



IAEA

International Atomic Energy Agency

Atoms for Peace and Development

GUIDELINES on CONTRIBUTIONS to the IAEA

This document provides a summary of the main procedures and terminology related to financial contributions to the IAEA; it does not supersede relevant financial regulations.

1. IAEA's Funding at a Glance

- **Funded by Member States, international organizations and other donors**
- **Three major types of contribution:**
 - **Assessed contributions to the Regular Budget**
 - **Voluntary monetary contributions to the Technical Cooperation Fund (TCF)**
 - **Voluntary monetary extrabudgetary contributions (in support of regular programme activities and technical cooperation programme activities)**

2. Financial Contributions to the IAEA

a) Assessed contributions are obligatory for all Member States and are calculated according to the IAEA's base rates and scales of assessment.¹

- The **Regular Budget (RB)** is funded by contributions from Member States and enables the IAEA to meet obligations arising from authorized appropriations. Contributions to the Regular Budget are calculated based on the scale of assessment approved by the General Conference (GC) at its annual meeting. The assessed contributions are annual obligations and are payable in full by all Member States on the first day of the financial year to which they relate.
- The **Working Capital Fund (WCF)** serves as the IAEA's reserve fund. It is used to temporarily finance IAEA's activities when there is a shortage of liquidity, and for other purposes authorized by the General Conference (GC) upon recommendation of the Board of Governors (BoG). The size of the WCF is approved annually by the GC and consists of advances from Member States. The amount of each Member State's required advance is calculated using the respective base rate of assessment as determined by the GC. Contributions to the WCF are not annual obligations and may be adjusted periodically as a result of updates to the base rates of assessment.

b) Voluntary contributions

- The **Technical Cooperation Fund (TCF)** is the main funding source for financing the IAEA's technical cooperation activities. The TCF is funded primarily by voluntary contributions and National Participation Costs (NPCs) paid by the Agency's Member States. Each year, the Board of Governors recommends a voluntary contribution target for the TCF to be approved by the GC. The approved target is allocated among Member States using the individual base rates of assessment, resulting in each Member State's target share. Contributions to the TCF can be pledged by using the pledge forms or by written communication. Forms are available from the IAEA's Contributions Unit. Once pledged, this becomes a financial obligation and will be reflected as an outstanding contribution. Contributions can also be paid without pledging in advance. Although Member States *cannot pledge* to the TCF for prior years, they can pledge and/or pay a higher amount than their current year target share in order to compensate for non-payment in previous years.

¹ See *Scale of Assessment of Member States' Contributions towards the Regular Budget*. The IAEA base rate of assessment for each Member State is derived from the United Nations scale of assessments, adjusted to compensate for differences in membership between the IAEA and the United Nations. Further adjustments are made based on the 'shielding mechanism' for financing safeguards, as described in *Informal Note on Financing of Safeguards* (2014/Note 34).

- **Extrabudgetary Contributions** are voluntary contributions received for the IAEA's activities in support of both Regular and Technical Cooperation Programme activities for which other sources of funding are not available. Activities funded by extrabudgetary contributions include, inter alia, the Peaceful Uses Initiative (PUI), Programme of Action for Cancer Therapy (PACT), African Regional Co-operative Agreement for Research, Development and Training Related to Nuclear Science and Technology (AFRA), Nuclear Security Fund (NSF), Renovation of the Nuclear Applications Laboratories (ReNuAL+), IAEA Low Enriched Uranium (LEU) Bank, Joint Comprehensive Plan of Action (JCPOA) and government cost sharing projects. Contributions may be offered by Member States and other donors and may be accepted by the IAEA through the exchange of pledge letters and pledge acceptance letters, or through the conclusion of contribution agreements.

c) Other contributions

- **National Participation Costs (NPCs)** are charged to those Member States, excluding Least Developed Countries, receiving technical cooperation assistance, and are assessed at 5% of their national technical cooperation programme, which includes primarily national projects, and also Fellows and Scientific Visitors funded under regional or interregional projects. A minimum of 2.5% of the NPCs must be paid at the beginning of each biennium before implementation of newly approved projects can start. The remaining balance is calculated based on actual disbursements and is due following issuance of the NPC invoice in the year following project completion.
- **Assessed programme costs (APCs)** were formerly charged to Member States for technical cooperation projects or fellowships and scientific visits awarded to nationals of that country under regional projects. In 2005, APCs were replaced by NPCs. However, unpaid APCs remain as obligations to Member States in arrears.

3. Loss of Voting Rights and their Restoration

Member States that have Regular Budget obligations in arrears equal to or exceeding the amount of the contributions due from the preceding two years lose their voting rights. With the loss of voting rights, delegates of that Member State are not entitled to vote on any matter discussed at the GC or during the Board of Governors sessions. Member States can regain their voting rights by **paying the necessary minimum amount**, defined as all outstanding contributions exceeding the preceding two years' arrears plus €1², as well as outstanding advances to the WCF. Member States can also request the GC to restore voting rights **based on extraordinary circumstances** that did not allow for the payment of the contributions.

A **payment plan** can be offered as an option for restoration of voting rights in cases where a Member State may encounter difficulties paying its obligations towards the Regular Budget for an extended period of time that resulted in the loss of voting rights. The GC may consider such requests in light of the terms and conditions stipulated in Article XIX.A of the IAEA Statute. This option enables Member States to regain voting rights by paying their outstanding assessed contributions within a reasonable time period, up to a maximum of ten years. To avail themselves of this option, Member States must formally express their commitment to pay their future assessed contributions in full and on time, and to settle their arrears as part of the payment plan. During the period of the payment plan, Member States are required to pay outstanding advances to the WCF, current year assessed

² For example, in the course of 2019, Member States without voting rights must pay the full WCF and assessed contributions up to and including those for 2016 plus €1 for 2017.

contributions and instalments against the payment plan related to outstanding contributions for prior years at least two weeks before the GC. The GC receives an annual report from the Secretariat on the number of Member States participating in payment plans and the status of the payment schedule for each. Member States who do not fulfil the requirements defined in the payment plan automatically lose their voting rights. Should a Member State in default on its payment plan subsequently make the required payments, including those in arrears, voting rights may be restored; however, the restoration of voting rights is not an automatic procedure. Such restoration would require that the Member State submit a formal request for restoration of voting rights at least 15 days before the GC and obtain GC approval, after the due payments are received.

Reminder Letters

In the first quarter of each year, the Secretariat sends formal reminders to Member States without voting rights, confirming the minimum amount payable in order to regain the right to vote during the GC. Further reminders are sent to these Member States in July and August, prior to the GC.

Payment of Assessed Contributions through UNDP

Member States may request assistance to make payments for their Regular Budget assessments and WCF advances through the local office of the United Nations Development Programme (UNDP) in the local currency. Formal written request should be sent to the Secretariat (Division of Budget and Finance within the Department of Management) indicating the reason why payments cannot be executed through regular banking channels. Once the approval of and guidance from the Secretariat are provided and payments are executed, UNDP will credit the IAEA with the US dollar equivalent of the local currency payment as per the United Nations operational rate of exchange (UNORE). Payments to the TCF, NPCs, APCs and voluntary contributions can also be paid through UNDP without a formal written request.

4. Contributions Unit

The Contributions Unit is part of the Finance and Accounting Section of the Division of Budget and Finance within the Department of Management. Among its tasks, it:

- Calculates and prepares the scale of assessment for the Regular Budget for each Member State;
- Calculates the TCF target share for each Member State;
- Facilitates the acceptance of extrabudgetary contributions to the IAEA;
- Records, collects and accounts for all contributions paid;
- Reports to Member States on the status of contributions;
- Provides individual Member States with financial data related to all types of contributions.

The Contributions Unit is available to answer questions related to financial contributions to the IAEA.

CONTACT DETAILS

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BANKING INSTRUCTIONS

Account Name: International Atomic Energy Agency
Address: P.O. Box 100, 1400 Vienna, Austria
D-U-N-S No.: 300154887

For euro payments:

Name of Bank: UniCredit Bank Austria AG
Branch Address: Schottengasse 6, 1010 Vienna, Austria
Account No.: 00237 571 500
Routing Code: 12000
SWIFT Code: BKAUATWW
IBAN: AT41 1100 0002 3757 1500

For US dollar payments:

Name of Bank: JPMorgan Chase Bank, International Agencies Banking
Branch Address: 277 Park Ave, 23rd Floor, New York, NY 10172-0003, USA
Account No.: 949-2-421244
Routing Code: 021 000 021
SWIFT Code: CHASUS33

REFERENCE DOCUMENTS

The Statute:

ARTICLE XIV: FINANCE
ARTICLE XIX: SUSPENSION OF PRIVILEGES

The Financial Regulations of the IAEA:

ARTICLE IV: AUTHORITY FOR INCURRING EXPENDITURES
4.08, 4.09
ARTICLE V: PROVISION OF FUNDS FOR THE REGULAR BUDGET
5.01 - 5.09
ARTICLE VI: VOLUNTARY CONTRIBUTIONS AND OTHER EXTRABUDGETARY RESOURCES
6.01 - 6.05
ARTICLE VII: REGULAR BUDGET FUND AND WORKING CAPITAL FUND
7.01 - 7.06
ARTICLE VIII: FUNDS FOR VOLUNTARY CONTRIBUTIONS AND OTHER
EXTRABUDGETARY RESOURCES, TRUST FUNDS AND SPECIAL FUNDS
8.01, 8.02, 8.04
ARTICLE IX: CUSTODY AND INVESTMENT OF FUNDS
9.04
ARTICLE XII: EXTERNAL AUDIT
12.01, 12.02, 12.03

Other:

INFCIRC/370/REV.2: RULES REGARDING VOLUNTARY CONTRIBUTIONS TO THE
AGENCY
GOV/1998/54/REV.2: CRITERIA OR GUIDELINES FOR THE CONSIDERATION OF
REQUESTS FOR THE RESTORATION OF VOTING RIGHTS
2014/NOTE 34 INFORMAL NOTE ON FINANCING OF SAFEGUARDS