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General Conference

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(GC(XV)/469)

THE AGENCY'S BUDGET FOR 1972

Report of the Programme, Technical and Budget Committee

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1. At its ninety-fourth and ninety-fifth meetings on 23 and 24 September 1971, the Committee considered item 14 of the agenda - The Agency's budget for 1972.^{1/}
2. In the course of the general debate delegations expressed their reservations in relation to the size of the increase in the estimates for the Agency's Regular Budget for 1972, which was mainly due to price increases and revaluation. Some also expressed their concern about the continued increase in the proportion of the Agency's resources that was being devoted to the application of the safeguards programme and the absence of any increase in the promotional activities of the Agency.
3. A number of delegates expressed their concern about the high cost of the International Nuclear Information System and the unequal share of FAO's contribution to the cost of the Joint FAO/IAEA Division of Atomic Energy in Food and Agriculture programme. Several delegations referred to the need for a review of staff deployment and the optimum utilization of existing personnel with a view to effecting economies. A number of delegates stated their support for the continuation of the Regional Adviser's post in Asia and the Far East. Several speakers indicated full support for the Agency's technical assistance programme and the raising of the target to \$3 million for voluntary contributions to the General Fund.

^{1/} GC(XV)/460.

4. At the conclusion of the general debate the Committee dealt with the draft resolutions set forth in document GC(XV)/460, Annex VII, on the budget in the following manner:

- (a) Draft resolution A on Regular Budget appropriations for 1972 was approved without a vote. However, the delegates of the Byelorussian Soviet Socialist Republic, Bulgaria, the Czechoslovak Socialist Republic, France, Poland, the Ukrainian Soviet Socialist Republic and the Union of Soviet Socialist Republics requested that their objections to it be mentioned in the present report; and
- (b) Draft resolution B on Operational Budget allocations for 1972, and resolution C on Use of Working Capital Fund in 1972, were both approved without a vote.

5. The Committee accordingly recommends the General Conference to adopt the three draft resolutions attached hereto.

DRAFT RESOLUTIONS

A. REGULAR BUDGET APPROPRIATIONS FOR 1972

The General Conference,

Accepting the recommendations of the Board of Governors relating to the Regular Budget of the Agency for 1972^{1/},

1. Appropriates an amount of \$16 561 000 for the Regular Budget expenses of the Agency in 1972, as follows:

<u>Section</u>	<u>United States dollars</u>
1. Policy-making organs	711 000
2. Executive management and administration ^{2/}	3 077 000
3. Common services	2 701 000
4. Technical assistance and training	709 000
5. Research and isotopes ^{3/}	2 041 000
6. Operational facilities ^{4/}	1 620 000
7. Technical operations ^{5/}	2 959 000
8. Safeguards	2 443 000
9. Adjustments to staff emoluments, including common staff costs	300 000
TOTAL	<u>16 561 000</u>

2. Decides that the foregoing appropriation shall be financed as follows:

- (a) \$994 000 from miscellaneous income, including refunds from the United Nations Joint Staff Pension Fund;
- (b) \$175 000 from the Special Account of the United Nations; and
- (c) \$15 392 000 from contributions by Member States on the basis of a scale of assessments to be determined by the General Conference;

3. Decides further that the amount appropriated for Section 9 in paragraph 1 of this resolution shall not be expended without prior authorization by the Board of Governors; and

4. Authorizes the Director General:

- (a) In respect of the Laboratory, publications, research contracts and services provided to Member States or international organizations, to incur expenditures additional to those for which provision is made in the Regular Budget for 1972 provided that the relevant emoluments of the staff concerned and other costs are entirely financed from revenues arising out of sales, work performed for Member States or international organizations, research grants, special contributions or other sources extraneous to the Regular and Operational Budgets for 1972;
- (b) With the prior approval of the Board, to make transfers between any of the Sections listed in paragraph 1 above.

1/ GC(XV)/460.

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

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

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

5/ Comprising Nuclear power and reactors, Health, safety and waste management, and Information and technical services.

B. OPERATIONAL BUDGET ALLOCATIONS FOR 1972

The General Conference,

(a) Accepting the recommendations of the Board of Governors relating to the Agency's operational programme for 1972^{1/}, and

(b) Noting that funds from various sources, estimated at \$715 000, are expected to be available for that programme,

1. Decides that for 1972 the target for voluntary contributions to the General Fund shall be \$3 million;

2. Urges all Member States to make voluntary contributions to the General Fund for 1972 in accordance with Article XIV.F of the Statute and with the terms of paragraphs 2 and 3 of its Resolution GC(V)/RES/100, so that this target may be reached;

3. Allocates the following sums for the Agency's operational programme for 1972:

	<u>United States</u> <u>dollars</u>
Operating Fund I	570 000
Operating Fund II	3 145 000
	<u>3 715 000</u>

4. Authorizes the Director General to employ staff and incur other expenditures for the International Laboratory of Marine Radioactivity or for the International Centre for Theoretical Physics in addition to that for which provision is made in the Operational Budget for 1972, provided that the total emoluments of such staff and other costs are met from revenues arising out of work performed for Member States or international organizations, research grants, special contributions or other sources extraneous to the Regular and Operational Budgets for 1972.

1/ GC(XV)/460.

C. USE OF THE WORKING CAPITAL FUND in 1972

The General Conference,

(a) Recalling its resolutions relating to the level and use of the Agency's Working Capital Fund^{1/}, and

(b) Being informed of the opinion of the Board of Governors as to the desirable level of the Fund in 1972^{2/},

1. Decides:

(a) That the Agency's Working Capital Fund shall remain at \$1.7 million in 1972; and

(b) That the Fund shall be financed, administered and used in 1972 in accordance with the relevant provisions of the Agency's Financial Regulations^{3/};

2. Authorizes the Director General to make advances from the Fund:

(a) Not exceeding \$25 000 at any time, to finance temporarily projects or activities of a strictly self-liquidating character which will not necessitate an increase in the Fund in future years; and

(b) With the prior approval of the Board of Governors, unless in his opinion the situation requires immediate action before such approval can be obtained, to meet the cost incurred by the Agency in organizing and rendering emergency assistance to Member States in connection with radiation accidents, up to \$50 000 in each case; and

3. Requests the Director General to submit to the Board periodic statements of advances made from the Fund under the authority given in paragraph 2 above.

^{1/} See for example document GC(XIV)/RES/266.

^{2/} See document GC(XV)/460, para. I.13.

^{3/} INFCIRC/8/Rev.1.