



International Atomic Energy Agency

GENERAL CONFERENCE

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THE AGENCY'S BUDGET FOR 1978

A supplementary estimate submitted by the Board of Governors

1. The Board of Governors has come to the conclusion that funds additional to the \$51 379 000 which the General Conference appropriated in 1977 for the Regular Budget expenses in 1978[1] will be needed if the Agency's activities are not to be drastically curtailed during the latter months of this year. The Regular Budget for 1978 was based on an exchange rate of 16.40 Austrian schillings to the United States dollar; however, the actual average exchange rate for the first four months of 1978 was 14.93 schillings to the dollar. If this were to be the average exchange rate for the whole of 1978, a deficit of \$3 864 000 could be expected as a result of the realignment of currencies. Details are provided in the following table.

Item of expenditure	Estimated amount (\$)
Post adjustments for the salaries of staff in the Professional and higher categories	1 356 000
Salaries and wages of staff in the General Service (GS) and the Maintenance and Operatives Service (M&O) categories and related common staff costs	1 177 000
Travel, utilities, equipment, materials, services, supplies, etc. paid for in currencies other than the United States dollar	1 331 000
TOTAL	3 864 000

[1] By Resolution GC(XXI)/RES/347.

2. The Director General has informed the Board that he hopes it will prove possible, by the application of various rigorous economy measures, to accumulate about \$2 164 000 in savings which could be used to reduce to \$1.7 million the size of the supplementary appropriation required to meet this deficit. The Board, for its part, has considered how the sum of \$1.7 million could be raised with the least inconvenience to Members and has put together the financing plan reflected in the table below.

Source of revenue	Estimated amount (\$)
Estimated cash surplus in respect of 1977	1 270 000 ^{a/}
Miscellaneous income in excess of the amount taken into account in the Regular Budget for 1978 ^{b/}	430 000
TOTAL	1 700 000

^{a/} The provisional cash surplus for 1977 shown in document GC(XXII)/598, Part IV, Statement I.C is likely to become a cash surplus of this order of magnitude by the end of 1978.

^{b/} By Resolution GC(XXI)/RES/347.

3. In the expectation that the Conference will wish to approve a supplementary appropriation to be financed in the manner suggested, the Board submits for its consideration the draft resolution set forth below. In so doing the Board would invite attention to the flexibility it has sought to provide by the wording proposed for sub-paragraph 2(c).

SUPPLEMENTARY REGULAR BUDGET APPROPRIATION FOR 1978

The General Conference,

Accepting the conclusion of the Board of Governors regarding the need to increase the appropriation for the Regular Budget expenses of the Agency in 1978 and the recommendations of the Board relating to how such an increase could be financed with the least inconvenience to Member States[1],

1. Appropriates, as a supplement to the amount of \$51 379 000 appropriated for the Regular Budget expenses of the Agency in 1978[2], a sum not exceeding \$1.7 million in order to cover a budget deficit caused by unforeseen fluctuations in currency exchange rates; and

2. Decides that this supplementary appropriation shall be funded as follows:

- (a) \$1 270 000 from the cash surplus in respect of 1977;
- (b) \$430 000 from miscellaneous income in 1978 not already taken into account in the financing of the Regular Budget expenses; and
- (c) Such further amounts as may become available under sub-paragraphs (a) and (b) above as do not produce a total of more than \$1.7 million.

[1] GC(XXII)/599.

[2] By Resolution GC(XXI)/RES/347.