



International Atomic Energy Agency

# General Conference

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(GC(XV)/454)

## THE AGENCY'S BUDGET FOR 1971

### A supplementary estimate submitted by the Board of Governors

1. A number of factors have combined to make it necessary for the Agency to incur during the current year expenditures estimated at some \$1 030 000 which are not provided for in the Regular Budget [1]. Details of these expenditures are presented in the table below.

Object of expenditure	Estimated amount (\$)
Post adjustment to the salaries of staff in the Professional and higher categories, January-June	90 000
Increased salaries for staff in the Professional and higher categories, and related common staff costs, July-December	365 000
Interim adjustment of salaries of staff in the General Service and the Maintenance and Operatives Service categories, and related common staff costs, January-December	165 000
Unforeseen meetings of the Board of Governors and of its Safeguards Committee (1970), January-April	50 000
Coverage of cost increases, ranging from 5% to 20%, of supplies, materials, equipment, services, air fares, subsistence allowances, etc.	80 000
Coverage of increased costs resulting from the revaluation of certain European currencies in May 1971	280 000
<b>TOTAL</b>	<b>1 030 000</b>

[1] GC(XIV)/433.

2. The Director General has informed the Board that, through the exercise of rigorous economy and by some curtailment of the current year's programme, he expects to be able to accumulate savings of \$200 000 which can be used to meet a portion of the total expenditure in question. For its part the Board has authorized the use for the same purpose of the appropriation of \$100 000 for contingent extraordinary expenditures in Section 9 of the Regular Budget. [2] In the Board's view it will accordingly be desirable for the General Conference to appropriate a supplementary amount of \$730 000 to cover the remainder of the total expenditure.

3. With regard to the financing of this supplementary appropriation, the Board suggests that \$136 258 could be taken from the cash surplus in respect of the year 1969 [3], and a further \$13 742 from miscellaneous income for the current year, which is expected to be somewhat higher than the amount taken into account in the Regular Budget [4]. These two sources of funds could thus provide \$150 000, leaving \$580 000 to be found elsewhere. It is suggested that a further \$300 000 could be obtained from funds made available through a reduction in the level of the Working Capital Fund from \$2 million to \$1.7 million, since the Board has come to the conclusion that with the Fund at this lower level, the Agency would still be assured of adequate liquid funds provided that Members continued to pay their assessed contributions towards its administrative expenses each year no less promptly than at present.

4. The Board recommends that the remaining \$280 000 required to complete the financing of the appropriation be temporarily withdrawn from the Working Capital Fund. In so doing the Board has in mind the considerable inconvenience that an immediate supplementary assessment would cause to many Members, whereas recourse to this alternative procedure will make it possible for them to be assessed for their respective shares of the necessary replenishment of the Working Capital Fund at the same time as they are notified by the Director General of their assessments for contributions towards next year's Regular Budget.

5. The Board accordingly recommends for the Conference's consideration the two draft resolutions set forth below.

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Draft resolution A

REDUCTION IN THE LEVEL OF THE WORKING CAPITAL FUND

The General Conference,

- (a) Being informed by the Board of Governors that the Agency now has at its disposal adequate liquid funds to allow the level of its Working Capital Fund to be somewhat reduced, and
- (b) Expressing its confidence that Member States will, in their own interest, maintain this situation by paying their contributions to the Agency's Regular Budget each year as promptly as possible after being notified by the Director General of their respective assessments therefor,

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[2] Pursuant to Resolution GC(XIV)/RES/264, para. 4.

[3] See document GC(XV)/459, Part IV, Statement I. B.

[4] By Resolution GC(XIV)/RES/264, para. 2(a).

1. Approves the decision of the Board of Governors to reduce the level of the Agency's Working Capital Fund from \$2 million to \$1.7 million; and
2. Amends paragraph 1(a) of its Resolution GC(XIV)/RES/266 accordingly.

Draft resolution B

SUPPLEMENTARY BUDGETARY APPROPRIATION FOR 1971

The General Conference,

Accepting the recommendations of the Board of Governors as to the need for increasing the appropriation for the Regular Budget expenses of the Agency in 1971, and as to how such an increase could be financed with the least inconvenience to Member States, [1]

1. Appropriates, as a supplement to the total amount of \$13 778 000 appropriated for the Regular Budget expenses of the Agency in 1971 [2], the sum of \$730 000 in order to finance certain expenditure which is not provided for in the budget estimates for this year [3];
2. Decides that this supplementary appropriation shall be financed as follows:
  - (a) \$136 258 from the cash surplus in respect of the year 1969; [4]
  - (b) \$13 742 from miscellaneous income for the year 1971 not already taken into account in the Regular Budget;
  - (c) \$300 000 which has become available through a reduction in the level of the Working Capital Fund; [5] and
  - (d) \$280 000 to be temporarily withdrawn from the Working Capital Fund; and
3. Requests the Director General, when assessing Members for their contributions to the Regular Budget for 1972, to assess them also, in accordance with the scale of contributions for 1972, [6] for their respective shares of the \$280 000 temporarily withdrawn from the Working Capital Fund under paragraph 2(d) above.

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[1] GC(XV)/457.

[2] By Resolution GC(XIV)/RES/264, para. 1.

[3] GC(XIV)/433.

[4] See document GC(XV)/459, Part IV, Statement I. B.

[5] See Resolution GC(XV)/RES/.... [See draft resolution A above].

[6] Set forth in Resolution GC(XV)/RES/....

