sought to achieve a broad consensus among States on the way forward. Table 3 describes the key stages in this process.

Table 3: key stages in negotiating new safeguards measures

Date	Documentary Outputs	Actions
June 1995	GOV/2807	Board approved 93+2 Part 1 measures and accepted general principles of Part 2 proposals subject to further discussions with Member States
June 1995 to March 1996	Two draft discussion papers on Part 2 measures	Informal discussions between the Secretariat and Member States, culminating in a draft discussion paper for the December Board meeting, which was revised and discussed again at the March meeting
June 1996	GOV/2863	Board approved Part 2 proposals and established Committee 24 ¹ to work on drafting a Model Additional Protocol
July 1996 to April 1997	Compendium of Member State comments; Rolling text for the Additional Protocol; GOV/2893, Annex 2	Comments on draft Additional Protocol solicited from Member States and a Compendium compiled by the Secretariat. Four Committee 24 meetings held, involving representatives from 61 States, and two inter-governmental organisations, to discuss the rolling text for the Additional Protocol.
May 1997	GOV/2914	Board approved Model Additional Protocol
¹ Committee 24 was the short name of the Committee on Strengthening the Effectiveness and Improving the Efficiency of the Safeguards System		

The formal approval of a Model Additional Protocol in May 1997 was the culmination of a period of detailed negotiation between Member States and the Agency

Progress on negotiating individual Additional Protocols

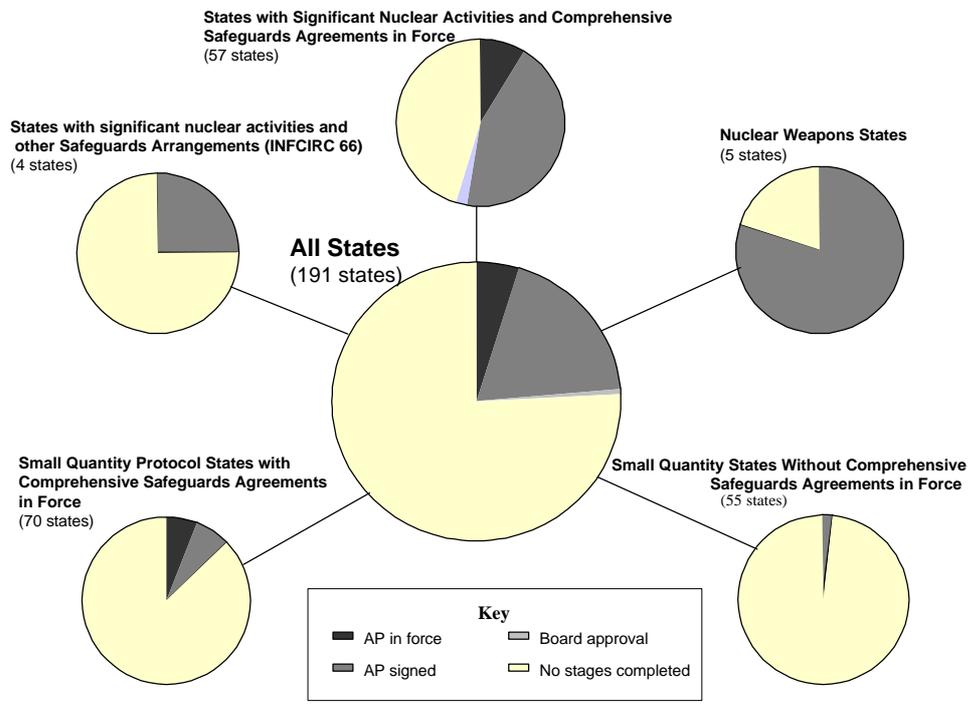
51. Since the approval of the Model Additional Protocol in May 1997, the Agency has been active in seeking to conclude Protocols with individual States which, when fully implemented, will eventually allow it to exercise its additional authority in each State. My staff found that the Agency had planned and managed this task well, setting internal priorities for its work and monitoring progress on a regular basis.

52. The Director General indicated to a Governing Board meeting in March 1998 that the Secretariat hoped that all outstanding Additional Protocols could be concluded by the end of 2000. By the end of December 1999, out of a target population of 191 States, 34 Additional Protocols covering 46 States had been approved by the Board of Governors, 33 of which had been signed. Draft Additional Protocols had been sent to a further 110 States for consideration, leaving only 35 States still to progress to this stage. Eight of the 45 signed Additional Protocols were in force and a further one was being applied provisionally. Taiwan (China) had also agreed to implement the measures of the Additional Protocol.

53. It seems unlikely, however, that all Additional Protocols will be signed by the end of 2000. Progress in concluding an Additional Protocol varies between different types of State, but in general, the greatest progress has been made in States with significant nuclear activities. This reflects the Agency's prioritisation of such States in its efforts to conclude Additional Protocols. Figure 1 illustrates how far different types of State have progressed, against three key, dated stages monitored by the Agency. The three stages are:

- Additional Protocol approved by the Board of Governors;
- Additional Protocol signed; and
- Additional Protocol in force.

Figure 1: stage reached towards implementing an Additional Protocol



Note: only the latest stage of progress towards implementation is included, to avoid double counting.

Progress has been greatest amongst States with significant nuclear activities and comprehensive safeguards agreements in force

Trends in completing Additional Protocol Negotiations

54. The three most notable trends in completing Additional Protocols negotiations are:
- the relatively high level of progress achieved in States with significant nuclear activities which are already under comprehensive safeguards agreements;
 - the adoption of Additional Protocols in a sizeable minority of States with comprehensive safeguards agreements in force but with little or no nuclear material or activities (referred to as SQP States); and
 - the low level of progress in States without comprehensive safeguards agreements already in force, and with little or no nuclear materials or activities.

States with significant nuclear activities under safeguards

55. The Agency has focussed much of its effort on encouraging States with significant nuclear activities, which are already under comprehensive safeguards agreements to adopt Additional Protocols. Fifty-seven States fall into this category, and the majority, thirty-one States (54 per cent) have at least reached the Board of Governors' approval stage.

Additional Protocols are in force in four States in this category, and the case in which the Additional Protocol is being applied provisionally. States in this category are relatively further along the process of bringing Additional Protocols into force than in any other category.

56. There are seventy SQP States with safeguards agreements in force, of which four (5.7 per cent) have brought Additional Protocols into force, and another five (7.1 per cent) have signed Additional Protocols. SQP States have traditionally not been a priority for the Agency's inspection activities because of their low or non-existent volume of nuclear materials and activities. The Agency has welcomed these States' acceptance of Additional Protocols as giving impetus to making the strengthened safeguards system a universal one and maximising its geographical coverage. It is also important in the context of the Agency seeking to provide assurance on the absence of undeclared nuclear material and facilities. The adoption of Additional Protocols by SQP States will increase the Agency's workload as it has to carry out an initial evaluation of the information they supply, plus information from other sources, and possibly conduct complementary access to resolve questions and inconsistencies. The Agency must maintain on-going information analysis and prepare annual State Evaluation Reports. Previously the Agency did not undertake any work in these States.

*SQP States
without
comprehensive
safeguards
agreements in
force*

57. There are fifty-five SQP States without safeguards agreements in force. Forty-two have never signed any sort of comprehensive safeguards agreement with the Agency, and 13 have signed agreements but have yet to bring them into force. Only one State has signed an Additional Protocol, doing so at the same time as negotiating its comprehensive safeguards agreement. It has not yet been brought into force. The Agency's past experience suggests that progress may be difficult to achieve. Statistics in the Agency's Annual Reports indicate that over 50 per cent of the States in this category ratified the Non-Proliferation Treaty more than ten years ago but have yet to bring a safeguards agreement into force.

Development of infrastructure

58. The Agency has undertaken considerable work to prepare itself for a strengthened safeguards regime. My staff reviewed three measures: the training programme for staff to provide them with the skills they are expected to need; the Research and Development programme, managed in co-operation with Member State Support Programmes to develop and test new approaches, and the development of IT tools to gather and analyse new data. The Agency is also undertaking other measures to develop its infrastructure which I did not review in detail during the course of the audit. These include the development of detailed instructions and guidelines for internal and Member State use in implementing the new activities, such as Complementary Access Guidelines and Article 2 guidelines.

*Training
programme*

59. The training programme instituted by the Agency in support of the strengthened safeguards system has been one of the most important areas of internal development. The Agency has identified a hierarchy of training needs to enable staff to meet the requirements of the new system. Since 1995 the Agency has introduced 11 courses directly dedicated to meeting strengthened safeguards training needs, ranging from an environmental sampling course to training on information security requirements. Over 2,500 person days of training have been delivered, the majority to safeguards inspectors, but also to other safeguards staff, other IAEA staff and external parties. In addition to courses dealing specifically with strengthened safeguards training needs, the Safeguards Training Section

has incorporated elements relevant to the new system into its more general courses, such as basic and refresher inspector training courses.

60. The Agency appears to have made a dedicated and concerted effort to provide training for staff in strengthened safeguards areas. In doing so, it has worked closely with Member States – several of the courses were originally developed through Member State Support Programmes; and with staff within the Department of Safeguards. The Safeguards Training Section conducts an annual exercise to identify training priorities, drafting a provisional programme and then consulting with operational divisions and other clients to agree priority areas and identify likely demand for particular courses.

*Member State
Support
Programme for
Research and
Development*

61. My staff reviewed the items included in the Agency's Research and Development and Implementation Support Programme for 1995-96 to 1999-00, relating to the strengthened safeguards system. For the delivery of the programme, the Agency relies heavily on Member State Support Programmes to carry out the research and testing required to support new safeguards methodologies. In 1995-96 it identified 17 Research and Development needs specifically related to strengthened safeguards, seven of which were classified as essential, nine important and one desirable. Eight of the 17 needs had target dates for completion (mostly in 1995 and 1996), including five of the essential needs, but none of these were met. By 1999-00, only five of the original 17 needs had been completed, all of them behind schedule. This was due to an overly optimistic timetable to complete tasks on the part of the Secretariat and a requirement for substantive in-depth Research and Development support work in Member States. Work on the other needs was partially completed, and outstanding elements of these needs were merged or redefined into new needs.

62. The Agency monitors progress on individual Research and Development needs on a regular basis but has not carried out any analysis of the effects of delays on the introduction of the overall strengthened safeguards programme. The extent to which delays may have affected the implementation of strengthened safeguards measures has not been quantified.

63. The needs identified in the Research and Development Programme have a series of tasks related to them. In the past, the Agency has identified its needs centrally, but has had difficulty in subsequently defining and prioritising tasks. Ideas for tasks have come from operational units but not always in a co-ordinated manner. The Secretariat is currently considering ways of strengthening its Research and Development Programme to ensure that tasks are more clearly prioritised.

64. I consider that it is important for the Agency to exercise as much control as possible over the Research and Development Programme to ensure the most essential work to the organisation as a whole is carried out first. **I support the Agency's consideration of a move towards more centralised planning of task priorities to facilitate this, and recommend that this approach is adopted.**

IT tools

65. Programme 93+2 addressed the need for improved collection and analysis of information on States' nuclear activities. A key consideration was the need to enhance the IT tools available to Agency staff to collect and analyse data from a variety of sources. The Agency identified four types of computer tools which it expected to need. Table 4 summarises the extent to which these have been introduced.

Table 4: new IT tools required for information collection and analysis

Expected tools in 93+2	Outcome
<p>Text Retrieval System (TOPIC was the selected software system)</p>	<p>The TOPIC system was purchased in 1996 through a Member Support Programme, which also provided training for staff.</p> <p>In early 1997 another Member State Support Programme, supported a project to develop topic trees, using the Physical Model structure as a basis, and this was incorporated into the information retrieval system.</p> <p>In late 1998, new generation search and retrieval software, Search 97, was purchased to further enhance the Agency's resources and this is being brought into operation.</p>
<p>Geographical Information System (GIS) (ArchInfo or MapInfo were the selected software systems)</p>	<p>ArchInfo was evaluated between 1994 and 1996, but the Agency decided it did not fully meet its key needs.</p> <p>The Agency recognises the continuing desirability of being able to integrate diversified, geo-referenced data sets and is currently testing and evaluating a PC based GIS product, ARCVIEW.</p>
<p>Expert System</p>	<p>The Expert System was to have been a computerised Rule Based System, based on the Physical Model. This has not gone ahead as foreseen, and the Agency has opted for greater human, expert input in interrogating databases and assessing information.</p> <p>Work being carried out to develop future IT tools which will contribute to strengthening safeguards. The Agency currently believes that commercial IT tools, such as Pathfinder, may offer a better way forward by allowing human analysts to interrogate databases.</p>
<p>Presentation Tool (Watson was the prototype software system)</p>	<p>Watson was a presentation tool developed by a Member State laboratory, rather than a commercial software package. The Agency tested it from 1994, but experienced some technical difficulties. In late 1996, the software development and support team in the Member State laboratory was disbanded, and in April 1997 the Agency decided not to continue with Watson due to lack of product support.</p> <p>The Agency is currently exploring other commercially available software tools which offer greater technical backup.</p>

The implementation of IT tools foreseen in Programme 93+2 has been mixed

66. Only the information retrieval system, TOPIC, was introduced as envisaged in Programme 93+2. Most development in IT systems for strengthened safeguards is funded from sources outside the regular budget and, as for Research and Development work, the Agency is dependent on Member States to develop, test and provide back up for key IT systems. However, the Agency seems to have been thorough in its testing of different options.

67. The Agency is also taking forward work to establish a Protocol Data Information System, to handle information in hard copy and electronic formats submitted by Member States under their Article 2 Declaration (formerly 'Expanded Declaration') obligations. It

has developed a “Protocol Reporter” application to assist Member States in collating and managing material required for submission to the Agency, so encouraging compatibility with Additional Protocol guidelines.

Introduction of New Methodologies

68. Programme 93+2 foresaw that new methodologies would be required to strengthen the safeguards system. The Secretariat did not produce an overall timetable for introducing such processes but has implemented them on an incremental basis. The Secretariat considers that key factors affecting the speed and timing of implementation were the approval of measures by the Board and the availability of resources, most of which were from extra-budgetary funds. The timely completion of research and testing activities may also have been a factor.

69. My staff examined two enhanced safeguards activities which have been underway for some time:

- (i) environmental sampling – which provides the Agency with a new, self-generated source of information; and
- (ii) the more proactive collection and greater analysis of all available information – from Agency, State and other sources to enable the Agency provide credible assurance on non-diversion of declared nuclear materials and the absence of undeclared materials in a State.

(iii) Environmental sampling

70. From September 1993 to March 1995 the Agency carried out a series of twelve field trials in eleven Member States, and concluded that it was possible to unambiguously correlate specific environmental signatures with specific nuclear processes. The Board of Governors recognised that environmental sampling could be introduced under Part 1 access rights in four existing inspection situations, in June 1995. In June 1996, when the Board approved Part 2 measures, the possibility of extending the use of environmental sampling during complementary access was also recognised.

71. There were some delays in completing activities related to the environmental sampling programme, to the estimated deadlines reported to the Board, but these were relatively minor. For example, the clean laboratory project task force first met in December 1993 to initiate the planning process for the construction of a clean laboratory. The laboratory was originally scheduled to be fully operational by July 1996 (GOV2863 of May 1996 refers) but due to delays in acquiring and installing the clean air modules, did not become operational until September 1996 (GC(40)/17 of August 1996).

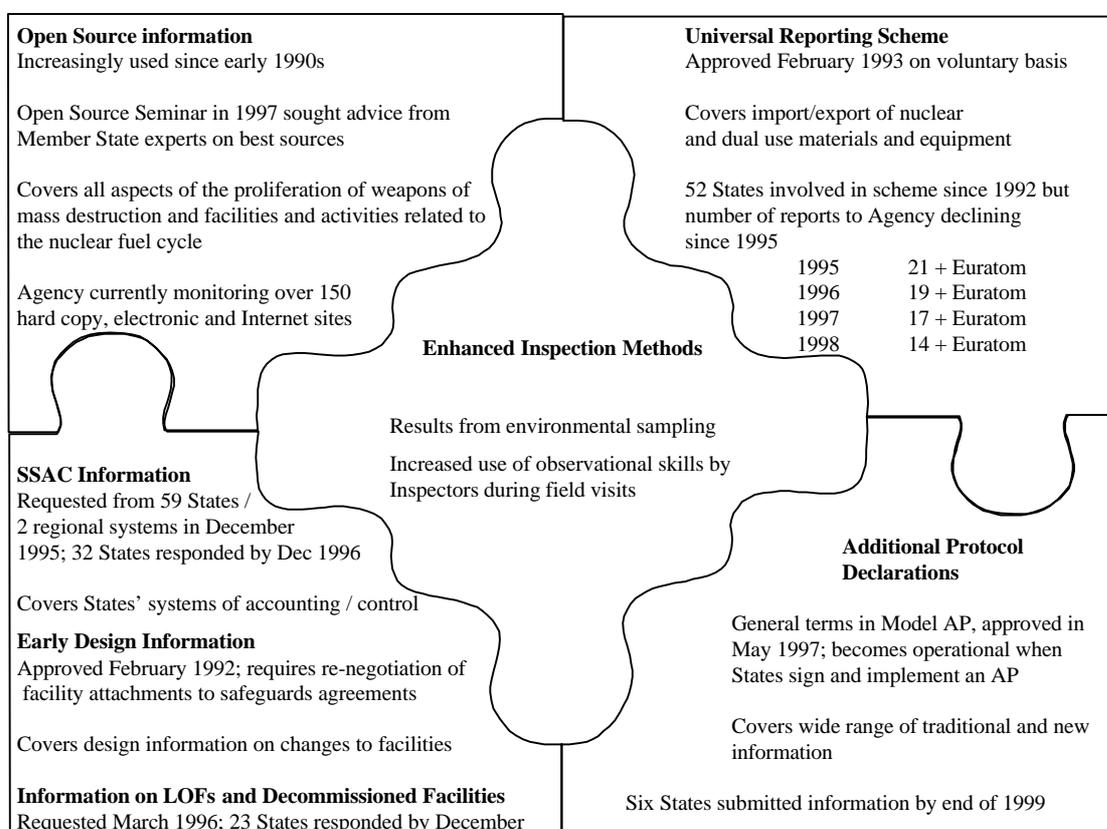
72. The Agency has now carried out baseline environmental sampling at 12 of 14 declared enrichment facilities in Member States and at most hot cell facilities or others of a similar type. Cumulatively it has carried out environmental sampling at 12 different enrichment facilities in seven States; and 80 different hot cell (and other) facilities in 42 States. A total of 43 States plus Taiwan (China) have had environmental sampling carried out at least at one facility.

73. Environmental sampling is now widely used by the Agency's Operations Divisions and has been successfully introduced as a new tool within the strengthened safeguards system framework. It provides additional information which the Agency did not previously have access to, which it can utilise in its evaluations of nuclear activities in Member States.

(ii) More proactive collection and greater analysis of information

74. The Agency has pursued the enhanced collection of information in various initiatives, stretching back to the early 1990s. Figure 2 illustrates the most significant new measures, which provide information to feed into the State Evaluation process. Information from new sources supplements the data from field inspections and reports submitted by Member States to which the Agency had always had access.

Figure 2: new sources of information



The Agency began to actively collect information from a variety of new sources in the 1990s

State Evaluations

75. The formal evaluation of information from all sources takes place in the State Evaluation process. The process of making State Evaluations began in 1997, and the Agency completed its first baseline evaluations in 1998. Baseline evaluations precede the entry into force of an Additional Protocol and are based on information available to the Agency from open sources, the results of its own inspections, and any reports the Member State has ever submitted to it. Baseline evaluations serve to highlight areas which may need further investigation when the Additional Protocol enters into force. By preparing the ground in this way the Agency should be able to more quickly reach a judgement on the status of a State's nuclear activities.

76. State Evaluations are carried out by an inter-disciplinary team. The Information Review Committee was established in 1996. The Committee is chaired by the Senior Co-ordinator and Head of the Office of Physical Protection and Material Security and its members are the Division Directors of the Department of Safeguards, the Office of External Relations and Policy Co-ordination and the Legal Division. Its main functions are to prepare work-plans for carrying out State Evaluations; to review draft State Evaluations, endorse or amend them as necessary and recommend any follow up actions; and ultimately to reach a conclusion about the absence of undeclared nuclear materials and activities in a Member State. The Committee also keeps under review the methodologies used to prepare State Evaluations and the quality and relevance of information on which they are based.

77. The Agency has a solid planning framework for scheduling and completing State Evaluations. Plans are established within individual operational divisions and by the Information Review Committee. Plans are made for a 12 month period and are updated twice a year. Once the baseline evaluation has been completed and any queries resolved with the State, information is updated on a continuous basis. Evaluations are formally updated and reviewed again by the Committee once a year. Table 5 summarises the annual achievements to date.

Table 5: State Evaluations completed

Year	Baseline Evaluations	Updated Evaluations	Total
1997	4	0	4
1998	10	0	10
1999	15	3	18

The volume of State Evaluations has grown steadily

Integrating traditional and new safeguards measures

78. Integrated safeguards are defined as the optimum combination of all safeguards measures available to the Agency under a comprehensive safeguards agreement, including those from the Additional Protocol, which meet the Agency's safeguards obligations and maximise effectiveness and efficiency within available resources.

79. After a number of discussions with the Standing Advisory Group for Safeguards Implementation (SAGSI) and consultations with Member States, the Agency established a small internal working group in Spring 1998 to consider how traditional and new safeguards measures could be integrated. The group decided to hold a consultants meeting in December 1998, and an experts meeting was also held in advance of this during Autumn 1998. The consultants meeting involved some 16 Member States and two inspectorate organisations. A wide variety of views was expressed on how to take Integrated Safeguards forward. Since 1999 the Agency has devoted more internal resources to this area and has intensified its efforts to develop a framework for the implementation of integrated safeguards. The Agency is due to provide a status report on its progress to the Board in March 2000. The Agency is responsible for defining its operational framework on how to integrate available safeguards measures, but has sought to keep Member States well informed, and recognises the desirability of gaining the broadest possible base of support for any new approach.

80. Before the Agency can begin to reduce reliance on traditional safeguards measures in any Member State, it must establish a framework which it can use to define and implement the optimum combination of safeguards measures in any individual Member State. A Member State must bring an Additional Protocol into force and meet all the relevant obligations it entails, to enable the Agency to carry out its assessment, draw the requisite conclusions, and begin to apply integrated safeguards. Neither of these conditions have been fully completed.

81. In relation to bringing Additional Protocols into force, the Agency has been actively encouraging Member States along this path since the Board approved the Model Additional Protocol in May 1997. However, the Agency did not begin to work intensively on its integrated safeguards framework until late 1998. I consider that the Agency was slow to begin this fundamental side of its work.

82. I welcome the priority the Agency is now giving to the development of integrated safeguards and note that the Department of Safeguards has developed a detailed internal work-plan to take the process forward. **I recommend that the Agency seeks to develop its integrated safeguards framework as quickly as possible.**

(b) The Agency's management of the process to promote cost efficiency

83. Improved cost efficiency is an important objective of the strengthened safeguard system. The Agency told the Board (GOV/2863) that after an initial period of increased costs, savings were expected to lead to cost neutrality. The Agency is faced with zero real growth in its regular budget, but is undertaking work in new areas although it has not yet been able to reduce its traditional activities. There are considerable pressures on it therefore to become more cost efficient.

84. The Agency expected that most cost efficiencies would take the form of reduced numbers of inspector days spent in the field. It envisaged that such reductions might be achieved in two ways. Firstly through the more efficient application of traditional safeguards measures – for example, by greater use of technology to reduce the need for physical inspections at facilities; and secondly through integration of traditional and new measures, resulting in reductions in the current level of verification effort on declared nuclear material. The first source of cost efficiencies were expected to be more quickly achievable, since they related to activities already fully within the Agency's authority. The Agency made some attempts to quantify these potential efficiencies to Member States. The second source were expected to be long term, as they require a number of States to have Additional Protocols in force and the Agency did not have experience of them or a model of how they would be integrated, or quantified.

85. In order to evaluate the Agency's progress, I reviewed four main areas:

- achievements against internally identified cost efficiency benchmarks arising from the application of traditional measures;
- the utilisation of funding outside the regular budget;
- the use of staff resources; and

- the extent to which general principles of good project or programme management had been applied when introducing the strengthened safeguards process.

Achievements against cost efficiency benchmarks

86. My staff examined the actual outcomes achieved by the Agency against the estimated cost efficiency benchmarks which it provided to the Board in two key papers.

(i) Cost neutrality through reduced physical inspections at Light Water and On-Load Reactors (GOV/2863)

87. In May 1996, the Agency suggested there was potential for realising cost efficiencies through reduced physical inspections at Light Water Reactors and On-Load Reactors. The savings model the Agency envisaged formed part of the Board paper which finalised Programme 93+2 Part 2 proposals and was approved by the Board in June 1996. The Agency envisaged that cost neutrality could be achieved by 2002, although this was not a firm prediction or commitment. The Agency's calculations for savings at Light Water Reactors (LWRs) and On-Load Reactors (OLRs), assumed that through the use of advanced technology, no-notice inspections and increased co-operation with SSACs, direct physical inspections at facilities could be reduced by two-thirds, with associated cost savings of one-third. Inspection costs at Light Water Reactors, which were some \$8.7 million at 1994 prices, would thus decrease by \$2.9 million annually; and costs at On-Load Reactors, which were some \$8.9 million in 1994, would fall by almost \$3 million. In the model scenario, the cost reductions would begin in 1999 and accrue evenly until 2002 when the full one third reduction would be achieved. The Agency assumed that costs associated with strengthened safeguards would peak in 1998 at \$6.5 million, fall to \$6.3 million in 1999, and then remain constant at \$5.3 million annually from 2000.

88. My staff were unable to identify from the Agency what research underlay the assumptions in its May 1996 model, regarding the value of potential savings and the dates that they would be realised. Agency staff were also unable to explain how the scenario described in the May 1996 paper, related to cost savings on individual measures described in the 1995 task force reports.

89. The Agency informed my staff that no reduction in regular inspections has been realised to date as a result of the use of advanced technology or no-notice inspections. Ongoing research by the Agency continues to suggest that the use of advanced technology, such as remote monitoring and unattended verification equipment, offers some scope for cost efficiencies. The Agency's research indicates that the level of such savings will be variable, depending on the conditions found in a particular State, with the cost of secure and reliable communication links being a key variable. Analysis indicates that the use of advanced technology could result in some cost savings but also to significant cost increases, depending on the circumstances in an individual State. The Agency has developed a detailed model for assessing the costs and benefits of remote monitoring in a particular State, which it intends to apply before deciding whether or not to install such technology. I fully support this approach.

90. My staff tried to trace whether expenditure on strengthened safeguards was in line with the estimates in the May 1996 paper, but were unable to obtain sufficiently detailed information to draw a firm conclusion. The Department of Safeguards refers to the high level budget lines in the Agency's annual budget document as project codes. It did not

establish a single project code to cover all strengthened safeguards expenditure, instead this expenditure was included under a variety of the Department's existing project codes. For example, some of the work done under the project code for negotiation and liaison relates to strengthened safeguards tasks, but this project code also includes other work not related to strengthened safeguards. Programme and Budget documents include a list of tasks relating to each project code, but the Agency does not provide the estimated expenditure breakdown by task to the Board.

91. It was not possible during the course of my audit, to obtain information on actual expenditure on strengthened safeguards in any cost effective way. The Agency's finance and management information system does not record expenditure in sufficient detail to allow actual expenditure against a particular task to be identified. The Department of Safeguards informed my staff that in order to extract such information, it would be necessary to manually go through many thousands of lines of expenditure records, and make a judgement as to whether each line related to strengthened safeguards or not. In practical terms, expenditure can only be identified at the higher project code level, which includes much more than strengthened safeguards expenditure.

(ii) Estimated costs and benefits of a range of strengthened safeguards measures (GOV/2784)

92. Governing Board paper GOV/2784 prepared in 1995, contained the most comprehensive analysis of possible costs and benefits of particular measures to strengthen safeguards. My staff attempted to identify the outcomes realised against some of the main measures where potential costs had been quantified, but again encountered major difficulties in tracking expenditure.

*Environmental
Sampling Costs*

93. The Agency was able to extract some costs data relating to environmental sampling and my staff reviewed this in relation to the figures contained in GOV/2784. In this paper, the Agency estimated that running costs would be \$700,000 annually in respect of the handling, archiving, screening and distribution of environmental samples; actual staff and equipment running costs for the laboratory since 1997 are some \$970,000 annually. In GOV/2784, the Agency estimated that an additional \$1 million would be needed for extra collection and data analysis of environmental samples, however it was unable to identify an actual expenditure figure for these activities. In addition, the Agency did not include the building costs of the clean laboratory for screening samples in GOV/2784. Internal Agency planning papers indicate that the original estimate for construction in February 1994 was some \$1.968 million. The actual cost of construction was some \$2.9 million, a 50 per cent increase. The main reasons for increases were exchange rate losses between the dollar and the Austrian Schilling and higher than anticipated infrastructure, air conditioning system and engineering costs. The Agency also incurred costs of some \$2.1 million in equipping the laboratory.

94. In GOV/2784 the Agency expected it would bear the full costs of the detailed sample analysis work itself. This has not been the case, and the Agency has paid only a minimal fee to the laboratories in the Network of Analytical Laboratories (NWAL) which carry out detailed sample analysis. Table 6 indicates the actual number of samples distributed to laboratories and paid for by the Agency since 1996. There is a considerable variation with the figure predicted in GOV/2784. The Agency expected a volume of between 500 and 1000 samples to be analysed each year. The actual volume of analysis has been towards the low end of this spectrum, although more of the costlier particulate analysis has been carried out than forecast. The Agency does not know the full costs to the

NWAL of carrying out environmental sampling, but estimates it is paying only 10 to 20 per cent of the actual price, with the rest being born by Member States.

Table 6: environmental sample analysis

Year	Bulk analysis			Particulate analysis		
	No distributed	No Paid	Estimated/ Total Paid	No distributed	No Paid	Estimated/ Total Paid
Expected	550	550	1,100,000 ¹	200	200	2,000,000 ²
1996	131	0	0	308	0	0
1997	75	0 ³	0	467	18	1,600
1998	156	0 ³	0	316	201	203,400
1999	264	270	124,500	291	355	362,500

¹ Expected average estimated cost for bulk analysis was \$2,000 per sample

² Expected estimated cost for particulate analysis was \$10,000 per sample

³ Only a small amount was paid for these years which was included in the total paid for particulate analysis

Actual costs to the Agency of analysing environmental samples are much lower than original estimates

95. Actual costs related to the introduction of environmental sampling measures thus vary above and below original estimates and no meaningful trends can be discerned from the limited actual data available. The Agency did not attempt to quantify the benefits of environmental sampling in its original planning work, as they were seen to be in the form of improved information and a higher level of assurance rather than any form of financial savings.

Advanced Technology

96. The Agency hoped to realise its most significant cost savings through the use of more advanced technology. The two largest sources of potential savings in the February 1995 papers were:

- Remote monitoring – annual savings of \$2.31 million, with a capital investment of \$6.25 million in 79 facilities; and
- Unattended verification – annual savings of \$2.87 million, with an initial capital investment of \$1.35 million in nine facilities.

97. I found that the Agency had not used these estimates to establish firm plans or implementation timetables, nor had it monitored progress against these particular benchmarks. The Agency had no corporate memory of these estimates and was unable to provide my staff with a comprehensive update of what progress had been made in relation to these estimates during the audit review.

98. Remote monitoring systems have been installed in only eight facilities to date, with systems being tested in another three facilities. Where systems have been installed, they are operating in parallel with a traditional inspection regime. The Agency has developed a detailed cost benefit methodology to assess the cost efficiency of installing remote monitoring measures at any given facility, and plans to use this before taking a decision on any further installations. A further 20 to 30 systems may be installed during 2000, but actual numbers will depend on the results of individual cost benefit exercises. During 1998 the Agency indicated that it might install up to 100 remote monitoring systems by the end

of 2000; it no longer intends to do this. The Agency informed my staff that no savings have yet been achieved using remote monitoring technology.

99. Unattended verification systems have been installed in more than the nine facilities noted in the 1995 paper. Some 30 types of system, for 59 different facilities have been authorised and others are under evaluation, development or are being planned. The Agency was unable to quantify whether any savings had been achieved at the time of my audit. Some unattended verification systems have moved past the testing phase and are now operational; and the Agency is trying to assess their impact on its traditional inspection activities.

*Financial
information
weaknesses*

100. My staff were unable to verify satisfactorily the costs of implementing the strengthened safeguards process against the estimates in either of the Board papers where potential cost efficiencies were put to and approved by Member States. There is a lack of hard information about the costs of introducing strengthened safeguards activities. I consider that this is information which is both of interest to Member States and essential for good accountability by the Agency. **I recommend that the Agency improve its management information systems to remedy these weaknesses and allow detailed budgeted and actual expenditure information to be made readily accessible for analysis.**

101. In its budget for 1999-00, the Department of Safeguards introduced one project relating solely to strengthened safeguards activities: 'L.1.07, Facility and State Information Evaluation'. I welcome this change as it will improve the clarity of information available to management and Member States on this aspect of the strengthened safeguards system.

Funding outside the regular budget

102. The level of funding outside the regular budget, has been on a generally upward trend since 1985, with expenditure topping \$17 million in 1999. The Agency uses various terms for funding outside the regular budget: extra-budgetary funding is that which it has a reasonable certainty of obtaining at the time of its budget planning exercise; funding for Additional High Priority Activities (AHPAs) is less certain. The Agency has now renamed AHPAs, Unfunded Regular Programme Activities (URPAs). The Agency estimates that about 60 per cent of funding outside the regular budget is spent on equipment. As noted in Table 6 some 55 per cent of equipment for strengthened safeguards has been funded in this way since 1995. The Agency maintains an Equipment Management Information System (EMIS) from which it is able to retrieve details of expenditure on strengthened safeguards equipment.

103. Some activities, particularly research and development work, which contribute towards the strengthened safeguards system are funded through Member State Support Programmes. Member States may elect not to pass funding for such work to the Agency, but to contract with suppliers and meet the costs directly. In such instances, the costs are unknown to the Agency, putting another uncertainty on the overall cost of strengthened safeguards.

Staff resources

104. Much of the expenditure related to developing the strengthened safeguards system has been the cost of staff time. However, the Agency does not record and monitor what staff time is spent on particular activities on a comprehensive basis. The Agency noted

that overall numbers of regular staff and Cost Free Experts have not increased over the period since 1995, despite the fact that it has added new, staff intensive work – such as State Evaluations and environmental sampling, to its traditional inspection workload.

105. The Department of Safeguards took an important step forward towards a time recording system at the beginning of 1999, introducing a system for inspectors to record their time spent on Inspection Related Activity at Headquarters (IRAH). It expects the new system will eventually demonstrate the greater level of effort being devoted to activities such as State evaluations and planning in advance of inspections. However, there has been some reluctance among operational divisions to adopt it and returns are frequently not completed on time. The Section for Safeguards Programme and Resources had not been able to agree final 1999 returns with operational divisions at the time of our audit visit in February 2000.

106. I consider that this time recording system is a useful development which will provide management with additional information and improve the accountability of the Agency to its Member States. **I recommend that the Agency consider the benefits of extending a time-recording system to staff throughout the department to facilitate monitoring of how it is using its resources. Such information would be useful in both strengthening the budget planning process and in closing the information gap which currently exists about the actual use of resources. IRAH currently operates in a very simple format with time recorded in half day blocks, against a limited number of activities. As the system becomes more established, I recommend the Department consider the benefits of moving to recording time on an hourly basis.**

Application of general project or programme management principles

Weaknesses in early management approach

107. The efforts made by the Agency to achieve a strengthened safeguards system have been ongoing since the early 1990s. The Agency considers a strengthened safeguards system has been an evolving process rather than a single, time-limited project or programme. The Agency did not believe it was possible at the outset to have a single guiding document or master-plan in its approach to such a process. It adopted an incremental strategy, putting numerous papers to the Board reflecting the development of the process, and moving forward with particular measures as agreement was reached among Member States. The Agency did not attempt to set a detailed timetable for introducing a full strengthened safeguards system, and did not establish milestones against which progress could be measured. It did not establish an overall budget for the process, or detailed budgets for individual strengthened safeguards measures.

108. At a lower level, there is some evidence that the introduction of individual activities or measures were managed in more detail. For instance, in 1997, once the Model Additional Protocol was approved, plans were developed covering activities which needed to be undertaken within the Secretariat to bring the protocol system into operation. The plans set target deadlines and identified responsible units, although it is not clear how often they were monitored. Timetables and action plans were also utilised in the project to construct the clean laboratory and introduce environmental sampling. Two internal working groups, a high level one and a lower level one, met regularly to review progress.

109. The absence of high level implementation plans for strengthened safeguards activities prior to 1999, makes it difficult to assess whether progress was made as quickly as expected. The lack of detailed financial information makes it very difficult to gain an

overall understanding of how much the process has cost, or to compare budgeted and actual expenditure to identify where differences may have occurred. The Agency did not establish targets or performance indicators to enable it to demonstrate progress to Member States against an agreed baseline. There was no monitoring against quantified baselines to provide an objective assessment of progress.

110. The Agency provided numerous papers to the Board giving updates on activities it had undertaken as part of the strengthened safeguards initiative. However, while it is clear that actions were taken and changes implemented, it is difficult to form a judgement about the overall efficiency and effectiveness with which this was done. The Agency cannot provide a detailed account of the resources it has used to date to develop the strengthened safeguards system.

111. I consider that the Agency could have applied general principles of good programme or project management more fully to this process, particularly in relation to overall implementation planning; and the budgeting, monitoring and reporting of actual expenditure against budget. I have already noted the problems associated with the Agency's financial monitoring system and made recommendations.

Current situation

112. In relation to overall planning, I note that the Agency has now initiated a more active management approach to plan and control the progress of work on integrated safeguards. From September 1999, it has been using a detailed internal work-plan which breaks down the different elements of the Integrated Safeguards strategy, such as State Evaluations and the State Level Approach to Integrated Safeguards, into tasks and sub-tasks. Responsibilities are assigned to individual units, deliverable outputs identified and target dates set. The plan is supported by detailed plans for individual units, focussing on their areas of responsibility. The work-plans are living documents, continually updated to reflect actual circumstances and progress, but they allow progress towards outputs to be reviewed and controlled by those managing the integrated safeguards process. I welcome this approach which improves internal accountability. **To improve accountability further, I recommend that the Agency makes a simplified version of key deliverables available to Member States and updates them regularly on progress made.**

The introduction of a new accounting system (AFIMS)

Background

113. In my 1998 report I drew attention to delays in the implementation of the Agency's new accounting system (AFIMS) such that it would not be implemented until September 1999. I also reported that the Agency was considering contingency plans in the event that the system could not become fully operation by 1 January 2000.

114. I am pleased to be able to report that AFIMS was implemented on 1 January 2000. Shortly after the current AFIMS Project Manager started work, he recommended to the AFIMS Project Steering Committee that the system be implemented as of 1 January to eliminate extra work to convert the on going 1999 accounting records. The Steering Committee agreed with this decision. Although I have yet to audit the transactions relating to the year 2000 accounts I understand that the new system is operating without any major problems arising.

115. With the change of the AFIMS implementation date to 1 January 2000, the Agency had to put in place alternative procedures to ensure the orderly preparation of the accounts for 1999. I am pleased to note that these procedures worked well, enabling the accounts to be produced to the normal timetable.

Implementation Methodology

116. While the outcome for the AFIMS project has proved satisfactory the manner in which the project was implemented raises wider concerns about the development of new computer systems in the Agency.

Guidelines for system implementation procedures

117. No Agency-wide guidelines exist for system implementation procedures which cover system development from the identification of a business need to the final system installation and staff training.

118. Standard system-testing practice would be for any new computer system to be introduced in a test environment with full volume testing, including interfaces with other systems, before user acceptance of the stable system and transportation to an operational environment. My staff found that in November 1999, within four weeks of the final go-live date of January 1 2000, the supplier was still providing fixes for Agency-identified problems of matching invoices to batched obligations. As a result, the Agency could only schedule full volume testing of the planned operational system and its interfaces with other Agency systems in December 1999.

119. In my 1998 report, I recommended that the Agency produce guidelines for post implementation reviews of computer installation projects (paragraph 106). **As part of the post implementation review of the AFIMS implementation, I recommend that the Agency establish Agency-wide system implementation procedures to reduce the risks to future system developments.**

Scope for process Improvement

120. In advance of introducing the new system, the Agency did not complete an analysis of the efficiency of existing accounting processes. The full benefits of any new computerised system will only be achieved by changing of processes to take advantage of the new technology available. I welcome, therefore, the establishment of a Process Improvement Project to analyse, redesign and implement changes to management and administrative processes. **I recommend that all planned system improvements are supported by business cases approved by Senior Management and specifying how the new processes enhance the Agency's strategic business needs as well as the costs and benefits involved.**

121. As part of my general review of the efficiency of existing procedures, my staff examined the volumes of printed accounting reports produced by the old accounting system and the potential benefits of integrating the new accounting system with other systems.

Printed reports

122. My staff found that the previous accounting system produced an average of 83,000 pages for month-end reports between January to September 1999, an estimate of 3.5 million lines of print each month. **I recommend the Agency assess the business needs for such volumes of printed accounting reports, and consider alternative approaches to the dissemination of information, for example making the reports available electronically with:**

- **on-line enquiry;**
- **on-demand printing;**
- **Web publishing (similar to Country Files for example).**

Links with other systems

123. Currently the Agency uses separately developed systems for travel, payroll, personnel, procurement, staff-time booking, and finance. These are not fully integrated, and, in certain cases store the same information. For example, the Procurement system, among others, captures the accounting data necessary to raise obligations. The data is then manually transferred to, and re-recorded in AFIMS.

124. The Agency has informed my staff that the second phase of the AFIMS project should explore ways to improve the interfaces and for opportunities to increase integration and reduce duplication. This Process Improvement Project will be looking for ways to improve efficiency and business practices, their work should specifically include the aspect of system integration.

125. **I recommend that the Agency review the scope for, and benefits of, further system integration to reduce such duplication.**

Other Financial Matters

Use of the Working Capital Fund (Fund Group I)

126. During 1999 the Agency had to make full recourse to the \$18 million held as working capital because of delays in the payment of contributions from some member states. This occurred during December 1999 although by the end of that month the Agency had received sufficient funds to fully replenish the working capital fund.

127. It is clearly a matter of concern that the full amount of the working capital fund was required, albeit for a relatively short time and towards the end of the financial year. Reduced cash holdings during the year also led to a reduction in investment income which in turn contributed to the shortfall of income over expenditure in 1999. I note that the current level of the working capital fund reflects about one month's expenditure. **I recommend that the Agency, in producing its future forecasts of monthly cash-flows, consider whether the level of the Working Capital Fund is sufficient in the light of the anticipated in-flow of contributions from Member States.**

Analysis of the support costs of "cost free" experts

128. In my 1998 report, I recommended that the Agency should determine and monitor the costs involved in supporting cost-free experts even though it did not intend to ask donor states to fund the full costs involved. The Agency have implemented this recommendation and following a review by my staff of the methodology and costs related to experts employed in 1998, intend to update and monitor these costs annually.

Losses, Write-Offs and Ex-gratia Payments

129. In accordance with Financial Regulation 10.05, the Agency informed me of write-offs totalling \$35,619 in 1999. These related to unrecoverable account balances. The Agency has also reported losses of nine inventory items with a total current value of \$27,207 for which it has obtained replacements from its insurers at no cost to the Agency. The Agency made no ex-gratia payments.

Acknowledgement

130. I wish to record my appreciation of the co-operation and assistance extended by the Director General and the staff of IAEA during the audit.

(signed) Sir John Bourn
(Comptroller and Auditor General, United Kingdom)
External Auditor

PART 1 AND PART 2 MEASURES

	Part 1	Part 2
BROADER ACCESS TO INFORMATION		
Expanded Declaration:		
Information on the SSAC	✓	
Information on past nuclear activities	✓	
Information traditionally provided routinely	✓	
Description of nuclear fuel cycle	✓	
Description of nuclear fuel cycle related R&D activities	✓	
Description of nuclear R&D activities not involving nuclear materials, and all such activities relating to enrichment, reprocessing and treatment of waste		✓
Additional information which may be agreed with the State on specified operational activities		✓
Description of buildings at nuclear facility sites or LOFs	✓ (limited)	✓
Information on specified equipment items directly related to operation of nuclear facilities, LOFs or nuclear R&D activities		✓
Information on uranium and thorium mines		✓
Information on other nuclear material and uranium and thorium containing materials	✓ (partial)	✓
Import and export information on specified equipment and non-nuclear material		✓
Early provision of design information	✓	
Planned activities for the further development of the nuclear fuel cycle		✓
Planned nuclear R&D activities		✓
Environmental Sampling		
For ad hoc inspections where the initial report indicates nuclear material is present	✓	
For routine inspections at strategic points	✓	
For special inspections at the location they take place	✓	
For design information verification	✓	
During access under complementary legal authority		✓
Improved Analysis of Information		
Improvement in the Agency's information analysis methods	✓	
INCREASED PHYSICAL ACCESS		
Complementary Access		
Access to any place on a site containing a nuclear facility or LOF	✓	✓
Access to other locations identified in the Expanded Declaration		✓
Access to locations identified in the Expanded Declaration as containing nuclear R&D		✓
Access to locations in addition to the above for Environmental Sampling		✓
Access the State may chose to offer to any location in the State		
No-notice Access		

	Part 1	Part 2
Unannounced routine inspections at strategic points within the sites of nuclear facilities and LOFs	✓	
No-notice access to any other place on the site of a nuclear facility or LOF		✓
OPTIMAL USE OF THE PRESENT SYSTEM		
Safeguards Technology Advances		
Use of unattended equipment	✓	
Remote transmission of inspection data	✓	
Remote monitoring of safeguards equipment	✓	
Increased co-operation with States and SSACs,		
SSAC carries out activities which enables Agency to conduct inspection activities	✓	
Selected joint inspection activities	✓	
Selected joint support activities	✓	
Simplified procedures for the designation of inspectors		✓
Multiple entry, long-term or visaless entry for inspectors	✓	
Systems for independent direct communication between the field and HQ	(partial) ✓	✓
Safeguards Parameters		
Significant quantities of nuclear material	✓	
Conversion / detection times	✓	
Starting point of safeguards	✓	

PART II

STATEMENTS

TEXT OF A LETTER DATED 23 MARCH 2000 FROM THE DIRECTOR GENERAL TO THE EXTERNAL AUDITOR

Sir,

Pursuant to financial regulation 11.03(a), I have the honour to submit the accounts of the International Atomic Energy Agency for the year ended 31 December 1999, which I hereby approve. The financial statements have been prepared and signed by the Director, Division of Budget and Finance.

Accept, Sir, the assurances of my highest consideration.

(signed) MOHAMED ELBARADEI
Director General

STATEMENT I

STATEMENT OF INCOME AND EXPENDITURE AND CHANGES IN RESERVES AND FUND BALANCES
for the period ending 31 December 1999
(expressed in United States dollars)

	REGULAR BUDGET FUND AND WORKING CAPITAL FUND		G E N E R A L F U N D										TRUST FUNDS AND RESERVE FUNDS			T O T A L			
			TECHNICAL CO-OPERATION FUND			EXTRABUDGETARY PROGRAMME FUND			TECHNICAL CO-OPERATION EXTRABUDGETARY FUND										
	FUND GROUP I								FUND GROUP II		FUND GROUP III		MEMBER STATES AND INTERNATIONAL ORGANIZATIONS		UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)		FUND GROUP VI Note 11		
			FUND GROUP IV		FUND GROUP V Note 10														
	Schedule/ Note	1999	1998	Schedule/ Note	1999	1998	1999	1998	1999	1998	1999	1998	Note	1999	1998	Schedule	1999	1998	
I N C O M E																			
Assessed contributions	S1	210 835 861	217 033 727				22 287 876	27 804 615	3 077 432	3 400 795				1 753 324	2 116 257		210 835 861	217 033 727	
Voluntary contributions				S8	64 069 214	53 406 599											91 187 846	86 728 266	
Assessed programme costs				S9	2 174 949	2 971 960											2 174 949	2 971 960	
Other/Miscellaneous income																			
Revenue producing activities	N5a	1 024 111	1 314 031														1 024 111	1 314 031	
Funds received under inter-organization arrangements													1 211 895	1 258 997			1 211 895	1 258 997	
Jointly financed activities	N5b	5 008 883	5 546 725														5 008 883	5 546 725	
Income for services rendered		123 404	306 178														123 404	306 178	
Interest income		3 937 086	5 636 644		1 580 245	1 685 211											5 517 331	7 321 855	
Currency exchange adjustments		(2 157 217)	(1 127 294)		(461 587)	(694 931)											(2 618 804)	(1 822 225)	
Other/Miscellaneous		505 348	550 808		(57 331)	21 410	12 781	9 636									460 798	581 854	
TOTAL INCOME		219 277 476	229 260 819		67 305 490	57 390 249	22 300 657	27 814 251	3 077 432	3 400 795	1 211 895	1 258 997		1 753 324	2 116 257		314 926 274	321 241 368	
TOTAL EXPENDITURE	S6	221 559 645	225 351 389	N6	58 934 544	55 478 529	24 034 350	30 925 546	3 478 774	4 835 766	469 796	1 399 468		2 092 140	2 112 338	S7	310 569 249	320 103 036	
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	S4	(2 282 169)	3 909 430		8 370 946	1 911 720	(1 733 693)	(3 111 295)	(401 342)	(1 434 971)	742 099	(140 471)		(338 816)	3 919		4 357 025	1 138 332	
Prior period adjustments	N7a	293 785	5 447 704	N7b	(129 066)	(1 165 704)											164 719	4 282 000	
Reserve for uncollected contributions		(2 231 331)	(5 007 093)														(2 231 331)	(5 007 093)	
NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE		(4 219 715)	4 350 041		8 241 880	746 016	(1 733 693)	(3 111 295)	(401 342)	(1 434 971)	742 099	(140 471)		(338 816)	3 919		2 290 413	413 239	
Savings on or cancellation of prior periods' obligations	S4	2 711 000	2 171 673														2 711 000	2 171 673	
Transfers to reserves	N8	866 173	70 000										N8	(146 173)			866 173	70 000	
Transfers from reserves																	(146 173)		
Net increase (decrease) in Working Capital Fund	S2	(15 480)	(13 950)														(15 480)	(13 950)	
Credits to Member States	N9	(9 045 253)	(18 480 440)														(9 045 253)	(18 480 440)	
Fund balance, beginning of period		56 952 479	68 855 155		10 161 397	9 415 381	16 769 769	19 881 064	5 301 722	6 736 693	88 151	228 622		2 789 031	2 785 112		92 062 549	107 902 027	
RESERVES AND FUND BALANCES, END OF PERIOD		47 249 204	56 952 479		18 403 277	10 161 397	15 036 076	16 769 769	4 900 380	5 301 722	830 250	88 151		2 304 042	2 789 031		88 723 229	92 062 549	

(signed) ABRAHAM E. ESPINO
Director, Division of Budget and Finance

STATEMENT II

STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCES
as at 31 December 1999
(expressed in United States dollars)

	REGULAR BUDGET FUND AND WORKING CAPITAL FUND FUND GROUP I		G E N E R A L F U N D										TRUST FUNDS AND RESERVE FUNDS FUND GROUP VI		T O T A L				
			TECHNICAL CO-OPERATION FUND FUND GROUP II			EXTRABUDGETARY PROGRAMME FUND FUND GROUP III		TECHNICAL CO-OPERATION MEMBER STATES AND INTERNATIONAL ORGANIZATIONS FUND GROUP IV		EXTRABUDGETARY FUND UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP) FUND GROUP V									
			Schedule/ Note	1999	1998	Schedule/ Note	1999	1998	1999	1998	1999	1998						1999	1998
ASSETS																			
Cash and term deposits		35 427 751	51 761 735		40 448 019	32 582 527	25 865 467	28 865 361	7 343 838	8 285 040	1 012 250	340 368	2 382 199	3 588 817	S12	112 479 524	125 423 848		
Accounts receivable																			
Assessed contributions receivable from Member States	S1, N12	37 579 618	44 881 491	S8	2 877 116	2 399 772										37 579 618	44 881 491		
Voluntary contributions receivable				S9	7 457 287	7 155 645										2 877 116	2 399 772		
Other contributions receivable				N13b	3 674 924	2 889 530	389 736	933 306	673 461	1 137 993	101 492	82 879	166	3 985		7 457 287	7 155 645		
Other	N13a	8 714 704	10 483 135													13 554 483	15 530 828		
TOTAL ASSETS		81 722 073	107 126 361		54 457 346	45 027 474	26 255 203	29 798 667	8 017 299	9 423 033	1 113 742	423 247	2 382 365	3 592 802		173 948 028	195 391 584		
LIABILITIES																			
Contributions received in advance	S1, S2	8 416 800	23 406 902	S8, S9	48 248	148 690	-	16 667					-	625 000		8 465 048	24 197 259		
Unliquidated obligations	N14	24 461 921	23 026 859	N15	28 396 674	27 305 883	10 104 112	11 699 633	3 116 919	4 121 311	130 591	282 838	77 378	177 794		66 287 595	66 614 318		
Provision for revaluation of cash	N15	-	2 329 462		-	-										-	2 329 462		
Accounts payable				N16b	151 860	255 859	1 115 015	1 312 598			152 901	52 258	945	977		3 014 869	3 032 351		
Other	N16a	1 594 148	1 410 659																
TOTAL LIABILITIES		34 472 869	50 173 882		28 596 782	27 710 432	11 219 127	13 028 898	3 116 919	4 121 311	283 492	335 096	78 323	803 771		77 767 512	96 173 390		
RESERVES AND FUND BALANCES																			
Uncollected assessed contributions	S1	22 633 491	24 864 822	S9	7 457 287	7 155 645										30 090 778	32 020 467		
Other reserves	N8	1 206 173	340 000													1 206 173	340 000		
Working Capital Funds	S2, S3	18 002 520	18 018 000													18 002 520	18 018 000		
Surplus (deficits)	S4	5 407 020	13 729 657													5 407 020	13 729 657		
Fund balances					18 403 277	10 161 397	15 036 076	16 769 769	4 900 380	5 301 722	830 250	88 151	2 304 042	2 789 031		41 474 025	35 110 070		
TOTAL RESERVES AND FUND BALANCES		47 249 204	56 952 479		25 860 564	17 317 042	15 036 076	16 769 769	4 900 380	5 301 722	830 250	88 151	2 304 042	2 789 031		96 180 516	99 218 194		
TOTAL LIABILITIES, RESERVES AND FUND BALANCES		81 722 073	107 126 361		54 457 346	45 027 474	26 255 203	29 798 667	8 017 299	9 423 033	1 113 742	423 247	2 382 365	3 592 802		173 948 028	195 391 584		

(signed) ABRAHAM E. ESPINO
Director, Division of Budget and Finance

STATEMENT III

STATEMENT OF CASH FLOW
for the period ending 31 December 1999
(expressed in United States dollars)

	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net excess (shortfall) of income over expenditure (Statement I)	2 290 413	413 239
(Increase) decrease in contributions receivable	6 522 887	7 656 895
(Increase) decrease in other accounts receivable	1 976 345	(1 787 985)
Increase (decrease) in contributions received in advance	(15 732 211)	(6 310 242)
Increase (decrease) in unliquidated obligations	(326 723)	1 861 261
Increase (decrease) in accounts payable	(17 482)	(439 392)
Increase (decrease) in other liabilities	(2 329 462)	2 329 462
Less: Interest income	(5 517 331)	(7 321 855)
Currency exchange adjustments	2 618 804	1 822 225
NET CASH FROM OPERATING ACTIVITIES	(10 514 760)	(1 776 392)
CASH FLOW FROM INVESTING AND FINANCING ACTIVITIES:		
Plus: Interest income	5 517 331	7 321 855
Currency exchange adjustments	(2 618 804)	(1 822 225)
NET CASH FROM INVESTING AND FINANCING ACTIVITIES	2 898 527	5 499 630
CASH FLOW FROM OTHER SOURCES:		
Savings on or cancellation of prior periods' obligations	2 711 000	2 171 673
Increase (decrease) in provision for uncollected contribution (TCF)	301 642	(563 780)
Transfers to reserves	866 173	70 000
Transfers from reserves	(146 173)	-
Net increase (decrease) in Working Capital Fund	(15 480)	(13 950)
Credits to Member States	(9 045 253)	(18 480 440)
NET CASH FROM OTHER SOURCES	(5 328 091)	(16 816 497)
NET INCREASE (DECREASE) IN CASH AND TERM DEPOSITS	(12 944 324)	(13 093 259)
CASH AND TERM DEPOSITS, BEGINNING OF PERIOD	125 423 848	138 517 107
TOTAL CASH AND TERM DEPOSITS, END OF PERIOD (Schedule S12)	112 479 524	125 423 848
consisting of:		
Fund Group I - Regular Budget Fund and Working Capital Fund	35 427 751	51 761 735
Fund Group II - Technical Co-operation Fund	40 448 019	32 582 527
Fund Group III - Extrabudgetary Programme Fund	25 865 467	28 865 361
Fund Group IV - Technical Co-operation Extrabudgetary Fund	7 343 838	8 285 040
Fund Group V - United Nations Development Programme (UNDP)	1 012 250	340 368
Fund Group VI - Trust Funds and Reserve Funds	2 382 199	3 588 817
	112 479 524	125 423 848

(signed) ABRAHAM E. ESPINO
Director, Division of Budget and Finance

STATEMENT IV

**STATEMENT OF REGULAR BUDGET APPROPRIATIONS
for the period ending 31 December 1999**

(expressed in United States dollars)

Description of major programme	a/ Appropriations	Expenditure			Balance
		Disbursements	Unliquidated obligations	Total	
1. Nuclear Power and Fuel Cycle	12 472 000	11 215 865	1 253 662	12 469 527	2 473
2. Nuclear Applications	31 662 000	27 918 246	3 713 742	31 631 988	30 012
3. Nuclear, Radiation and Waste Safety	14 015 000	13 350 824	658 397	14 009 221	5 779
4. Nuclear Verification and Security of Material	79 925 000	71 984 097	7 927 113	79 911 210	13 790
5. Management of Technical Co-operation for Development	12 523 000	12 320 914	186 719	12 507 633	15 367
6. Policy-making, Co-ordination and Support	66 334 000	59 239 373	6 781 810	66 021 183	312 817
Appropriation Budget	216 931 000	196 029 319	20 521 443	216 550 762	380 238
7. Reimbursable work for others	4 901 000	2 149 106	2 859 777	5 008 883	(107 883) ^{b/}
T O T A L	221 832 000	198 178 425	23 381 220	221 559 645	272 355

a/ Attachment to GC(42)/RES/6.

b/ Authorized as per GC(42)/RES/6, para. 3(a).

(signed) ABRAHAM E. ESPINO
Director, Division of Budget and Finance

PART III

SCHEDULES

SCHEDULE S1

REGULAR BUDGET FUND
STATUS OF CONTRIBUTIONS TO THE REGULAR BUDGET
AS AT 31 DECEMBER 1999

Member State	1999				Prior years		Total outstanding at AS 13.6640	Advance payments and credits c/	
	Assessed	Credits ^{a/}	Payments	Total	Outstanding at AS 13.6640	Payments and credits in 1999 b/			Outstanding
Afghanistan	6 389	-	-	-	6 389	1 080	77 205	83 594	-
Albania	4 926	1 871	3 055	4 926	-	-	-	-	1 929
Algeria	187 095	30 284	156 811	187 095	-	-	-	-	9 862
Argentina	1 184 007	-	69 987	69 987	1 114 020	702 956	-	1 114 020	-
Armenia	42 972	-	-	-	42 972	101 723	154 740	197 712	-
Australia	3 192 560	294 871	2 897 689	3 192 560	-	-	-	-	131 998
Austria	2 081 776	159 147	1 922 629	2 081 776	-	-	-	-	77 214
Bangladesh	17 109	1 779	15 330	17 109	-	-	-	-	969
Belarus	271 169	-	271 169	271 169	-	978 602	2 024 822	2 024 822	-
Belgium	2 495 364	181 383	2 313 981	2 495 364	-	-	-	-	90 044
Bolivia	12 591	-	-	-	12 591	27 992	17 088	29 679	-
Bosnia and Herzegovina	8 095	-	-	-	8 095	46 721	82 065	90 160	-
Brazil	2 327 556	-	-	-	2 327 556	233 806	4 817 259	7 144 815	-
Bulgaria	71 779	11 717	60 062	71 779	-	101 569	-	-	4 979
Cambodia	1 622	-	-	-	1 622	1 420	246 570	248 192	-
Cameroon	22 427	611	13 560	14 171	8 256	82 176	-	8 256	-
Canada	6 492 453	6 492 453	-	6 492 453	-	-	-	-	280 251
Chile	177 808	5 781	99 016	104 797	73 011	-	-	73 011	-
China	1 501 301	84 128	1 417 173	1 501 301	-	-	-	-	38 370
Colombia	178 587	32 419	146 168	178 587	-	-	-	-	12 149
Costa Rica	26 543	-	-	-	26 543	-	75 437	101 980	-
Côte d'Ivoire	18 791	-	-	-	18 791	8 953	248 597	267 388	-
Croatia	86 379	-	78 625	78 625	7 754	125 113	-	7 754	-
Cuba	61 403	-	-	-	61 403	114 947	150 804	212 207	-
Cyprus	60 440	3 283	57 157	60 440	-	-	-	-	1 833
Czech Republic	289 274	57 824	231 450	289 274	-	-	-	-	16 408
Democratic Republic of the Congo	12 638	-	-	-	12 638	-	143 228	155 866	-
Denmark	1 589 907	146 514	1 443 393	1 589 907	-	-	-	-	64 220
Dominican Republic	24 991	-	-	-	24 991	-	543 221	568 212	-
Ecuador	34 294	-	-	-	34 294	22 305	59 043	93 337	-
Egypt	117 649	11 690	105 959	117 649	-	-	-	-	4 451
El Salvador	18 791	-	-	-	18 791	-	117 943	136 734	-
Estonia	39 923	9 731	30 192	39 923	-	-	-	-	23 337
Ethiopia	11 637	4 227	7 410	11 637	-	-	-	-	611
Finland	1 244 915	137 058	1 107 857	1 244 915	-	-	-	-	55 144

SCHEDULE S1 (continued)

Member State	1999				Prior years		Total outstanding at AS 13.6640	Advance payments and credits c/
	Assessed	Credits a/	Payments	Total	Outstanding at AS 13.6640	Payments and credits in 1999 b/		
France	13 839 112	1 251 584	12 587 528	13 839 112	-	-	-	571 635
Gabon	29 197	-	-	-	29 197	-	433 632	-
Georgia	92 456	-	-	-	92 456	-	673 132	-
Germany	21 208 493	1 691 024	19 517 469	21 208 493	-	-	-	786 957
Ghana	11 236	698	301	999	10 237	38 429	-	-
Greece	571 081	132 492	438 589	571 081	-	-	-	22 477
Guatemala	29 711	-	-	-	29 711	26 642	3 678	-
Haiti	3 244	-	-	-	3 244	-	305 164	-
Holy See	2 218	2 218	-	2 218	-	-	-	1 459
Hungary	213 573	26 260	187 313	213 573	-	-	-	194 427
Iceland	74 995	5 549	69 446	74 995	-	-	-	2 706
India	515 643	45 849	469 794	515 643	-	-	-	20 423
Indonesia	266 807	-	-	-	266 807	173 550	210 872	-
Iran, Islamic Republic of	472 868	29 151	113 361	142 512	330 356	441 092	-	-
Iraq	133 748	-	-	-	133 748	-	1 509 598	-
Ireland	493 281	38 034	455 247	493 281	-	-	-	18 847
Israel	706 258	41 561	664 697	706 258	-	-	-	21 296
Italy	11 708 613	934 816	10 773 797	11 708 613	-	-	-	463 535
Jamaica	9 538	-	-	-	9 538	720	43 729	-
Japan	38 186 393	2 380 660	35 805 733	38 186 393	-	-	-	1 041 645
Jordan	13 240	1 694	11 546	13 240	-	-	-	1 079
Kazakhstan	193 684	-	-	-	193 684	12 060	1 386 558	-
Kenya	11 040	-	-	-	11 040	540	139 773	-
Korea, Republic of	1 620 605	81 554	1 539 051	1 620 605	-	-	-	43 170
Kuwait	336 637	54 761	281 876	336 637	-	-	-	12 971
Latvia	78 707	6 300	72 407	78 707	-	35 239	-	5 848
Lebanon	25 104	952	-	952	24 152	-	-	-
Liberia	3 244	-	-	-	3 244	-	179 472	-
Libyan Arab Jamahiriya	258 835	54 847	-	54 847	203 988	-	-	-
Liechtenstein	11 638	2 997	8 641	11 638	-	-	-	780
Lithuania	73 344	21 346	51 998	73 344	-	-	-	5 411
Luxembourg	140 107	527	139 580	140 107	-	115 816	-	5 484
Madagascar	4 839	-	-	-	4 839	41 594	38 183	-
Malaysia	268 986	-	268 986	268 986	-	11 833	-	6 481
Mali	4 839	-	-	-	4 839	-	282 050	-
Malta	23 682	-	23 682	23 682	-	-	-	23 051
Marshall Islands	1 622	-	-	-	1 622	1 420	75 602	-
Mauritius	15 906	3 585	12 321	15 906	-	-	-	14 825
Mexico	1 500 864	242 749	1 258 115	1 500 864	-	-	-	42 210
Monaco	6 732	3 357	3 375	6 732	-	-	-	780

SCHEDULE S1 (continued)

Member State	1999				Outstanding at AS 13.6640	Prior years		Total outstanding at AS 13.6640	Advance payments and credits c/
	Assessed	a/ Credits	Payments	Total		Payments and credits in 1999 b/	Outstanding		
Mongolia	3 244	-	-	-	3 244	12 774	23 182	26 426	-
Morocco	67 553	2 213	65 340	67 553	-	-	-	-	1 920
Myanmar	14 939	1 514	13 425	14 939	-	-	-	-	698
Namibia	11 539	2 099	9 440	11 539	-	-	-	-	611
Netherlands	3 683 646	309 939	3 373 707	3 683 646	-	-	-	-	141 685
New Zealand	506 745	506 252	493	506 745	-	-	-	-	458 040
Nicaragua	3 244	-	-	-	3 244	1 440	50 175	53 419	-
Niger	3 244	-	-	-	3 244	1 440	55 376	58 620	-
Nigeria	108 685	23 753	-	23 753	84 932	-	-	84 932	-
Norway	1 401 538	102 371	1 299 167	1 401 538	-	-	-	-	49 727
Pakistan	97 830	12 406	74 622	87 028	10 802	-	-	10 802	-
Panama	25 974	194	25 780	25 974	-	-	-	-	611
Paraguay	21 891	-	-	-	21 891	-	30 544	52 435	-
Peru	130 821	-	-	-	130 821	161 922	87 073	217 894	-
Philippines	119 448	-	-	-	119 448	17 916	57 526	176 974	-
Poland	449 004	309 520	139 484	449 004	-	-	-	-	23 740
Portugal	566 974	24 898	-	24 898	542 076	-	-	542 076	-
Qatar	69 307	12 931	-	12 931	56 376	-	-	56 376	-
Republic of Moldova	68 126	-	-	-	68 126	6 840	275 427	343 553	-
Romania	169 294	63 630	105 664	169 294	-	-	-	-	57 832
Russian Federation	5 912 539	-	-	-	5 912 539	13 582 662	622 267	6 534 806	-
Saudi Arabia	1 022 203	22 140	1 000 063	1 022 203	-	-	-	-	-
Senegal	9 490	-	-	-	9 490	720	38 663	48 153	-
Sierra Leone	1 622	-	-	-	1 622	1 020	209 948	211 570	-
Singapore	263 632	6 821	-	6 821	256 811	287	-	256 811	-
Slovakia	90 978	90 978	-	90 978	-	-	-	-	60 181
Slovenia	122 790	-	-	-	122 790	129 064	12 760	135 550	-
South Africa	592 895	38 363	554 532	592 895	-	-	-	-	58 252
Spain	5 489 812	415 794	5 074 018	5 489 812	-	-	-	-	210 783
Sri Lanka	21 086	1 492	16 857	18 349	2 737	-	-	2 737	-
Sudan	14 477	698	7 093	7 791	6 686	17 972	-	6 686	-
Sweden	2 499 615	266 186	2 233 429	2 499 615	-	-	-	-	110 931
Switzerland	2 762 974	240 160	2 522 814	2 762 974	-	-	-	-	109 360
Syrian Arab Republic	99 907	4 500	95 407	99 907	-	-	-	-	2 695
Thailand	261 593	12 474	249 119	261 593	-	-	-	-	6 497
The former Yugoslav Republic of Macedonia	7 939	-	-	-	7 939	17 234	29 456	37 395	-
Tunisia	46 051	360	45 691	46 051	-	762	-	-	1 833
Turkey	677 919	23 216	29 531	52 747	625 172	31 918	-	625 172	-
Uganda	6 389	-	-	-	6 389	1 080	187 901	194 290	-
Ukraine	1 086 763	-	-	-	1 086 763	2 706 898	3 395 728	4 482 491	-

SCHEDULE S1 (continued)

Member State	1999				Prior years			Total outstanding at AS 13.6640	Advance payments and credits c/
	Assessed	Credits a/	Payments	Total	Outstanding at AS 13.6640	Payments and credits in 1999 b/	Outstanding		
United Arab Emirates	384 272	40 438	343 834	384 272	-	-	-	-	17 101
United Kingdom of Great Britain and Northern Ireland	11 105 713	1 099 233	10 006 480	11 105 713	-	-	-	-	478 323
United Republic of Tanzania	6 389	-	-	-	6 389	39 254	247	6 636	-
United States of America	53 024 224	5 213 304	47 810 920	53 024 224	-	-	-	-	2 016 350
Uruguay	74 926	-	-	-	74 926	38 134	32 489	107 415	-
Uzbekistan	120 049	-	-	-	120 049	9 720	198 955	319 004	-
Venezuela	362 487	-	-	-	362 487	17 640	498 904	861 391	-
Viet Nam	16 841	1 525	15 316	16 841	-	-	-	-	698
Yemen	15 691	-	-	-	15 691	611	8 507	24 198	-
Yugoslavia d/	92 580	-	-	-	92 580	6 980	2 551 541 e	2 644 121	-
Zambia	4 839	-	-	-	4 839	50 264	29 131	33 970	-
Zimbabwe	14 141	-	-	-	14 141	7 604	30 029	44 170	-
Sub-total	210 813 153	23 570 738	172 315 752	195 886 490	14 926 663	20 310 454	22 465 294	37 391 957	7 929 134
<u>New Member:</u>									
Angola f/	16 220	-	-	-	16 220	-	-	16 220	-
Benin g/	3 244	-	3 244	3 244	-	-	-	-	-
Burkina Faso h/	3 244	-	-	-	3 244	-	16 036	19 280	-
Sub-total	22 708	-	3 244	3 244	19 464	-	16 036	35 500	-
<u>Former Member:</u>									
Democratic People's Republic of Korea i/	-	-	-	-	-	-	152 161	152 161	-
GRAND TOTAL	210 835 861	23 570 738	172 318 996	195 889 734	14 946 127	20 310 454	22 633 491	37 579 618	7 929 134

a/ These amounts reflect advance payments of 1999 Regular Budget contributions (\$ 7 016 732), cash surplus credits (\$ 16 255 985) and Working Capital Fund credits (\$ 298 021) applied against 1999 Regular Budget contributions.

b/ These amounts reflect payments received during 1999 (\$ 18 784 418), cash surplus credits (\$ 1 050 076) and Working Capital Fund credits (\$ 475 960).

c/ These amounts reflect advance payments of 2000 Regular Budget contributions (\$ 1 119 532) and cash surplus credits (\$ 6 809 602) applied against 2000 Regular Budget contributions.

d/ The inclusion of Yugoslavia does not prejudice future developments concerning the membership of Yugoslavia.

e/ Total outstanding contributions include those owed by the former Socialist Federal Republic of Yugoslavia. This arrangement is provisional pending the settlement of the question of membership.

f/ Angola became a Member of the Agency on 9 November 1999.

g/ Benin became a Member of the Agency on 26 May 1999.

h/ Burkina Faso became a Member of the Agency on 14 September 1998.

i/ The Democratic People's Republic of Korea withdrew from membership on 13 June 1994.

SCHEDULE S2**STATUS OF THE WORKING CAPITAL FUND
AS AT 31 DECEMBER 1999**

	1999	1998
Balance as at 1 January	18 737 560	18 024 042
Receipts/(Refunds)		
From Member States	<u>(272 314)</u>	<u>713 518</u>
Balance as at 31 December	<u>18 465 246</u>	<u>18 737 560</u>
Established Level	18 000 000	18 000 000
Add: Net increase due to new Member States assessments	<u>2 520</u>	<u>18 000</u>
Total (Statement II/Schedule S3)	18 002 520	18 018 000
Add: Advance contributions from Member States (Schedule S3)	487 666	781 560
Less: Due from Member States (Schedule S3)	<u>(24 940)</u>	<u>(62 000)</u>
Balance as at 31 December	<u>18 465 246</u>	<u>18 737 560</u>

NOTE During 1999 it was necessary to temporarily utilize the Working Capital Fund in full.

SCHEDULE S3

STATUS OF ADVANCES TO THE WORKING CAPITAL FUND AS AT 31 DECEMBER 1999

Member State	Assessed	Paid	Outstanding	Credits a/
Afghanistan	720	720	-	-
Albania	540	540	-	-
Algeria	20 700	20 700	-	-
Argentina	136 620	136 620	-	30 286
Armenia	4 860	4 860	-	-
Australia	261 720	261 720	-	1 800
Austria	166 320	166 320	-	900
Bangladesh	1 800	1 800	-	-
Belarus	29 160	29 160	-	-
Belgium	195 120	195 120	-	900
Bolivia	1 440	1 440	-	-
Bosnia and Herzegovina	900	900	-	-
Brazil	269 460	269 460	-	-
Bulgaria	7 920	7 920	-	-
Cambodia	180	180	-	-
Cameroon	2 520	2 520	-	-
Canada	502 740	502 740	-	-
Chile	20 160	20 160	-	3 060
China	160 380	160 380	-	12 600
Colombia	19 260	19 260	-	180
Costa Rica	3 060	1 800	1 260	-
Côte d'Ivoire	2 160	2 160	-	-
Croatia	9 900	9 900	-	-
Cuba	7 020	7 020	-	-
Cyprus	6 120	6 120	-	-
Czech Republic	30 060	30 060	-	-
Democratic Republic of the Congo	1 440	800	640	-
Denmark	122 220	122 220	-	540
Dominican Republic	2 880	1 600	1 280	-
Ecuador	3 960	3 960	-	-
Egypt	12 240	12 240	-	-
El Salvador	2 160	1 000	1 160	-
Estonia	4 140	4 140	-	-
Ethiopia	1 260	1 260	-	-
Finland	95 760	95 760	-	540
France	1 155 780	1 155 780	-	7 020
Gabon	3 240	1 600	1 640	-
Georgia	10 260	-	10 260	-
Germany	1 713 960	1 713 960	-	29 880
Ghana	1 260	1 260	-	-
Greece	65 520	65 520	-	-
Guatemala	3 420	3 420	-	-
Haiti	360	200	160	-
Holy See	180	180	-	-
Hungary	21 240	21 240	-	-

SCHEDULE S3 (continued)

Member State	Assessed	Paid	Outstanding	Credits a/
Iceland	5 760	5 760	-	-
India	54 360	54 360	-	-
Indonesia	30 780	30 780	-	-
Iran, Islamic Republic of	54 000	54 000	-	-
Iraq	15 480	9 600	5 880	-
Ireland	39 600	39 600	-	180
Israel	58 500	58 500	-	2 880
Italy	959 940	959 940	-	5 760
Jamaica	1 080	1 080	-	-
Japan	3 200 220	3 200 220	-	352 800
Jordan	1 440	1 440	-	-
Kazakhstan	22 140	22 140	-	-
Kenya	1 260	1 260	-	-
Korea, Republic of	169 920	169 920	-	6 840
Kuwait	27 360	27 360	-	-
Latvia	8 100	8 100	-	-
Lebanon	2 880	2 880	-	-
Liberia	360	200	160	-
Libyan Arab Jamahiriya	28 440	28 440	-	-
Liechtenstein	900	900	-	180
Lithuania	7 920	7 920	-	-
Luxembourg	11 700	11 700	-	360
Madagascar	540	540	-	-
Malaysia	29 880	29 880	-	2 160
Mali	540	200	340	-
Malta	2 520	2 520	-	-
Marshall Islands	180	180	-	-
Mauritius	1 620	1 620	-	-
Mexico	167 400	167 400	-	6 840
Monaco	540	540	-	180
Mongolia	360	360	-	-
Morocco	7 380	7 380	-	-
Myanmar	1 620	1 620	-	-
Namibia	1 260	1 260	-	-
Netherlands	288 180	288 180	-	1 800
New Zealand	39 240	39 240	-	-
Nicaragua	360	360	-	-
Niger	360	360	-	-
Nigeria	12 420	12 420	-	-
Norway	107 640	107 640	-	720
Pakistan	10 620	10 620	-	-
Panama	2 880	2 880	-	-
Paraguay	2 520	2 520	-	-
Peru	15 120	15 120	-	1 800
Philippines	13 680	13 680	-	540
Poland	44 640	44 640	-	-
Portugal	65 520	65 520	-	8 640
Qatar	5 940	5 940	-	-
Republic of Moldova	7 560	7 560	-	-
Romania	18 180	18 180	-	-

SCHEDULE S3 (continued)

Member State	Assessed	Paid	Outstanding	Credits a/
Russian Federation	511 380	511 380	-	-
Saudi Arabia	105 660	105 660	-	-
Senegal	1 080	1 080	-	-
Sierra Leone	180	180	-	-
Singapore	29 700	29 700	-	1 620
Slovakia	9 360	9 360	-	-
Slovenia	10 620	10 620	-	180
South Africa	64 980	64 980	-	-
Spain	457 560	457 560	-	2 700
Sri Lanka	2 340	2 340	-	-
Sudan	1 620	1 620	-	-
Sweden	195 660	195 660	-	-
Switzerland	216 180	216 180	-	-
Syrian Arab Republic	10 980	10 980	-	360
Thailand	28 080	28 080	-	1 620
The former Yugoslav Republic of Macedonia	900	900	-	-
Tunisia	5 040	5 040	-	-
Turkey	78 300	78 300	-	-
Uganda	720	720	-	-
Ukraine	120 600	120 600	-	-
United Arab Emirates	31 500	31 500	-	180
United Kingdom of Great Britain and Northern Ireland	903 420	903 420	-	1 620
United Republic of Tanzania	720	720	-	-
United States of America	4 500 000	4 500 000	-	-
Uruguay	8 640	8 640	-	-
Uzbekistan	13 680	13 680	-	-
Venezuela	41 760	41 760	-	-
Viet Nam	1 800	1 800	-	-
Yemen	1 800	1 800	-	-
Yugoslavia b/	10 620	10 620	-	-
Zambia	540	540	-	-
Zimbabwe	1 620	1 620	-	-
Sub-total	18 000 000	17 977 220	22 780	487 666
<u>New Member:</u>				
Angola c/	1 800	-	1 800	-
Benin d/	360	360	-	-
Burkina Faso e/	360	-	360	-
Sub-total	2 520	360	2 160	-
TOTAL	18 002 520	17 977 580	24 940	487 666

a/ These amounts reflect cash surplus credits against the advances to the 2000 Working Capital Fund.

b/ The inclusion of Yugoslavia does not prejudice future developments concerning the membership of Yugoslavia.

c/ Angola became a Member of the Agency on 9 November 1999.

d/ Benin became a Member of the Agency on 26 May 1999.

e/ Burkina Faso became a Member of the Agency on 14 September 1998.

SCHEDULE S4**REGULAR BUDGET FUND****STATUS OF CASH SURPLUSES
AS AT 31 DECEMBER 1999**

	1999	1998
<u>Current year</u>		
Receipts	203 614 780	208 176 278
Disbursements (Statement IV)	(198 178 425)	(203 255 321)
Excess (shortfall) of receipts over disbursements	5 436 355	4 920 957
Unliquidated obligations (Statement IV)	(23 381 220)	(22 096 068)
Provisional deficit	(17 944 865)	(17 175 111)
Contributions receivable (Schedule S1)	14 946 127	20 016 669
Miscellaneous income receivable	716 569	1 067 872
Excess (shortfall) of income over expenditure - (Statement I)	(2 282 169)	3 909 430
<u>Disposition of prior year's provisional surplus (deficit)</u>		
Prior year provisional deficit	(17 175 111)	(20 880 200)
Receipt of:		
Contributions all prior years (Schedule S1)	20 310 454	26 508 090
Miscellaneous income	1 067 872	928 265
Savings on liquidation of prior years' obligations (Note 9)	2 711 000	2 171 673
Prior year cash surplus (Schedule S5)	6 914 215	8 727 828
Other surpluses: (Schedule S5)		
Cash surpluses withheld pending receipt of contributions	774 974	1 092 399
Total surplus (Statement II)	5 407 020	13 729 657

SCHEDULE S5

REGULAR BUDGET FUND

I. SHARES OF MEMBER STATES IN THE 1998 CASH SURPLUS

Member State	1998 Scale of assessment %	Allocation amount \$
Afghanistan	0.007	484
Albania	0.007	484
Algeria	0.119	8 228
Argentina	0.361	24 960
Armenia	0.038	2 627
Australia	1.523	105 234
Austria	0.901	62 228
Bangladesh	0.008	553
Belarus	0.226	15 626
Belgium	1.036	71 562
Bolivia	0.007	484
Bosnia and Herzegovina	0.008	553
Brazil	1.218	84 146
Bulgaria	0.060	4 149
Cambodia	0.007	484
Cameroon	0.007	484
Canada	3.211	221 808
Chile	0.060	4 149
China	0.592	40 863
Colombia	0.075	5 186
Costa Rica	0.007	484
Côte d'Ivoire	0.007	484
Croatia	0.067	4 633
Cuba	0.038	2 627
Cyprus	0.022	1 521
Czech Republic	0.188	12 999
Democratic Republic of the Congo	0.008	553
Denmark	0.746	51 511
Dominican Republic	0.007	484
Ecuador	0.015	1 037
Egypt	0.060	4 149
El Salvador	0.007	484
Estonia	0.030	2 074
Ethiopia	0.007	484
Finland	0.642	44 320
France	6.618	457 237
Gabon	0.008	553
Georgia	0.089	6 154
Germany	9.353	646 203
Ghana	0.008	553
Greece	0.282	19 498
Guatemala	0.015	1 037
Haiti	0.007	484
Holy See	0.010	691
Hungary	0.110	7 606
Iceland	0.031	2 143
India	0.239	16 525
Indonesia	0.105	7 260
Iran, Islamic Republic of	0.336	23 232
Iraq	0.104	7 191

SCHEDULE S5 (continued)

Member State	1998 Scale of assessment %	Allocation amount \$
Ireland	0.218	15 073
Israel	0.280	19 360
Italy	5.417	374 266
Jamaica	0.008	553
Japan	16.147	1 115 609
Jordan	0.007	484
Kazakhstan	0.143	9 887
Kenya	0.007	484
Korea, Republic of	0.604	41 693
Kuwait	0.197	13 621
Latvia	0.065	4 494
Lebanon	0.008	553
Liberia	0.007	484
Libyan Arab Jamahiriya	0.161	11 132
Liechtenstein	0.010	691
Lithuania	0.060	4 149
Luxembourg	0.073	5 047
Madagascar	0.007	484
Malaysia	0.104	7 191
Mali	0.007	484
Malta a/	0.008	553
Marshall Islands	0.007	484
Mauritius	0.007	484
Mexico	0.589	40 656
Monaco	0.010	691
Mongolia	0.007	484
Morocco	0.023	1 590
Myanmar	0.008	553
Namibia	0.007	484
Netherlands	1.637	113 117
New Zealand	0.249	17 216
Nicaragua	0.007	484
Niger	0.007	484
Nigeria	0.082	5 670
Norway	0.580	40 033
Pakistan	0.046	3 181
Panama	0.007	484
Paraguay	0.007	484
Peru	0.045	3 111
Philippines	0.046	3 181
Poland	0.266	18 392
Portugal	0.207	14 312
Qatar	0.042	2 904
Republic of Moldova a/	0.066	4 563
Romania	0.113	7 813
Russian Federation	4.402	304 156
Saudi Arabia	0.573	39 549
Senegal	0.007	484
Sierra Leone	0.007	484
Singapore	0.106	7 329

SCHEDULE S5 (continued)

Member State	1998 Scale of assessment %	Allocation amount \$
Slovakia	0.060	4 149
Slovenia	0.073	5 047
South Africa	0.240	16 594
Spain	2.455	169 606
Sri Lanka	0.008	553
Sudan	0.008	553
Sweden	1.264	87 327
Switzerland	1.243	85 875
Syrian Arab Republic	0.037	2 558
Thailand	0.097	6 707
The former Yugoslav Republic of Macedonia	0.007	484
Tunisia	0.022	1 521
Turkey	0.282	19 498
Uganda	0.007	484
Ukraine	0.871	60 154
United Arab Emirates	0.197	13 621
United Kingdom of Great Britain and Northern Ireland	5.490	379 314
United Republic of Tanzania	0.007	484
United States of America	25.893	1 788 984
Uruguay	0.030	2 074
Uzbekistan	0.098	6 776
Venezuela	0.246	17 009
Viet Nam	0.008	553
Yemen	0.007	484
Yugoslavia b/	0.075	5 186
Zambia	0.007	484
Zimbabwe	0.007	484
TOTAL (Schedule S4)	100.074 c/	6 914 215

a/ New Member State which joined the Agency after the approval of the scale of assessment.

b/ The inclusion of Yugoslavia does not prejudice future developments concerning the membership of Yugoslavia.

c/ The total does not add up to 100% as it contains new Member States that were assessed in addition to the prevailing scale. However, in calculating the allocation amounts to be refunded, this discrepancy was taken into account.

**II. STATUS OF OTHER CASH SURPLUSES WITHHELD PENDING
RECEIPT OF CONTRIBUTIONS AS AT 31 DECEMBER 1999**

Budget years	31 December 1998	Surrendered	31 December 1999
1959-1968	2 070	-	2 070
1979-1988	67 466	1 500	65 966
1989	14 739	-	14 739
1990	44 403	-	44 403
1992	33 939	-	33 939
1993	26 438	1 572	24 866
1994	220 038	133 589	86 449
1995	14 512	276	14 236
1996	668 794	488 494	180 300
1997	8 727 828	8 419 822	308 006
TOTAL (Schedule S4)	9 820 227	9 045 253	774 974

SCHEDULE S6

REGULAR BUDGET FUND
REGULAR BUDGET 1999
SUMMARY BY ITEM OF EXPENDITURE

Item of expenditure	1999 Adjusted budget	Expenditures			Unused (over-expended) balances
		Disbursements	Unliquidated obligations	Total expenditure	
Salaries - established posts - P	51 103 600	49 975 949	-	49 975 949	1 127 651
Temporary assistance - P/MT	3 233 800	2 573 546	-	2 573 546	660 254
Temporary assistance - P/ST	480 900	657 044	-	657 044	(176 144)
Salaries - established posts - GS	28 582 200	27 541 749	-	27 541 749	1 040 451
Temporary assistance - GS/MT	2 259 500	2 421 248	-	2 421 248	(161 748)
Temporary assistance - GS/ST	364 800	790 804	-	790 804	(426 004)
Common staff costs	33 513 300	35 662 960	-	35 662 960	(2 149 660)
Overtime	262 500	263 246	4 684	267 930	(5 430)
Sub-total: Staff costs	119 800 600	119 886 546	4 684	119 891 230	(90 630)
Travel - staff	9 871 600	6 199 148	2 847 214	9 046 362	825 238
Travel - non-staff	7 215 200	5 908 990	499 091	6 408 081	807 119
Sub-total: Travel costs	17 086 800	12 108 138	3 346 305	15 454 443	1 632 357
Interpretation Services	897 400	586 352	-	586 352	311 048
Representation and hospitality	199 700	183 667	7 844	191 511	8 189
Training	627 400	444 588	80 295	524 883	102 517
Equipment: leased or rented	247 000	144 757	19 115	163 872	83 128
Equipment: purchased/construction work	8 064 100	3 088 918	4 639 552	7 728 470	335 630
Supplies and materials	4 401 600	2 836 450	996 439	3 832 889	568 711
General operating expenses	15 116 600	10 848 124	4 259 738	15 107 862	8 738
Contracts	3 592 400	3 224 250	1 871 266	5 095 516	(1 503 116)
Research and technical contracts	5 211 000	2 372 676	2 714 641	5 087 317	123 683
Miscellaneous	3 422 100	3 237 819	1 292 313	4 530 132	(1 108 032)
Sub-total: Other direct costs	41 779 300	26 967 601	15 881 203	42 848 804	(1 069 504)
Direct Implementation Costs	9 386 000	8 977 391	645 040	9 622 431	(236 431)
Site Operating Costs	4 185 000	3 563 483	644 211	4 207 694	(22 694)
Sub-total: Laboratory Activities	13 571 000	12 540 874	1 289 251	13 830 125	(259 125)
Translation and Records Services	6 361 300	6 307 448	-	6 307 448	53 852
Printing Services	3 024 000	3 173 855	-	3 173 855	(149 855)
Publishing Services	2 752 000	2 687 042	-	2 687 042	64 958
Data Processing Application Services	1 133 000	1 051 926	-	1 051 926	81 074
Data Processing Central Services (fixed costs)	4 218 000	4 412 284	-	4 412 284	(194 284)
Library Services	2 325 000	2 056 213	-	2 056 213	268 787
Contract Administration Services	567 000	573 620	-	573 620	(6 620)
Other Services	4 313 000	4 263 772	-	4 263 772	49 228
Sub-total: Shared costs	24 693 300	24 526 160	-	24 526 160	167 140
TOTAL Agency Programmes	216 931 000	196 029 319	20 521 443	216 550 762	380 238
Reimbursable Work for Others	4 901 000	2 149 106	2 859 777	5 008 883	(107 883)
TOTAL Regular Budget (Statement I)	221 832 000	198 178 425	23 381 220	221 559 645	272 355

SCHEDULE S7

SUMMARY OF EXPENDITURE BY MAJOR CATEGORY AND FUND GROUP

Category	1999						1998	
	Regular Budget Fund and Working Capital Fund Fund Group I	General Fund				Trust Funds and Reserve Funds Fund Group VI	TOTAL	TOTAL
		Technical Co-operation Fund Fund Group II	Extrabudgetary Programme Fund Fund Group III	Technical Co-operation Extrabudgetary Fund				
				Member States and International Organizations Fund Group IV	United Nations Development Programme Fund Group V			
Salaries	97 746 589	-	-	-	-	-	97 746 589	100 314 503
Common staff costs	45 101 334	106	2 755 852	-	-	-	47 857 292	47 385 098
Temporary assistance	7 664 677	452	6 735 117	-	-	-	14 400 246	15 893 691
Experts	-	7 352 433	-	675 867	50 859	-	8 079 159	7 605 225
Total staff costs	150 512 600	7 352 991	9 490 969	675 867	50 859	-	168 083 286	171 198 517
Equipment	12 173 398	33 311 746	14 440 873	5 048 227	35 858	458 503	65 468 605	68 570 304
Travel	15 697 894	22 789 041	3 890 587	640 454	293 344	-	43 311 320	41 194 209
Contracts	12 245 129	1 538 933	5 915 978	267 994	-	-	19 968 034	19 684 030
General operating expenses	18 013 834	-	73 949	-	-	-	18 087 783	19 087 453
Fellows, lecturers, training	855 250	11 070 576	258 798	74 981	17 518	-	12 277 123	12 249 461
Supplies and materials	6 816 968	6 184 420	681 915	513 573	59 035	312 453	14 568 364	13 007 401
Miscellaneous	5 244 572	3 992 720	811 448	378 989	13 182	1 498 978	11 939 889	13 414 860
TOTAL	221 559 645	86 240 427	35 564 517	7 600 085	469 796	2 269 934	353 704 404	358 406 235
Less: Prior periods' unliquidated obligations		27 305 883	11 530 167	4 121 311	-	177 794	43 135 155	38 303 199
TOTAL EXPENDITURE (Statement I)	221 559 645	58 934 544	24 034 350	3 478 774	469 796	2 092 140	310 569 249	320 103 036

SCHEDULE S8

**STATUS OF CONTRIBUTIONS TO THE TECHNICAL CO-OPERATION FUND
AS AT 31 DECEMBER 1999**

Member State	1999					Prior years			Total outstanding	Advance payments
	Base rate %	Share of \$ 73 million target for 1999 using base rate a/	Pledged	Paid	Outstanding	Unpaid balance as at 1 January	Paid in 1999	Outstanding		
Afghanistan	0.004	2 920	-	-	-	-	-	-	-	-
Albania	0.003	2 190	-	-	-	35 550	-	35 550	35 550	-
Algeria	0.115	83 950	50 000	50 000	-	-	-	-	-	-
Argentina	0.759	554 070	200 000	-	200 000	-	-	-	200 000	-
Armenia	0.027	19 710	19 710	-	19 710	-	-	-	19 710	-
Australia	1.454	1 061 420	831 039	831 039	-	-	-	-	-	-
Austria	0.924	674 520	674 520	674 520	-	-	-	-	-	-
Bangladesh	0.010	7 300	7 300	-	7 300	13 950	13 950	-	7 300	-
Belarus	0.162	118 260	59 130	59 130	-	-	-	-	-	-
Belgium	1.084	791 320	300 000	150 000	150 000	-	-	-	150 000	-
Bolivia	0.008	5 840	-	-	-	-	-	-	-	-
Bosnia & Herzegovina	0.005	3 650	-	-	-	-	-	-	-	-
Brazil	1.497	1 092 810	400 000	-	400 000	380 767	-	380 767	780 767	-
Bulgaria	0.044	32 120	10 140	10 140	-	-	-	-	-	-
Cambodia	0.001	730	-	-	-	-	-	-	-	-
Cameroon	0.014	10 220	-	-	-	7 146	b/	7 146	7 146	-
Canada	2.793	2 038 890	1 549 669	1 549 669	-	-	-	-	-	-
Chile	0.112	81 760	-	-	-	-	-	-	-	-
China	0.891	650 430	650 430	650 430	-	-	-	-	-	-
Colombia	0.107	78 110	78 110	78 110	-	-	-	-	-	-
Costa Rica	0.017	12 410	-	-	-	-	-	-	-	-
Côte d'Ivoire	0.012	8 760	-	-	-	-	-	-	-	-
Croatia	0.055	40 150	5 000	5 000	-	-	-	-	-	-
Cuba	0.039	28 470	28 470	28 470	-	-	-	-	-	-
Cyprus	0.034	24 820	24 820	24 820	-	-	-	-	-	-
Czech Republic	0.167	121 910	121 910	121 910	-	-	-	-	-	-
Democratic Republic of the Congo	0.008	5 840	-	-	-	3 500	-	3 500	3 500	-
Denmark	0.679	495 670	495 670	495 670	-	-	-	-	-	-
Dominican Republic	0.016	11 680	-	-	-	-	-	-	-	-
Ecuador	0.022	16 060	-	-	-	-	-	-	-	-
Egypt	0.068	49 640	51 461	42 679	8 782	9 762	b/	9 762	-	8 782
El Salvador	0.012	8 760	-	-	-	-	-	-	-	-
Estonia	0.023	16 790	-	-	-	-	-	-	-	-
Ethiopia	0.007	5 110	-	-	-	-	-	-	-	-
Finland	0.532	388 360	388 360	388 360	-	-	-	-	-	-

SCHEDULE S8 (continued)

Member State	1999			Prior years			Unpaid balance as at 1 January	Paid in 1999	Outstanding	Total outstanding	Advance payments
	Base rate %	Share of \$ 73 million target for 1999 using base rate a/	Pledged	Paid	Outstanding	Paid					
France	6.421	4 687 330	4 687 330	4 687 330	-	-	-	-	-	-	-
Gabon	0.018	13 140	-	-	-	-	-	-	-	-	-
Georgia	0.057	41 610	5 000	-	5 000	10 000	-	10 000	15 000	-	-
Germany	9.522	6 951 060	2 370 000	2 370 000	-	-	-	-	-	-	-
Ghana	0.007	5 110	-	-	-	37 866	5 110	32 756	32 756	-	-
Greece	0.364	265 720	50 000	50 000	-	-	-	-	-	-	-
Guatemala	0.019	13 870	14 000	-	14 000	35 800	-	35 800	49 800	-	-
Haiti	0.002	1 460	-	-	-	800	-	800	800	-	-
Holy See	0.001	730	1 000	1 000	-	-	-	-	-	-	-
Hungary	0.118	86 140	86 140	86 140	-	-	-	-	-	-	-
Iceland	0.032	23 360	-	-	-	-	-	-	-	-	-
India	0.302	220 460	220 460	219 886	574	-	-	-	574	-	-
Indonesia	0.171	124 830	-	-	-	139 999	55 000	84 999	84 999	-	-
Iran, Islamic Republic of	0.300	219 000	219 000	219 000	-	-	-	-	-	-	-
Iraq	0.086	62 780	-	-	-	54 600	-	54 600	54 600	-	-
Ireland	0.220	160 600	50 000	50 000	-	-	-	-	-	-	-
Israel	0.325	237 250	100 000	100 000	-	-	-	-	-	-	-
Italy	5.333	3 893 090	9 361 738	9 361 738	-	-	-	-	-	-	-
Jamaica	0.006	4 380	-	-	-	-	-	-	-	-	-
Japan	17.779	12 978 670	12 978 670	12 978 670	-	-	-	-	-	-	-
Jordan	0.008	5 840	5 840	5 840	-	-	-	-	-	-	-
Kazakhstan	0.123	89 790	-	-	-	-	-	-	-	-	-
Kenya	0.007	5 110	-	-	-	8 486	-	8 486	8 486	-	-
Korea, Republic of	0.944	689 120	287 159	287 159	-	-	c/	-	-	-	-
Kuwait	0.152	110 960	-	-	-	-	-	-	-	-	-
Latvia	0.045	32 850	-	-	-	10 000	10 000	-	-	-	-
Lebanon	0.016	11 680	7 500	7 500	-	-	-	-	-	-	-
Liberia	0.002	1 460	-	-	-	-	-	-	-	-	-
Libyan Arab Jamahiriya	0.158	115 340	-	-	-	-	-	-	-	-	-
Liechtenstein	0.005	3 650	7 500	7 500	-	-	-	-	-	-	-
Lithuania	0.044	32 120	-	-	-	-	-	-	-	-	-
Luxembourg	0.065	47 450	47 450	47 450	-	50 050	d/	50 050	-	-	-
Madagascar	0.003	2 190	-	-	-	3 050	-	3 050	3 050	-	-
Malaysia	0.166	121 180	121 180	121 180	-	-	-	-	-	-	-
Mali	0.003	2 190	-	-	-	-	-	-	-	-	-
Malta	0.014	10 220	10 220	10 220	-	-	-	-	-	-	10 220
Marshall Islands	0.001	730	-	-	-	-	-	-	-	-	-
Mauritius	0.009	6 570	-	-	-	-	-	-	-	-	-
Mexico	0.930	678 900	678 900	678 900	-	-	-	-	-	-	-
Monaco	0.003	2 190	2 190	2 190	-	-	-	-	-	-	-

SCHEDULE S8 (continued)

Member State	1999					Prior years			Total outstanding	Advance payments
	Base rate %	Share of \$ 73 million target for 1999 using base rate a/	Pledged	Paid	Outstanding	Unpaid balance as at 1 January	Paid in 1999	Outstanding		
United Arab Emirates	0.175	127 750	-	-	-	-	-	-	-	-
United Kingdom of Great Britain and Northern Ireland	5.019	3 663 870	3 663 870	3 663 870	-	-	-	-	-	-
United Republic of Tanzania	0.004	2 920	-	-	-	17 840	6 210	11 630	11 630	-
United States of America	25.000	18 250 000	18 026 500	18 026 500	-	-	-	-	-	-
Uruguay	0.048	35 040	20 000	-	20 000	20 000	20 000	-	20 000	-
Uzbekistan	0.076	55 480	-	-	-	-	-	-	-	-
Venezuela	0.232	169 360	-	-	-	-	-	-	-	-
Viet Nam	0.010	7 300	7 300	7 300	-	-	-	-	-	-
Yemen	0.010	7 300	-	-	-	-	-	-	-	-
Yugoslavia e/	0.059	43 070	-	-	-	834 026	-	834 026 f/	834 026	-
Zambia	0.003	2 190	2 190	-	2 190	11 700	-	11 700	13 890	-
Zimbabwe	0.009	6 570	6 570	-	6 570	13 400	-	13 400	19 970	-
Sub-total	100.000	73 000 000	64 067 806	63 072 570	995 236	2 241 071	388 826	1 852 245	2 847 481	41 712
<u>New Members:</u>										
Angola g/	0.010	7 300	-	-	-	-	-	-	-	-
Benin h/	0.002	1 460	1 408	1 408	-	-	-	-	-	-
Burkina Faso i/	0.002	1 460	-	-	-	-	-	-	-	-
Sub-total	0.014	10 220	1 408	1 408	-	-	-	-	-	-
<u>Former Member:</u>										
Democratic People's Republic of Korea j/	-	-	-	-	-	29 635	-	29 635	29 635	-
GRAND TOTAL	100.014	73 010 220	64 069 214	63 073 978	995 236	2 270 706	388 826	1 881 880	2 877 116	41 712

a/ As recommended in GC(V)/RES/100 and amended in GC(XV)/RES/286.

b/ Revalued pledges of contributions: Cameroon pledge relating to 1988 - (\$ 263); Egypt pledge relating to 1998 - (\$ 15); Russian Federation pledge relating to 1996 - (\$ 89 738)

c/ Adjusted pledges of contributions: Republic of Korea pledge relating to 1998 - (\$ 96 250)

d/ Pledged and paid contribution in 1999 relating to 1998: Luxembourg - US\$ 50 050; The former Yugoslav Republic of Macedonia - US\$ 7 150.

e/ The inclusion of Yugoslavia does not prejudice future developments concerning the membership of Yugoslavia.

f/ Total outstanding contributions include those owed by the former Socialist Federal Republic of Yugoslavia. This arrangement is provisional pending the settlement of the question of membership.

g/ Angola became a Member of the Agency on 9 November 1999.

h/ Benin became a Member of the Agency on 26 May 1999.

i/ Burkina Faso became a Member of the Agency on 14 September 1998.

j/ The Democratic People's Republic of Korea withdrew from the Agency on 13 June 1994.

SCHEDULE S9

TECHNICAL CO-OPERATION PROGRAMME

**STATUS OF ASSESSED PROGRAMME COSTS
AS AT 31 DECEMBER 1999**

Recipients	1998			1975-1997			Total paid in 1999	Total outstanding	Advance payments
	Assessed	Paid in 1999	Outstanding	Unpaid balance as at 1 January	Paid in 1999	Outstanding			
Albania	19 450	-	19 450	104 371	15 000	89 371	15 000	108 821	-
Algeria	77 215	880	76 335	301 009	301 009	-	301 889	76 335	-
Argentina	62 891	52 800	10 091	-	-	-	52 800	10 091	-
Armenia	74 172	-	74 172	21 083	-	21 083	-	95 255	-
Belarus	41 626	41 626	-	-	-	-	41 626	-	-
Bolivia	23 478	-	23 478	430 693	58 104	372 589	58 104	396 067	-
Bosnia and Herzegovina	23 241	-	23 241	15 979	15 979	-	15 979	23 241	-
Brazil	46 432	-	46 432	-	-	-	-	46 432	-
Bulgaria	33 647	895	32 752	-	-	-	895	32 752	-
Cameroon	18 912	-	18 912	167 569	-	167 569	-	186 481	-
Chile	61 258	-	61 258	-	-	-	-	61 258	-
China	75 595	75 595	-	-	-	-	75 595	-	190
Colombia	28 498	28 498	-	-	-	-	28 498	-	-
Costa Rica	25 579	-	25 579	278 852	26 825	252 027	26 825	277 606	-
Côte d'Ivoire	15 134	-	15 134	157 884	-	157 884	-	173 018	-
Croatia	11 742	-	11 742	8 966	-	8 966	-	20 708	-
Cuba	48 735	48 735	-	-	-	-	48 735	-	-
Cyprus	2 456	2 456	-	6 870	6 870	-	9 326	-	-
Czech Republic	35 976	35 976	-	-	-	-	35 976	-	-
Dominican Republic	15 668	-	15 668	194 837	-	194 837	-	210 505	-
Ecuador	24 509	-	24 509	350 339	-	350 339	-	374 848	-
Egypt	74 648	74 648	-	-	-	-	74 648	-	-
El Salvador	11 921	11 921	-	-	-	-	11 921	-	-
Estonia	8 048	8 048	-	-	-	-	8 048	-	-
Gabon	935	-	935	12 720	-	12 720	-	13 655	-
Georgia	28 721	-	28 721	3 757	-	3 757	-	32 478	-
Ghana	46 067	-	46 067	698 293	10 000	688 293	10 000	734 360	-
Greece	21 583	21 583	-	-	-	-	21 583	-	-
Guatemala	8 450	-	8 450	363 913	8 612	355 301	8 612	363 751	-
Hungary	53 453	53 453	-	-	-	-	53 453	-	-
Indonesia	42 373	42 373	-	-	-	-	42 373	-	-
Iran, Islamic Republic of	79 057	-	79 057	-	-	-	-	79 057	-
Iraq	46 159	-	46 159	81 863	-	81 863	-	128 022	-
Israel	27 338	27 338	-	-	-	-	27 338	-	-
Jamaica	17 629	-	17 629	91 674	-	91 674	-	109 303	-

SCHEDULE S9 (continued)

Recipients	1998			1975-1997			Total paid in 1999	Total outstanding	Advance payments
	Assessed	Paid in 1999	Outstanding	Unpaid balance as at 1 January	Paid in 1999	Outstanding			
Jordan	17 096	-	17 096	36 679	36 679	-	36 679	17 096	-
Kazakhstan	59 009	-	59 009	94 048	39 122	54 926	39 122	113 935	-
Kenya	19 765	-	19 765	380 856	6 479	374 377	6 479	394 142	-
Korea, Republic of	25 324	25 324	-	-	-	-	25 324	-	-
Kuwait	-	-	-	1 012	-	1 012	-	1 012	-
Kyrgyzstan	-	-	-	9 021	-	9 021	-	9 021	-
Latvia	14 796	14 796	-	-	-	-	14 796	-	-
Lebanon	24 456	-	24 456	-	-	-	-	24 456	-
Libyan Arab Jamahiriya	9 998	-	9 998	106 343	-	106 343	-	116 341	-
Lithuania	24 182	-	24 182	4 904	3 469	1 435	3 469	25 617	-
Malaysia	26 454	26 454	-	-	-	-	26 454	-	-
Marshall Islands	3 358	3 358	-	2 917	2 917	-	6 275	-	-
Mauritius	6 852	6 852	-	3 084	3 084	-	9 936	-	-
Mexico	63 129	-	63 129	140 624	18 607	122 017	18 607	185 146	-
Mongolia	23 476	-	23 476	380 105	15 000	365 105	15 000	388 581	-
Morocco	70 964	70 964	-	66 690	66 690	-	137 654	-	5 663
Nigeria	75 279	-	75 279	70 625	70 625	-	70 625	75 279	-
Pakistan	55 396	55 396	-	-	-	-	55 396	-	683
Panama	11 595	-	11 595	134 440	39 387	95 053	39 387	106 648	-
Paraguay	11 422	-	11 422	33 911	-	33 911	-	45 333	-
Peru	64 570	-	64 570	710 801	111 624	599 177	111 624	663 747	-
Philippines	33 734	-	33 734	52 562	28 161	24 401	28 161	58 135	-
Poland	24 858	-	24 858	14 073	10 978	3 095	10 978	27 953	-
Portugal	6 783	-	6 783	8 723	-	8 723	-	15 506	-
Republic of Moldova	8 598	-	8 598	10 989	-	10 989	-	19 587	-
Romania	30 990	-	30 990	79 023	20 288	58 735	20 288	89 725	-
Russian Federation	-	-	-	431	-	431	-	431	-
Saudi Arabia	9 494	9 494	-	-	-	-	9 494	-	-
Singapore	335	335	-	-	-	-	335	-	-
Slovakia	26 071	26 071	-	-	-	-	26 071	-	-
Slovenia	19 406	9 624	9 782	2 470	2 470	-	12 094	9 782	-
South Africa	18 445	-	18 445	17 628	-	17 628	-	36 073	-
Sri Lanka	34 327	-	34 327	478 755	45 208	433 547	45 208	467 874	-
Syrian Arab Republic	43 324	-	43 324	-	-	-	-	43 324	-
Thailand	28 001	28 001	-	-	-	-	28 001	-	-
The former Yugoslav Republic of Macedonia	32 930	-	32 930	46 659	46 659	-	46 659	32 930	-
Tunisia	38 234	-	38 234	311 191	-	311 191	-	349 425	-
Turkey	54 525	54 525	-	-	-	-	54 525	-	-
Ukraine	90 433	90 433	-	52 852	52 852	-	143 285	-	-
United Arab Emirates	345	-	345	47 572	47 572	-	47 572	345	-

SCHEDULE S9 (continued)

Recipients	1998			1975-1997			Total paid in 1999	Total outstanding	Advance payments
	Assessed	Paid in 1999	Outstanding	Unpaid balance as at 1 January	Paid in 1999	Outstanding			
Uruguay	18 285	18 285	-	11 865	11 865	-	30 150	-	-
Uzbekistan	8 658	-	8 658	27 179	-	27 179	-	35 837	-
Venezuela	35 972	22 123	13 849	-	-	-	22 123	13 849	-
Viet Nam	63 954	63 954	-	-	-	-	63 954	-	-
Yugoslavia b/	-	-	-	1 302	-	1 302	-	1 302	-
Zimbabwe	9 172	-	9 172	104 517	-	104 517	-	113 689	-
Arrears from Bosnia and Herzegovina, Croatia, Slovenia, The former Yugoslav Republic of Macedonia and Yugoslavia	-	-	-	381 410	-	381 410	-	381 410	-
<u>Former Member:</u>							-		
Democratic People's Republic of Korea c/	-	-	-	39 712	-	39 712	-	39 712	-
TOTAL	2 476 591	1 052 814	1 423 777	7 155 645	1 122 135	6 033 510	2 174 949	7 457 287	6 536

a/ Algeria paid an amount of 4 233 600 Algerian dinars for assessed programme costs to UNDP; however, credit in United States dollars has not yet been received by the Agency from UNDP.

b/ The inclusion of Yugoslavia does not prejudge future developments concerning the membership of Yugoslavia.

c/ The Democratic People's Republic of Korea withdrew from the Agency on 13 June 1994.

SCHEDULE S10

**CURRENT ACCOUNTS AT BANKS
AS AT 31 DECEMBER 1999**

Local currency	Amount in local currency	UN operational exchange rate	US dollar equivalent
Agency Funds			
Albanian leks	1 229 574	134.3400	9 153
Australian dollars	5 026	1.5700	3 201
Austrian schillings	6 504 425	13.6640	476 026
Belgian francs	(3 983 764) a/	40.0575	(99 451)
Brazilian reais	3 201	1.9500	1 642
Bulgarian leva	157 149	1.8800	83 590
Canadian dollars	100 552	1.4700	68 403
Chinese yuan renminbi	13 652 520	8.2660	1 651 648
Cuban pesos	1 009 830	1.0000	1 009 830
Czech koruny	258 322	34.4020	7 509
Democratic People's Republic of Korea won	1 714 579	2.1200	808 764
Egyptian pounds	(1 811) b/	3.4160	(530)
European currency unit	162 145	0.9930	163 288
Finnish markka	717	5.9041	121
French francs	775 309	6.5137	119 027
German marks	82 319	1.9421	42 387
Hungarian forints	3 968 679	250.0000	15 875
Indian rupees	9 558 068	43.1500	221 508
Iranian rials	2 368 580 530	8107.0000	292 165
Italian lire	62 790 110	1922.7000	32 657
Japan yen	7 467 111	102.0000	73 207
Netherlands guilders	11 320	2.1883	5 173
New Zealand dollars	1 838	1.9500	943
Pakistan rupees	2 627 338	51.2310	51 284
Philippine pesos	590 447	40.5500	14 561
Polish zlotys	197 967	4.1100	48 167
Romanian lei	4 150 675 624	17855.0000	232 466
Russian Federation roubles	(216 322) b/	26.4300	(8 185)
Slovak koruny	376 975	41.6820	9 044
Slovenian tolar	597 502	185.2400	3 226
Spanish pesetas	(12 469 698) a/	165.2210	(75 473)
Sri Lanka rupees	8 914 469	71.2000	125 203
Swedish kronar	112 243	8.5100	13 189
Swiss francs	2 910	1.5900	1 830
Thai baht	881 961	38.6150	22 840
United Kingdom pounds	76 276	0.6250	122 042
United States dollars	(1 894 323) b/	1.0000	(1 894 323)
TOTAL CURRENT ACCOUNTS AT BANKS			3 652 007

a/ Bank account is maintained in Euro, but many disbursements are denominated in local currency resulting in apparent overdraft. Accounts are adjusted each month after statements are received.

b/ The negative book balances represent items in transit. The actual balances at the bank were positive at 31 December 1999, therefore no interest expense was incurred.

NOTE: (1) If calculated at UN operational exchange rates (UNROEs) in effect on 1 January 2000, the total US dollar value amounts to \$ 3 645 559 which represents a decrease of 0.18 per cent in relation to the value at 31 December 1999 rates. The difference is due to fluctuations of the US dollar value against the currencies actually held by the Agency. This does not affect the Agency's holdings or purchasing power in those currencies.

The free use by the Agency of some currencies is legally or otherwise restricted. At year-end, the US dollar equivalent of these currencies is \$ 4 212 819 (1998: \$ 5 189 641) based on the respective UNROEs.

(2) The Agency's bankers have reported sums totalling \$ 274 328 in excess of the Agency's recorded balances. These amounts represent items in transit and deposits under investigation at year-end to assure that the proper credit is recorded.

SCHEDULE S11

**DEPOSIT ACCOUNTS AT BANKS
AS AT 31 DECEMBER 1999**

Deposit	Interest rate p.a.	Maturity date		Amount in local currency	UN operational exchange rate	US dollar equivalent
<u>Agency Funds</u>						
Banque Paribas, Paris	5.25000 %	Call	US\$	1 000 000	1.0000	1 000 000
San Paolo Bank, Vienna	3.60000 %	Call	AS	20 000 000	13.6640	1 463 700
Generale de Banque, Brussels	6.35000 %	00-01-03	US\$	5 000 000	1.0000	5 000 000
Robert Fleming, London	5.50000 %	00-01-06	US\$	3 000 000	1.0000	3 000 000
Sakura Bank, London	5.71875 %	00-01-10	US\$	2 000 000	1.0000	2 000 000
Raiffeisen Landesbank, Vienna	3.43000 %	00-01-10	AS	20 000 000	13.6640	1 463 700
Raiffeisen Landesbank, Vienna	3.43000 %	00-01-14	AS	20 000 000	13.6640	1 463 700
Banca di Roma, Rome	3.40000 %	00-01-14	ITL	18 000 000 000	1 922.7000	9 361 835
Bank Austria, Vienna	3.59000 %	00-01-15	AS	3 000 000	13.6640	219 555
Schoeller Bank, Vienna	3.54000 %	00-01-20	AS	20 000 000	13.6640	1 463 700
Raiffeisen Landesbank, Vienna	3.52000 %	00-01-20	AS	25 000 000	13.6640	1 829 626
Schoeller Bank, Vienna	3.40000 %	00-01-21	AS	20 000 000	13.6640	1 463 700
Bank of Tokyo, London	6.34000 %	00-01-21	US\$	6 700 000	1.0000	6 700 000
San Paolo Bank, Vienna	3.50000 %	00-01-24	AS	45 000 000	13.6640	3 293 326
Banco Ambrosiano/Cariplo, Milan	4.96875 %	00-01-25	US\$	5 000 000	1.0000	5 000 000
Schoeller Bank, Vienna	3.39000 %	00-01-27	AS	40 000 000	13.6640	2 927 400
Schoeller Bank, Vienna	3.39000 %	00-01-28	AS	25 000 000	13.6640	1 829 626
Oesterreichische Volksbanken, Vienna	3.39000 %	00-01-28	AS	15 000 000	13.6640	1 097 775
Creditanstalt Bankverein, Vienna	3.36000 %	00-01-28	AS	15 000 000	13.6640	1 097 775
Raiffeisen Landesbank, Vienna	4.95000 %	00-01-31	US\$	1 000 000	1.0000	1 000 000
Raiffeisen Landesbank, Vienna	5.97000 %	00-02-01	US\$	1 000 000	1.0000	1 000 000
Generale de Banque, Brussels	6.04000 %	00-02-01	US\$	2 000 000	1.0000	2 000 000
San Paolo Bank, Vienna	3.48000 %	00-02-25	AS	40 000 000	13.6640	2 927 400
San Paolo Bank, Vienna	3.48000 %	00-02-28	AS	50 000 000	13.6640	3 659 251
Bank Austria, Vienna	3.36000 %	00-03-01	AS	2 500 000	13.6640	182 963
Bank Austria, Vienna	3.26000 %	00-03-01	AS	3 200 000	13.6640	234 192
Bank Austria, Vienna	3.30000 %	00-03-01	AS	3 100 000	13.6640	226 874
Bank Austria, Vienna	3.34000 %	00-03-01	AS	1 500 000	13.6640	109 778
Bank Austria, Vienna	3.42000 %	00-03-01	AS	2 000 000	13.6640	146 370
Die Erste Bank, Vienna	6.75000 %	00-03-15	AS	1 000 000	13.6640	73 185
San Paolo Bank, Vienna	3.48000 %	00-03-29	AS	40 000 000	13.6640	2 927 400
San Paolo Bank, Vienna	3.48000 %	00-03-30	AS	50 000 000	13.6640	3 659 251
Robert Fleming, London	5.10000 %	00-04-13	US\$	2 000 000	1.0000	2 000 000
San Paolo Bank, Vienna	3.46000 %	00-04-26	AS	40 000 000	13.6640	2 927 400
San Paolo Bank, Vienna	3.46000 %	00-04-27	AS	50 000 000	13.6640	3 659 251
Bank Austria, Vienna	3.39000 %	00-05-01	AS	2 600 000	13.6640	190 281
Robert Fleming, London	5.21875 %	00-05-04	US\$	8 000 000	1.0000	8 000 000
Robert Fleming, London	5.47000 %	00-06-01	US\$	1 500 000	1.0000	1 500 000
Banco do Brasil, Vienna	7.00000 %	00-08-04	US\$	4 000 000	1.0000	4 000 000
Bank Austria, Vienna	3.58000 %	00-09-01	AS	5 000 000	13.6640	365 925
Banco do Brasil, Vienna	7.50000 %	00-09-07	US\$	1 000 000	1.0000	1 000 000
Bank Austria, Vienna	3.43000 %	00-10-01	AS	6 000 000	13.6640	439 110
Banque Paribas, Paris	6.05000 %	00-10-07	US\$	5 000 000	1.0000	5 000 000
Raiffeisen Landesbank, Vienna	6.13000 %	00-10-10	US\$	4 300 000	1.0000	4 300 000
Banco do Brasil, Vienna	7.25000 %	00-11-30	US\$	1 000 000	1.0000	1 000 000

SCHEDULE S11 (continued)

Deposit	Interest rate p.a.	Maturity date	Amount in local currency	UN operational exchange rate	US dollar equivalent
Banco do Brasil, Vienna	7.25000 %	00-12-07	US\$ 2 000 000	1.0000	2 000 000
Banco do Brasil, Vienna	7.25000 %	00-12-20	US\$ 1 000 000	1.0000	1 000 000
Banco do Brasil, Vienna	7.25000 %	00-12-21	US\$ 1 000 000	1.0000	1 000 000
Bank Austria, Vienna	3.64000 %	01-01-01	AS 5 000 000	13.6640	365 925
TOTAL DEPOSIT ACCOUNTS					108 569 974

NOTE: If calculated at UN operational exchange rates in effect on 1 January 2000, the total US dollar value amounts to \$ 108 499 365 which represents a 0.07 per cent decrease in relation to the value at 31 December 1999 rates. The difference is due to fluctuations of the US dollar value against the currencies actually held by the Agency. This does not affect the Agency's holdings or purchasing power in those currencies.

SCHEDULE S12

**CASH IN HAND, CURRENT AND DEPOSIT ACCOUNTS AT BANKS
BY FUND GROUP AND FUNDS**

AS AT 31 DECEMBER 1999

Fund Group	Cash in hand	Current and Deposit Accounts	Total
I Regular Budget Fund and Working Capital Fund	248 338	35 179 413	35 427 751
II Technical Co-operation Fund	9 205	40 438 814	40 448 019
III Extrabudgetary Programme Fund		25 865 467	25 865 467
IV Technical Co-operation Extrabudgetary Fund - Member States and International Organizations		7 343 838	7 343 838
V Technical Co-operation Extrabudgetary Fund - United Nations Development Programme (UNDP)		1 012 250	1 012 250
VI Trust Funds:			
Research Institutes Trust Fund		1 404 670	
International Thermonuclear Experimental Reactor Engineering Design Activities (ITER-EDA) Trust Fund		977 529	2 382 199
TOTAL (Statement II)	257 543	112 221 981	112 479 524

PART IV

NOTES TO THE FINANCIAL STATEMENTS

1. Statement of the Agency's objectives

The International Atomic Energy Agency (IAEA) is an autonomous intergovernmental organization founded in 1957 in accordance with a decision of the General Assembly of the United Nations. Its statutory mandate is to seek to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity throughout the world and to ensure, so far as it is able, that assistance provided by it or at its request or under its supervision or control is not used in such a way as to further any military purpose.

2. Significant accounting policies

(a) Basis of presentation

The financial statements of the Agency are presented in United States dollars (US dollars) and reflect the application of the IAEA's financial regulations and rules. The statements comply with the United Nations system accounting standards in all material respects.

(b) Fund grouping

The Agency maintains separate accounts for each Fund which are combined into six groups for reporting purposes. The Funds are established on the basis of resolutions passed by the General Conference and are administered in accordance with the Financial Regulations adopted by the Board of Governors, Financial Rules which are issued by the Director General, and procedures and practices established by the Secretariat in conformity thereto.

The purpose of Fund group I (Regular Budget Fund and Working Capital Fund) is to meet the obligations of the Agency arising from authorized appropriations. The Regular Budget Fund is based on an annual Regular Budget approved by the General Conference and financed from assessed contributions and miscellaneous income. The Working Capital Fund, which serves to finance appropriations pending the receipt of contributions, and for purposes which are determined from time to time by the Board of Governors with the approval of the General Conference, is financed from advances from Member States.

The purpose of Fund group II (General Fund - Technical Co-operation Fund) is to meet the obligations related to the approved Technical Co-operation programme. Fund group II is based on General-Conference-approved one-year allocations which are financed from voluntary contributions, assessed programme costs, and miscellaneous income. Unused funds may be carried forward for the completion of the approved programme.

The purpose of Fund group III (General Fund - Extrabudgetary Programme Fund) is to meet the obligations related to extrabudgetary activities in support of the Regular Programme. Fund group III is financed from special voluntary contributions from donor countries and international organizations. They are available for the approved programmes until they are actually used, and in consultation with the donor concerned.

The purpose of Fund group IV (General Fund - Technical Co-operation Extrabudgetary Fund - Member States and International Organizations) is to meet the obligations related to extrabudgetary activities of approved Technical Co-operation projects. Fund group IV is financed from special voluntary contributions which are available for the approved projects until they are actually used, and in consultation with the donor concerned.

The purpose of Fund group V (General Fund - Technical Co-operation Extrabudgetary Fund - United Nations Development Programme (UNDP)) is to meet the obligations related to UNDP projects. Fund group V is financed from UNDP resources which are available for the approved projects until they are actually used, and in consultation with UNDP.

The purpose of Fund group VI (Trust Funds and Reserve Funds) is to meet the obligations related to activities financed from their respective resources.

(c) Income recognition

Fund group I

Assessments from Member States and miscellaneous income (work for others) are recorded on an accrual basis. With regard to other miscellaneous income, for the purpose of calculating surpluses to be returned to Member States, only that portion which is actually received in cash at the year-end is included in the financial statements.

Fund group II

Voluntary contributions from Member States are recorded on an accrual basis. Miscellaneous income and income from assessed programme costs are recorded on a cash basis.

Fund groups III, IV, V and VI

Income in these Fund groups is recorded on a cash basis.

(d) Cash management

Cash is managed globally to enable the Agency to meet its financial obligations in the currency mix required and in order to reduce the purchase of currencies outside the Agency. Amounts due between Funds or Fund groups are settled at their US dollar equivalents applicable at the transaction date. Interest income is initially recorded in the Regular Budget Fund (Fund group I). At the year-end, it is apportioned between Fund groups I and II on the basis of the amounts in interest-bearing currencies held during the year.

(e) Expenditure recognition

Expenditure comprises disbursements and unliquidated obligations incurred in respect of the current budget year.

Obligations are engagements involving a liability against resources for which expenditure authority has been given. Unliquidated obligations are obligations or that portion of obligations which are not yet paid. Obligations are recorded in accordance with the Financial Regulations and Rules on the basis of contracts, purchase orders, agreements or other forms of legal undertaking, or based upon a liability recognized by the Agency.

(f) Split appropriation/assessment system

The split appropriation/assessment system was introduced in 1986 to reduce the Agency's exposure to the effects of currency exchange rate fluctuations on Regular Budget expenditure. Each year, the General Conference approves a budget for the Agency which is allocated in appropriation sections. The Director General may incur expenditure within the limits stated in the appropriation sections and for the purposes for which they were voted. He cannot make transfers between any of the sections without the prior approval of the Board of Governors. The amount in each section comprises a US dollar component and an Austrian schilling (ATS) component expressed as a US dollar equivalent on the basis of the average ATS-to-US dollar United Nations Rate of Exchange experienced during the budget year. Therefore, the authority granted by the General Conference, expressed in US dollars, can only be determined at the end of the budget year.

Member States are assessed in accordance with the scale of assessment fixed by the General Conference. Individual assessments are established with a component in US dollars and a component in Austrian schillings. These components are in direct proportion to the respective shares of the Regular Budget expenditure linked to the two currencies.

(g) Transactions in foreign currencies

Transactions in foreign currencies are recorded in the financial statements at the United Nations Rate of Exchange in effect on the date of the transaction.

The treatment of exchange gains and losses is as follows:

Fund groups I and II

- Realized gains and losses resulting from the purchase of other currencies and the liquidation of accounts receivable and payable are credited or charged to miscellaneous income.
- Unrealized net gains resulting from the revaluation of cash are recorded as a provision on the balance sheet, whereas net losses are charged to miscellaneous income.
- Unrealized gains and losses relating to the revaluation of unliquidated obligations are recorded as adjustments to the corresponding programme expenditure.

Fund groups III, IV,V and VI

- For reporting purposes, all net gains and losses (realized and unrealized) in Fund groups III, IV, V and VI are included with the respective gains and losses of Fund group I.

(h) Cash surpluses/deficits and fund balances

For Fund group I, cash surpluses are allocated to Member States in accordance with the scale of contributions for the year to which they relate. The allocation is applied to Member States who have paid their respective contributions in full. Cash deficits are covered temporarily by advances from the Working Capital Fund pending receipt of prior years' assessed contributions.

For Fund groups II, III, IV, and VI, fund balances represent the net assets or liabilities of the Funds. These balances are carried forward to future periods.

For Fund group V, carry-over of balances is subject to approval by UNDP.

(i) Capital assets

Capital assets are charged to expenditure in the year of acquisition. However, inventory records are maintained for all non-expendable equipment, supplies and materials over \$1 000 or of a sensitive nature. The value of the inventory is disclosed in Note 18 below.

(j) Uncollected assessments and contributions received in advance

A reserve for uncollected assessments in the amount of contributions outstanding for longer than a year is shown as a deduction from available surpluses on the balance sheet. The related income is not adjusted.

Contributions received in advance are considered a liability owed to the donor when initially received, and are recorded as income in the following year.

(k) Contributions in kind

Contributions in kind - in the form of expert services, equipment, meetings and fellowships offered by Member States and international organizations - are not recorded in the accounts of the Agency. However, estimates of such contributions are disclosed in Note 17 below.

(l) Services without charge

The Agency provides certain administrative and audit services to the Austrian schilling-based Funds without charge.

3. Pension fund participation

The Agency participates in and contributes to the United Nations Joint Staff Pension Fund (UNJSPF), which is liable for pension payments to eligible Agency staff members. The total liability of the Agency to the UNJSPF consists of its contributions which are accounted for annually and its share of any actuarial deficit of the UNJSPF which would be accounted for when levied.

4. Common Fund for Major Repairs and Replacements

On 1 January 1981 an agreement between the Republic of Austria, the United Nations, and the IAEA went into effect to establish a Common Fund for the purpose of financing the cost of major repairs and replacements of buildings, facilities and technical installations which are the property of the Republic of Austria and form part of the headquarters areas of the United Nations and the IAEA at the Vienna International Centre. This agreement has applied to the United Nations Industrial Development Organization (UNIDO) since 1986 when it became an independent organization.

As at 31 December 1999 the balance of the Fund, which is administered by UNIDO, was \$2 801 540 (1998: \$2 586 361).

5. Other/Miscellaneous income by major categories

	1999	1998
(a) Revenue producing activities		
Publications of the Agency-INIS	81 977	161 185
Publications of the Agency-Other	448 298	512 328
Laboratory income	160 852	158 661
INIS/AGRIS Direct Access income	6 727	5 333
Amounts recoverable from safeguards agreements	322 972	471 402
Other service income	3 285	5 122
Total (Statement I)	1 024 111	1 314 031
(b) Jointly financed activities		
Data processing services	1 179 726	1 643 567
Printing services	1 462 887	1 393 340
Medical services	644 750	681 081
Library services	1 158 053	1 250 049
Radiation protection services	89 098	85 288
Translation services	56 230	104 242
Nuclear Fusion Journal	418 139	389 158
Total (Statement I)	5 008 883	5 546 725

6. Expenditure (Statement I)

Total expenditure of \$58 934 544 for the Technical Co-operation Fund includes obligations amounting to \$762 736 against future year project budgets (1998: \$1 107 941).

7. Prior period adjustments

Prior period adjustments consist of the following:

	<u>1999</u>	<u>1998</u>
(a) Regular Budget Fund:		
Excess of assessment collection over previous years' outstanding		
Total (Statement I)	<u>293 785</u>	<u>5 447 704</u>
(b) Technical Co-operation Fund:		
Pledges and adjustments to pledges related to prior years' programmes		
Total (Statement I)	<u>(129 066)</u>	<u>(1 165 704)</u>

8. Reserves

Transfers to reserves

An amount of \$866 173 was allocated to the Equipment Replacement Fund 2000 (ERF2000), of which US\$146 173 was transferred from the Equipment Replacement Fund (Fund group VI) as approved by the Board of Governors (GOV/OR.947, GOV/1998/15), bringing the total to \$1 206 173 at year-end (Statements I and II).

9. Credits to Member States

Cash surpluses returned to eligible Member States amounted to \$9 045 253 (1998: \$18 480 440). This comprises cash surpluses from 1997 and prior years which were credited to the respective Member States' assessments (Statement I).

10. United Nations Development Programme (UNDP) (Statement I)

	Funds Available ^{1/}	Expenditure	Unused Balance
IAEA as:			
Executing Agency	1 304 746	464 966	839 780
Associated Agency	(4 700)	4 830	(9 530)
Total 1999	1 300 046	469 796	830 250
Total 1998	1 487 619	1 399 468	88 151

11. Trust Funds (Statement I)

Fund group VI contains two Trust Funds as follows:

	Funds Available ^{1/}	Expenditure	Unused Balance
<u>Trust Funds</u>			
International Thermonuclear Experimental Reactor- Engineering Design Activities (ITER-EDA)	2 450 529	1 473 000	977 529
Research Institute Trust Fund (RITF)	1 945 653	619 140	1 326 513
Total 1999	4 396 182	2 092 140	2 304 042
Total 1998	4 901 369	2 112 338	2 789 031

^{1/} Includes prior periods' unused balances carried forward

12. Assessed contributions receivable

Assessments outstanding by budget years amount to:

<u>Budget Year</u>	<u>1999</u>	<u>1998</u>
1959-1992	3 388 521	3 408 514
1993	752 857	756 293
1994	799 040	1 050 788
1995	1 515 774	2 403 608
1996	2 031 624	4 735 244
1997	6 282 857	12 510 375
1998	7 862 818	20 016 669
(Schedule S1)	22 633 491	44 881 491
1999 (Schedule S1)	14 946 127	
Total (Statement II)	37 579 618	44 881 491

13. Accounts receivable - Other

(a) Regular Budget Fund

	<u>1999</u>	<u>1998</u>
Member States	2 106 520	5 499 770
United Nations, specialized agencies and other international organizations	1 004 516	1 194 200
Staff	2 432 593	2 200 707
Suppliers and contractors	904 252	815 613
Other accounts	2 241 883	710 845
Working Capital advances	24 940	62 000
Total (Statement II)	8 714 704	10 483 135

(b) Technical Co-operation Fund

	<u>1999</u>	<u>1998</u>
Member States	130 755	178 263
United Nations, specialized agencies and other international organizations	212 129	157 285
Staff	90 172	268 719
Suppliers and contractors	321 586	318 905
Funds with agents	2 869 984	1 925 900
Other accounts	50 298	40 458
Total (Statement II)	3 674 924	2 889 530

14. Unliquidated Obligations - Regular Budget Fund

Unliquidated obligations relate to the budget years as follows:

	1999	1998
Current year	23 381 220	22 096 068
Prior years	1 080 701	930 791
Total (Statement II)	24 461 921	23 026 859

15. Provision for Revaluation of Cash (Statement II)

The provision represents net unrealized gains from the revaluation of cash:

	1999	1998
Regular Budget Fund	-	2 329 462
Technical Co-operation Fund	-	-
Total (Statement II)	-	2 329 462

The weakening of the Austrian schilling against the US dollar in 1999 led to unrealized losses for the Regular Budget Fund. The Technical Co-operation Fund continued to incur unrealized exchange losses due to the weakening against the US dollar of some currencies held in substantial amounts by the Fund.

16. Accounts payable - Other

(a) Regular Budget Fund

	1999	1998
Member States	516 889	533 620
United Nations, specialized agencies and other international organizations	183 474	41 928
Staff	393 211	415 724
Other accounts	497 337	377 806
Suppliers and contractors	3 237	41 581
Total (Statement II)	1 594 148	1 410 659

(b) Technical Co-operation Fund

	1999	1998
United Nations, specialized agencies and other international organizations	123 252	207 139
Staff	14 478	24 941
Other accounts	14 062	11 932
Suppliers and contractors	68	11 847
Total (Statement II)	151 860	255 859

17. Contributions in kind

Contributions in kind made by Member States, their institutions and international organizations are as follows:

	Thousands of US Dollars					
	Member States		International Organizations		Totals	
	1999	1998	1999	1998	1999	1998
Fellowships	445	811	-	-	445	811
Equipment and supplies	278	7 878	2	12	280	7 890
Meetings and other items	1 259	486	-	-	1 259	486
Cost-free experts	9 433	7 792	24	14	9 457	7 806
Total	11 415	16 967	26	26	11 441	16 993

Because of their nature, the monetary value of these contributions are only estimates. More details can be seen in Annex A3 (unaudited).

18. Non-expendable equipment

The Agency's inventory records show the following net values for equipment:

	Thousands of US Dollars	
	1999	1998
Scientific and technical equipment	19 149	19 669
Computer equipment	5 377	6 075
Office equipment	605	1 042
Transportation equipment	496	482
Furniture and fittings	39	47
Total	25 666	27 315

Equipment for inventory purposes are all items with an original purchase value of \$1 000 or more, and all sensitive items.

The amounts shown are the current values determined by reducing the original value over the estimated useful life of the items, which is three years for electronic data processing equipment and five years for all others.

The title to technical co-operation equipment is passed to the recipient upon delivery and is therefore not included in the Agency's property records.

19. Separation benefits

Under the Provisional Staff Regulations and Staff Rules, staff members of the Agency are eligible to receive certain benefits on separation from the service of the Agency. Expenditure is recorded in the year in which the benefits are paid. Entitlements and the corresponding liabilities as at 31 December 1999 are estimated as follows:

	Thousands of US dollars	
	1999	1998
Repatriation - grants	13 434	13 818
- travel and household removal	8 822	9 754
Accrued annual leave	13 279	15 381
End-of-service allowances	11 752	10 819
Total	47 287	49 772

20. Post retirement benefits

Under the Provisional Staff Regulations and Staff Rules, retirees of the Agency are eligible to obtain medical insurance through the Agency. The Agency contributes towards the retiree's total premium and records the cost of this benefit in the year it is incurred. The Agency's share of the total premium was \$681 000 (1998: \$621 000). No actuarial valuation has been carried out to assess the liability for future years, however, it is expected that the amounts payable will be consistent with prior years.

PART V

ANNEXES

ANNEX A1

REGULAR BUDGET FUND

ESTIMATED AND ACTUAL RESOURCES FOR THE YEAR ENDED 31 DECEMBER 1999

	Budget estimates a/	Adjustments	Adjusted estimates	Actual resources			Excess (shortfall) of actual resources over adjusted budget estimates
				Receipts	Outstanding	Total	
Assessed contributions from Member States	210 813 153	-	210 813 153	195 886 490	14 926 663	210 813 153	-
Contributions assessed on new Member States	-	22 708 b/	22 708	3 244	19 464	22 708	-
	210 813 153	22 708	210 835 861	195 889 734	14 946 127	210 835 861	-
Foreign currency revaluation	1 433 847		1 433 847	-	-	-	(1 433 847)
Total assessments and revaluation	212 247 000	22 708	212 269 708	195 889 734	14 946 127	210 835 861	(1 433 847)
Miscellaneous income							
(a) Work for others (Appropriation 8)							
Data processing services	981 000	-	981 000	1 081 989	97 737	1 179 726	198 726
Printing services	1 226 000	-	1 226 000	1 341 992	120 895	1 462 887	236 887
Medical services	746 000	-	746 000	528 750	116 000	644 750	(101 250)
Library services	1 252 000	-	1 252 000	776 116	381 937	1 158 053	(93 947)
Radiation protection services	91 000	-	91 000	89 098	-	89 098	(1 902)
Translation services	52 000	-	52 000	56 230	-	56 230	4 230
Nuclear Fusion Journal	553 000	-	553 000	418 139	-	418 139	(134 861)
Sub-total	4 901 000	-	4 901 000	4 292 314	716 569	5 008 883	107 883
(b) Attributable to specific programmes							
Publications of the Agency - INIS	257 000	-	257 000	81 977	-	81 977	(175 023)
Publications of the Agency - Other	578 000	-	578 000	448 298	-	448 298	(129 702)
Laboratory income	160 000	-	160 000	160 852	-	160 852	852
INIS/AGRIS Direct Access income	35 000	-	35 000	6 727	-	6 727	(28 273)
Amounts recoverable from safeguards agreements	400 000	-	400 000	322 972	-	322 972	(77 028)
Programme support income	177 000	-	177 000	123 404	-	123 404	(53 596)
Other service income	2 000	-	2 000	3 285	-	3 285	1 285
Sub-total	1 609 000	-	1 609 000	1 147 515	-	1 147 515	(461 485)
(c) Not attributable to specific programmes							
Investment and interest income	2 543 000	-	2 543 000	3 937 086	-	3 937 086	1 394 086
Gain (Loss) on exchange of currencies	-	-	-	(2 157 217)	-	(2 157 217)	(2 157 217)
Other	532 000	-	532 000	505 348	-	505 348	(26 652)
Sub-total	3 075 000	-	3 075 000	2 285 217	-	2 285 217	(789 783)
Sub-total (b) and (c)	4 684 000	-	4 684 000	3 432 732	-	3 432 732	(1 251 268)
Sub-total (a), (b) and (c)	9 585 000	-	9 585 000	7 725 046	716 569	8 441 615	(1 143 385)
TOTAL ASSESSMENTS AND MISCELLANEOUS INCOME	221 832 000	22 708	221 854 708	203 614 780	15 662 696	219 277 476	(2 577 232)

a/ GC(42)/RES/6

b/ Schedule S1

ANNEX A2

TECHNICAL CO-OPERATION FUND

ESTIMATED AND ACTUAL RESOURCES IN THE YEAR ENDED 31 DECEMBER 1999

	Current year	1998	1997	1996	1995	Prior to 1995	Total
I. Estimates							
Targets	73 000 000	71 500 000	68 000 000	64 500 000	61 500 000		338 500 000
Estimated other income	1 000 000	1 000 000	1 000 000	1 000 000	1 000 000		5 000 000
Total allocations	74 000 000 a/	72 500 000	69 000 000	65 500 000	62 500 000		343 500 000
II. Actuals							
1. Voluntary contributions received for							
1999	63 073 978	-	-	-	-		63 073 978
1998	295 411	52 562 040	-	-	-		52 857 451
1997	74 365	1 017 959	46 802 687	-	-		47 895 011
1996	-	20 227	1 254 118	48 037 796	-		49 312 141
1995	-	(386 789)	160 044	1 253 764	46 390 600		47 417 619
for prior years	19 050	69 763	29 277	8 901	5 776 212		5 903 203
Total	63 462 804	53 283 200	48 246 126	49 300 461	52 166 812		266 459 403
2. Assessed programme costs received	2 174 949	2 971 960	1 978 573	2 251 961	2 005 983		11 383 426
3. Miscellaneous income	1 061 327	1 011 690	684 015	1 378 481	2 731 317		6 866 830
Total received	66 699 080	57 266 850	50 908 714	52 930 903	56 904 112		284 709 659
4. Resources outstanding							
Voluntary contributions pledged and unpaid	995 236	510 083	20 400	296 668	12 300	1 042 429	2 877 116 b/
Assessed programme costs	1 423 777	795 513	599 258	640 042	518 702	3 479 995	7 457 287 c/
Total outstanding	2 419 013	1 305 596	619 658	936 710	531 002	4 522 424	10 334 403
Total actual resources	69 118 093	58 572 446	51 528 372	53 867 613	57 435 114	4 522 424	295 044 062
III Difference between actuals and estimates	(4 881 907)	(13 927 554)	(17 471 628)	(11 632 387)	(5 064 886)	4 522 424	(48 455 938)

a/ GC(42)/RES/7

b/ Schedule S8

c/ Schedule S9

ANNEX A3a

**RESOURCES MADE AVAILABLE TO THE AGENCY
BY MEMBER STATES FOR 1999 INCLUDING CONTRIBUTIONS IN CASH AND IN KIND**

Member State	T O T A L	C A S H			I N K I N D a/ (Note 17)			
		Assessed contributions	Voluntary contributions (Technical Co-operation Fund)	Voluntary contributions and other extrabudgetary resources	Type II fellowships	Equipment and supplies	Meetings and other items	Cost-free experts
		Schedule S1	Schedule S8					
Afghanistan	6 389	6 389	-	-	-	-	-	-
Albania	6 136	4 926	-	-	-	-	-	1 210
Algeria	241 695	187 095	50 000	-	-	-	-	4 600
Argentina	1 667 683	1 184 007	200 000	-	-	109 714	-	173 962
Armenia	80 612	42 972	19 710	-	-	-	-	17 930
Australia	4 553 262	3 192 560	831 039	354 719	-	240	-	174 704
Austria	2 787 623	2 081 776	674 520	(11 914)	-	7 010	-	36 231
Bangladesh	28 409	17 109	7 300	-	-	-	-	4 000
Belarus	353 759	271 169	59 130	-	-	-	-	23 460
Belgium	3 088 638	2 495 364	300 000	16 667	-	980	-	275 627
Bolivia	12 591	12 591	-	-	-	-	-	-
Bosnia and Herzegovina	8 095	8 095	-	-	-	-	-	-
Brazil	2 886 712	2 327 556	400 000	-	-	375	-	158 781
Bulgaria	125 331	71 779	10 140	-	-	25	-	43 387
Cambodia	3 022	1 622	-	-	-	-	-	1 400
Cameroon	22 427	22 427	-	b/	-	-	-	-
Canada	8 926 305	6 492 453	1 549 669	493 810	-	395	-	389 978
Chile	203 184	177 808	-	10 000	-	-	-	15 376
China	2 471 987	1 501 301	650 430	105 043	-	11 360	-	203 853
Colombia	260 922	178 587	78 110	-	-	25	-	4 200
Costa Rica	31 533	26 543	-	-	-	-	-	4 990
Côte d'Ivoire	18 791	18 791	-	-	-	-	-	-
Croatia	112 125	86 379	5 000	-	-	-	-	20 746
Cuba	183 194	61 403	28 470	-	-	25	-	93 296
Cyprus	88 166	60 440	24 820	-	-	100	-	2 806
Czech Republic	732 618	289 274	121 910	90 093	-	65	-	231 276
Democratic Republic of the Congo	12 638	12 638	-	-	-	-	-	-
Denmark	2 108 034	1 589 907	495 670	-	-	375	-	22 082
Dominican Republic	74 991	24 991	-	50 000	-	-	-	-
Ecuador	34 294	34 294	-	-	-	-	-	-
Egypt	256 982	117 649	51 461	b/	-	-	-	87 872
El Salvador	21 221	18 791	-	-	-	-	-	2 430
Estonia	49 168	39 923	-	-	-	25	-	9 220
Ethiopia	13 037	11 637	-	-	-	-	-	1 400
Finland	2 250 457	1 244 915	388 360	477 794	-	170	10 842	128 376

ANNEX A3a (continued)

Member State	T O T A L	C A S H		I N K I N D a/ (Note 17)				
		Assessed contributions	Voluntary contributions (Technical Co-operation Fund)	Voluntary contributions and other extrabudgetary resources	Type II fellowships	Equipment and supplies	Meetings and other items	Cost-free experts
		Schedule S1	Schedule S8					
France	20 498 615	13 839 112	4 687 330	655 646	-	58 695	272 000	985 832
Gabon	29 197	29 197	-	-	-	-	-	-
Georgia	102 856	92 456	5 000	-	-	-	-	5 400
Germany	25 373 200	21 208 493	2 370 000	1 144 127	17 049	29 746	-	603 785
Ghana	30 464	11 236	-	2 000	-	-	-	17 228
Greece	624 245	571 081	50 000	-	-	50	-	3 114
Guatemala	43 711	29 711	14 000	-	-	-	-	-
Haiti	3 244	3 244	-	-	-	-	-	-
Holy See	3 218	2 218	1 000	-	-	-	-	-
Hungary	417 800	213 573	86 140	1 000	-	1 555	-	115 532
Iceland	78 797	74 995	-	-	-	-	-	3 802
India	856 926	515 643	220 460	-	-	5 410	-	115 413
Indonesia	293 884	266 807	-	11 100	-	25	-	15 952
Iran, Islamic Republic of	717 296	472 868	219 000	-	-	25	-	25 403
Iraq	133 748	133 748	-	-	-	-	-	-
Ireland	550 509	493 281	50 000	-	-	-	-	7 228
Israel	850 304	706 258	100 000	-	-	125	-	43 921
Italy	21 260 407	11 708 613	9 361 738	83 118	-	430	-	106 508
Jamaica	9 538	9 538	-	-	-	-	-	-
Japan	56 103 613	38 186 393	12 978 670	3 798 600	-	30 395	-	1 109 555
Jordan	36 400	13 240	5 840	-	-	-	-	17 320
Kazakhstan	518 024	193 684	-	300 000	-	-	-	24 340
Kenya	15 465	11 040	-	-	-	25	-	4 400
Korea, Republic of	2 282 370	1 620 605	287 159 c/	73 740	-	-	-	300 866
Kuwait	336 762	336 637	-	-	-	125	-	-
Latvia	140 437	78 707	-	50 000	-	-	-	11 730
Lebanon	35 364	25 104	7 500	-	-	-	-	2 760
Liberia	3 244	3 244	-	-	-	-	-	-
Libyan Arab Jamahiriya	267 067	258 835	-	-	-	-	-	8 232
Liechtenstein	19 138	11 638	7 500	-	-	-	-	-
Lithuania	108 263	73 344	-	-	-	-	-	34 919
Luxembourg	195 221	140 107	47 450 d/	-	-	-	-	7 664
Madagascar	4 839	4 839	-	-	-	-	-	-
Malaysia	411 123	268 986	121 180	12 000	-	125	-	8 832
Mali	7 039	4 839	-	-	-	-	-	2 200
Malta	33 902	23 682	10 220	-	-	-	-	-
Marshall Islands	1 622	1 622	-	-	-	-	-	-
Mauritius	15 906	15 906	-	-	-	-	-	-
Mexico	2 257 791	1 500 864	678 900	-	-	25	-	78 002
Monaco	1 128 667	6 732	2 190	157 145	-	-	962 600	-

ANNEX A3a (continued)

Member State	T O T A L	C A S H			I N K I N D a/ (Note 17)			
		Assessed contributions	Voluntary contributions (Technical Co-operation Fund)	Voluntary contributions and other extrabudgetary resources	Type II fellowships	Equipment and supplies	Meetings and other items	Cost-free experts
		Schedule S1	Schedule S8					
Mongolia	5 244	3 244	-	-	-	-	-	2 000
Morocco	138 830	67 553	29 930	-	-	5 766	14 000	21 581
Myanmar	23 784	14 939	6 570	-	-	75	-	2 200
Namibia	25 829	11 539	5 110	-	-	-	-	9 180
Netherlands	4 996 058	3 683 646	1 168 730	9 158	-	125	-	134 399
New Zealand	514 545	506 745	-	-	-	-	-	7 800
Nicaragua	4 644	3 244	-	-	-	-	-	1 400
Niger	11 884	3 244	1 460	-	-	-	-	7 180
Nigeria	160 215	108 685	50 000	-	-	-	-	1 530
Norway	1 886 131	1 401 538	436 540	13 163	-	-	-	34 890
Pakistan	176 632	97 830	43 070	-	-	40	-	35 692
Panama	25 999	25 974	-	-	-	25	-	-
Paraguay	21 891	21 891	-	-	-	-	-	-
Peru	134 621	130 821	-	-	-	-	-	3 800
Philippines	136 156	119 448	-	8 298	-	-	-	8 410
Poland	668 280	449 004	181 040	5 000	-	50	-	33 186
Portugal	698 922	566 974	100 000	7 500	-	-	-	24 448
Qatar	69 307	69 307	-	-	-	-	-	-
Republic of Moldova	70 526	68 126	-	-	-	-	-	2 400
Romania	371 455	169 294	73 730	-	-	-	-	128 431
Russian Federation	6 329 633	5 912 539	-	b/	-	445	-	416 649
Saudi Arabia	1 028 041	1 022 203	-	-	-	-	-	5 838
Senegal	11 490	9 490	-	-	-	-	-	2 000
Sierra Leone	1 622	1 622	-	-	-	-	-	-
Singapore	384 082	263 632	120 450	-	-	-	-	-
Slovakia	225 279	90 978	37 960	-	-	-	-	96 341
Slovenia	218 607	122 790	43 070	-	-	-	-	52 747
South Africa	1 062 292	592 895	263 530	85 000	-	25	-	120 842
Spain	6 676 893	5 489 812	367 661	551 469	33 660	320	-	233 971
Sri Lanka	28 136	21 086	7 000	-	-	50	-	-
Sudan	86 605	14 477	1 399	70 729	-	-	-	-
Sweden	3 630 706	2 499 615	793 510	105 530	-	240	-	231 811
Switzerland	3 802 315	2 762 974	876 730	-	-	405	-	162 206
Syrian Arab Republic	145 322	99 907	25 000	-	-	11 225	-	9 190
Thailand	387 082	261 593	113 880	5 269	-	50	-	6 290
The former Yugoslav Republic of Macedonia	13 289	7 939	-	d/	-	-	-	5 350
Tunisia	72 291	46 051	20 440	-	-	-	-	5 800
Turkey	1 017 279	677 919	317 550	2 000	-	50	-	19 760
Uganda	11 189	6 389	-	-	-	-	-	4 800
Ukraine	1 230 404	1 086 763	-	-	-	-	-	143 641

ANNEX A3a (continued)

Member State	T O T A L	C A S H			I N K I N D a/ (Note 17)			
		Assessed contributions	Voluntary contributions (Technical Co-operation Fund)	Voluntary contributions and other extrabudgetary resources	Type II fellowships	Equipment and supplies	Meetings and other items	Cost-free experts
		Schedule S1	Schedule S8					
United Arab Emirates	384 272	384 272	-	-	-	-	-	-
United Kingdom of Great Britain and Northern Ireland	15 722 653	11 105 713	3 663 870	398 387	4 200	465	-	550 018
United Republic of Tanzania	9 189	6 389	-	-	-	-	-	2 800
United States of America	84 508 340	53 024 224	18 026 500	11 995 638	390 177	1 395	-	1 070 406
Uruguay	96 551	74 926	20 000	-	-	25	-	1 600
Uzbekistan	132 479	120 049	-	-	-	-	-	12 430
Venezuela	388 372	362 487	-	15 485	-	-	-	10 400
Viet Nam	36 981	16 841	7 300	-	-	-	-	12 840
Yemen	15 691	15 691	-	-	-	-	-	-
Yugoslavia e/	95 127	92 580	-	-	-	-	-	2 547
Zambia	7 029	4 839	2 190	-	-	-	-	-
Zimbabwe	21 536	14 141	6 570	-	-	25	-	800
Sub-total	307 443 977	210 813 153	64 067 806	21 147 314	445 086	278 441	1 259 442	9 432 735
Former Member:								
Democratic People's Republic of Korea	-	-	-	-	-	-	-	-
New Members:								
Angola	16 220	16 220	-	-	-	-	-	-
Benin	4 652	3 244	1 408	-	-	-	-	-
Burkina Faso	3 244	3 244	-	-	-	-	-	-
Sub-total	24 116	22 708	1 408	-	-	-	-	-
GRAND TOTAL	307 468 093	210 835 861	64 069 214	21 147 314	445 086	278 441	1 259 442	9 432 735
Others:								
Azerbaijan	6 800	-	-	-	-	-	-	6 800
Kyrgyzstan	2 000	-	-	-	-	-	-	2 000
Tajikistan	2 000	-	-	-	-	-	-	2 000
Turkmenistan	2 000	-	-	-	-	-	-	2 000

a/ Shown at actual cost where known, otherwise estimates provided by the Agency's Scientific Divisions and/or cost as provided by Member States for Equipment and supplies; costs as provided by Member States for Meetings and other items and for Cost-free experts estimated salary cost of US\$ 200 per day plus cost of travel and subsistence provided by Member States.

b/ Revalued pledges of contributions: Cameroon pledge relating to 1988 - (\$ 263); Egypt pledge relating to 1998 - (\$ 15); Russian Federation pledge relating to 1996 - (\$ 89 738)

c/ Adjusted pledges of contributions: Republic of Korea pledge relating to 1998 - (\$ 96 250)

d/ Pledged and paid contribution in 1999 relating to 1998: Luxembourg - US\$ 50 050; The former Yugoslav Republic of Macedonia - US\$ 7 150.

e/ The inclusion of Yugoslavia does not prejudice future developments concerning the membership of Yugoslavia.

ANNEX A3b

RESOURCES MADE AVAILABLE TO THE AGENCY

BY UNITED NATIONS AND OTHER INTERNATIONAL ORGANIZATIONS FOR 1999 INCLUDING CONTRIBUTIONS IN CASH AND IN KIND

	TOTAL	a/ (Note 17)				
		CASH Voluntary contributions and other extrabudgetary resources	I N K I N D			
			Type II fellowships	Equipment and supplies	Meetings and other items	Cost-free experts
Bureau Internationale des Poids et Mesures (BIPM)	2 100	-	-	2 100	-	-
Commission of the European Communities (CEC)	3 397	-	-	-	-	3 397
Food and Agriculture Organization of the United Nations (FAO)	2 537 194	2 535 394	-	-	-	1 800
International Bank for Reconstruction & Development (IBRD)	4 114	-	-	-	-	4 114
Nuclear Energy Agency (OECD-NEA)	3 584	-	-	-	-	3 584
OPEC Fund for International Development	43 000	43 000	-	-	-	-
Pan American Health Organisation (PAHO)	5 800	-	-	-	-	5 800
United Nations (UN)	1 250 000	1 250 000	-	-	-	-
United Nations Development Programme (UNDP)	1 211 895	1 211 895	-	-	-	-
United Nations Environment Programme (UNEP)	352 381	352 381	-	-	-	-
United Nations Educational, Scientific and Cultural Organization (UNESCO)	50 800	50 000	-	-	-	800
World Association of Nuclear Operators (WANO)	3 261	-	-	-	-	3 261
World Customs Organization (WCO)	1 600	-	-	-	-	1 600
TOTAL	5 469 126	5 442 670	-	2 100	-	24 356

a/ Shown at actual cost where known, otherwise estimates provided by the Agency's Scientific Divisions and/or cost as provided by the Organizations for Equipment and supplies; costs as provided by the Organizations for Meetings and other items; and for Cost-free experts estimated salary cost of US\$ 200 per day plus cost of travel and subsistence provided by the Organizations.