



**The Agency's
Budget Update
for
2007**



IAEA

Atoms for Peace: The First Half Century

1957–2007

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Atoms for Peace: The First Half Century

1957–2007

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The Agency's Budget Update for 2007

A. Introduction

A.1. Background

1. The Agency's regular programme for the biennium 2006–2007, adopted by the Board of Governors, was presented to the General Conference in document GC(49)/2. The Agency continues to be required by the Statute to submit *annual budget* estimates for approval¹, and, thus, the budget estimates for 2007 included in that document were preliminary. In line with the procedures adopted for biennial programming (GOV/1999/23), the budget proposals for the second year of the biennium (2007) are to be contained in a concise summary document — The Agency's Budget Update. This document highlights significant changes, if any, to the original biennial programme and budget proposals, introduces the price adjustments for the second year of the biennium and, of course, sets out the draft appropriation and other resolutions related to the second year.

A.2. Programmatic Adjustments for 2007

2. There have been no significant changes in the programme and budget proposals for 2006–2007 outlined in GC(49)/2 which need be brought to the attention of Member States for purposes of the updated budget for 2007. Minor operational changes can, however, be expected in the course of programme implementation. There are also some emerging issues, outlined in the following paragraphs, which could have financial resources implications.

A.2.1. IAEA Nobel Cancer and Nutrition Fund

3. In October 2005, the Norwegian Nobel Committee awarded the Nobel Peace Prize for 2005 to the International Atomic Energy Agency (IAEA) and to its Director General “for their efforts to prevent nuclear energy from being used for military purposes and to ensure that nuclear energy for peaceful purposes is used in the safest possible way.”

4. At its meetings in October and November 2005 the Board of Governors agreed that the Agency's share of the monetary award of the Nobel Peace Prize (approximately €525 000) be used for human resource development in developing countries in the areas of cancer management and nutrition. Young professionals, particularly women, should benefit from practical training in radiation oncology, as part of the Agency's Programme of Action on Cancer Therapy (PACT). In the area of nutrition, the training programme will focus on the role of nutrition in helping to ensure the healthy development of children using nuclear techniques. These activities will not be funded from the regular budget but will be carried out through the use of resources available from the Special Fund known as “IAEA Nobel Cancer and Nutrition Fund”, established by the Director General as approved by the Board of Governors for the receipt of the award. Additions to the Special Fund, as and when available in sufficient amounts, could also be used to establish regional training centres in nutrition and in cancer management to be located in Africa, Asia and the Pacific, and Latin America.

¹ The required two thirds of Member States have not yet accepted the amendment to Article XIV.A of the Statute agreed by the General Conference in 1999 (GC(43)/RES/8) which would permit full biennial budgeting.

A.2.2. Additional Costs of Services for Policy-Making Organs

5. On 17 June 2005, the Board of Governors approved the creation of an Advisory Committee on Safeguards and Verification ('Advisory Committee') within the framework of the IAEA Statute. It is expected that the servicing of this Committee by the Secretariat will generate costs which were not anticipated in the regular budget. During the January 2006 meeting of the Advisory Committee, the Chairperson noted that there appeared to be agreement that no resources from the current regular budget should be diverted from existing programmes for the Advisory Committee's work and it was therefore necessary to find some other funding solution. The Secretariat had noted that the average daily meeting cost would be approximately €89 000, and that the total cost would depend on the number of additional meeting days, as well as other variables, such as number of documents and working languages. The Secretariat has identified three options to fund the additional costs of the services for Policy-making Organs for 2006–2007: extrabudgetary contributions to Subprogramme U.3, or a supplementary appropriation financed either by additional assessed contributions from Member States or from the 2004 cash surplus². (2006/Note 11)

A.3. Changes in Reimbursable Work for Others

6. There has been a change in expected income from Reimbursable Work for Others (RWfO), resulting from the extension of the Agreement between UNIDO and the IAEA concerning the provision of Computer Services in 2006–2007. Additional income of €487 000 per year is expected by the Agency. Part of this income will be required to cover the increased cost for Major Programme 5, Information Support Services, to fund the continuing service to UNIDO, and the remaining income will go to Miscellaneous Income and will eventually become part of any cash surplus calculation for distribution to Member States.

A.4. Regular Budget for 2007

7. The total regular budget for 2007, by appropriation section, proposed in this document and adjusted only to reflect the price levels applicable for 2007 is estimated at €283 611 000 — see Table 1. Of this total, the regular budget for Agency programmes for the year amount to €280 912 000, while the remaining €2 699 000 is for reimbursable work to be performed for others. The amount shown for reimbursable work for others in Table 1 will, as is usually the case, be offset completely by income derived from the services provided. The forecast of income to finance the budget proposals is set out in Table 2.

A.5. Submission to the General Conference

8. In accordance with Article XIV.A of the Statute, the Agency's budget estimates for the year 2007 will be submitted to the General Conference by the Board of Governors, which requests the General Conference to adopt the draft resolutions set forth in the Annex.

A.6. Report on the Budget to the United Nations General Assembly

9. In accordance with Article XVI of the Agency's relationship agreement with the United Nations (INFCIRC/11, part I), the budget may be reviewed by the Advisory Committee on Administrative and Budgetary Questions (ACABQ), which would report on the administrative aspects thereof to the United Nations General Assembly.

² Subject to the decision of the Board of Governors, should a supplementary appropriation be recommended for 2007, this Budget Update document, including Draft Resolution A set forth in the Annex would require amendment to reflect that decision.

Table 1. The Regular Budget — by Programme and Major Programme

in Euro @ €1.00 = \$1.00

Programme / Major Programme	2005 actual expenditure	2006 budget	Programme increase/(decrease) %	2007 estimates at 2006 prices	Price increase %	2007 with price increase
1. Nuclear Power, Fuel Cycle and Nuclear Science						
1. Overall management, coordination and common activities	674 156	686 000	(100)	(0.0)	685 900	3.2 707 600
A. Nuclear Power	4 921 957	5 087 800	200	-	5 088 000	3.5 5 265 900
B. Nuclear Fuel Cycle and Materials Technologies	2 420 530	2 412 100	-	-	2 412 100	3.5 2 496 800
C. Capacity Building and Nuclear Knowledge Maintenance for Sustainable Energy Development	9 700 328	9 924 700	86 700	0.9	10 011 400	3.4 10 348 900
D. Nuclear Science	8 315 236	8 568 400	(800)	(0.0)	8 567 600	3.1 8 831 800
Major Programme 1	26 032 207	26 679 000	86 000	0.3	26 765 000	3.3 27 651 000
2. Nuclear Techniques for Development and Environmental Protection						
2. Overall management, coordination and common activities	730 767	746 600	(1 000)	(0.1)	745 600	3.0 768 100
E. Food and Agriculture	11 696 393	11 850 100	(500)	(0.0)	11 849 600	3.7 12 291 900
F. Human Health	7 643 206	7 614 700	35 300	0.5	7 650 000	3.9 7 950 100
G. Water Resources	2 996 264	3 278 200	10 100	0.3	3 288 300	3.3 3 395 500
H. Assessment and Management of Marine and Terrestrial Environments	4 536 308	5 060 700	38 500	0.8	5 099 200	2.7 5 237 700
I. Radioisotope Production and Radiation Technology	1 830 861	1 885 700	25 600	1.4	1 911 300	4.2 1 991 700
Major Programme 2	29 433 799	30 436 000	108 000	0.4	30 544 000	3.6 31 635 000
3. Nuclear Safety and Security						
3. Overall management, coordination and common activities	915 156	946 600	5 200	0.5	951 800	3.4 983 900
X. Incident and Emergency Preparedness and Response	1 087 000	913 700	29 400	3.2	943 100	3.0 971 500
J. Safety of Nuclear Installations	7 790 183	8 066 000	23 300	0.3	8 089 300	3.2 8 346 800
K. Radiation and Transport Safety	4 391 192	5 007 900	(7 600)	(0.2)	5 000 300	3.1 5 157 700
L. Management of Radioactive Waste	6 232 224	5 993 400	2 700	-	5 996 100	3.5 6 204 800
M. Nuclear Security	1 299 403	1 344 400	-	-	1 344 400	3.0 1 385 300
Major Programme 3	21 715 158	22 272 000	53 000	0.2	22 325 000	3.2 23 050 000
4. Nuclear Verification						
4. Overall management, coordination and common activities	1 021 017	983 500	-	-	983 500	2.9 1 011 800
N. Safeguards	100 432 670	105 352 500	1 827 000	1.7	107 179 500	2.5 109 867 200
Major Programme 4	101 453 687	106 336 000	1 827 000	1.7	108 163 000	2.5 110 879 000
5. Information Support Services						
P. Public Information and Communication	2 985 479	3 264 700	57 000	1.7	3 321 700	2.4 3 402 700
Q. Information and Communications Technology (ICT)	7 038 724	7 494 600	-	-	7 494 600	2.8 7 701 200
S. Conference, Translation and Publishing Services	5 506 795	5 232 700	(57 000)	(1.1)	5 175 700	2.6 5 312 100
Major Programme 5	15 530 998	15 992 000	-	-	15 992 000	2.7 16 416 000
6. Management of Technical Cooperation for Development						
6. Overall management, coordination and common activities	694 188	538 300	-	-	538 300	2.8 553 200
T. Management of Technical Cooperation for Development	13 771 964	14 857 700	-	-	14 857 700	2.8 15 267 800
Major Programme 6	14 466 152	15 396 000	-	-	15 396 000	2.8 15 821 000
7. Policy and General Management						
U. Executive Management, Policy-Making and Coordination	12 586 428	13 411 600	-	-	13 411 600	3.1 13 823 700
V. Administration and General Services	36 312 651	36 059 500	-	-	36 059 500	3.4 37 295 700
W. Oversight Services and Performance Assessment	1 463 783	1 787 900	-	-	1 787 900	2.9 1 840 600
Major Programme 7	50 362 862	51 259 000	-	-	51 259 000	3.3 52 960 000
Subtotal	258 994 863	268 370 000	2 074 000	0.8	270 444 000	2.9 278 412 000
8. Special Appropriation for Security Enhancements	278 077	2 430 000	-	-	2 430 000	2.9 2 500 000
Regular Budget for Agency Programmes	259 272 940	270 800 000	2 074 000	0.8	272 874 000	2.9 280 912 000
Plus: Reimbursable Work for Others	2 193 645	2 819 000	(169 000)	(6.0)	2 650 000	1.8 2 699 000
Total Regular Budget	261 466 585	273 619 000	1 905 000	0.7	275 524 000	2.9 283 611 000
Less Miscellaneous Income:						
Reimbursable Work for Others		2 819 000	(169 000)	(6.0)	2 650 000	1.8 2 699 000
Other Miscellaneous Income		3 002 000	(145 000)	(4.8)	2 857 000	- 2 857 000
Assessment on Member States		267 798 000	2 219 000	0.8	270 017 000	3.0 278 055 000

Table 2. The Regular Budget - Summary of Income

	2005 actual income	2006 at 2006 prices	Increase (decrease)	2007 with price increase
Assessed contributions on Member States	265 643 523	267 798 000	10 257 000	278 055 000
Miscellaneous income				
(a) Reimbursable work for others				
Data processing services	284 680	-	-	-
Printing services	602 447	1 264 000	(150 500)	1 113 500
Medical services	696 135	778 300	18 800	797 100
Radiation protection and monitoring services	101 666	100 600	2 500	103 100
Translation services	31 353	216 100	6 000	222 100
Nuclear Fusion Journal	127 981	150 000	3 200	153 200
Laboratory services	309 560	250 000	-	250 000
Marine Environment Laboratory services	39 823	60 000	-	60 000
Subtotal Reimbursable work for others	2 193 645	2 819 000	(120 000)	2 699 000
(b) Other				
Attributable to specific programmes				
INIS Products	59 443	35 000	-	35 000
Publications of the Agency - other	299 803	350 000	-	350 000
Laboratory income	325 801	240 000	-	240 000
Amounts recoverable under Safeguards agreements	159 857	415 000	(145 000)	270 000
Programme support income	72 893	40 000	-	40 000
Other Service income	1 100	2 000	-	2 000
	918 897	1 082 000	(145 000)	937 000
Not attributable to specific programmes				
Investment and interest income	2 961 077	1 400 000	-	1 400 000
Gain (Loss) on exchange of currencies	(690 745)	-	-	-
Other	569 101	520 000	-	520 000
	2 839 433	1 920 000	-	1 920 000
Subtotal Other	3 758 330	3 002 000	(145 000)	2 857 000
Total Miscellaneous Income	5 951 975	5 821 000	(265 000)	5 556 000
Total	271 595 498	273 619 000	9 992 000	283 611 000

B. Explanatory Notes

B.1. Budget Currency and Rate of Exchange

10. The budget estimates for 2007 are expressed in terms of the euro — notwithstanding the split appropriation and assessment system — to enable the estimates to be presented in a single currency. The estimates are based on an exchange rate of one US dollar to one euro, the same as used for the budget for 2006 and the preliminary budget estimates for 2007. Presenting the budget estimates at the same euro/US dollar rate of exchange for consecutive years facilitates comparison of estimates with the budgets for previous years. The adjustment formula set out in the attachment to the draft appropriation resolution (Draft Resolution A in the Annex) shows the split in terms of euro and US dollars.

B.2. Budgetary Comparisons with Prior Years

11. Comparisons are made in Table 1 between the financial resources sought for each major programme and programme in 2007 and the corresponding approved resources in the 2006 budget.

12. Details of actual expenditure in 2005 are also provided in Table 1 at the budget rate of exchange to facilitate comparison with the latest budget year for which actual expenditure figures are available. To enable valid comparisons to be made between the two budgetary periods, it has been necessary to adjust the actual expenditure figures so that they are presented according to the programme structure adopted for 2006–2007 and reflect also technical budgetary adjustments for that biennium. The adjusted actual figures for 2005 therefore reflect the programme changes described in the Overview (paragraphs 33 to 93 inclusive) of the Agency's Programme and Budget for 2006–2007 (GC(49)/2), and the technical adjustments described in paragraphs 97 and 98 of the Other Resource Highlights of the same document.

13. The actual expenditure figures for 2005 are not identical either with those which appear in the Agency's Accounts, or the Programme Performance Report (PPR) for 2004–2005, for which different exchange rates were applied. In those documents, in accordance with established procedures, the disbursements are recorded at the United Nations exchange rate for the month in which they occurred, while unliquidated obligations are reported at the exchange rate for 31 December of the year in question.

14. Member States' assessments are determined on the basis of the net cost of the budget after deducting receipts for Reimbursable Work for Others and Other Miscellaneous Income, as summarized in Tables 1 and 2.

B.3. Technical Cooperation Programme

15. The provision of technical cooperation by the Agency to Member States is financed from the Technical Cooperation Fund (TCF), which receives its income mainly in the form of voluntary contributions, for which a target is set each year by the General Conference, and National Participation Costs³ paid by recipient Member States. The indicative planning figure for voluntary contributions to the TCF for 2007, according to the resolution GC(48)/RES/7 adopted at the 48th General Conference, shall be no less than \$78 500 000. The target for 2007 is expected to be recommended by the Board of

³ Formerly Assessed Programme Costs (APCs).

Governors at its meeting in September 2006 for adoption at the 50th General Conference. It will then be reflected in Draft Resolution B set out in the Annex to this document.

16. A tentative forecast of the resources for the technical cooperation programme for 2007 of approximately \$87 385 000 (including funds for extrabudgetary activities) was included in GC(49)/2. The actual technical cooperation programme for 2007 and 2008 will be developed and submitted to the Technical Assistance and Cooperation Committee late in 2006.

B.4. Working Capital Fund

17. The General Conference approved a level in euro equivalent to \$18 000 000 — to be determined at the UN rate of exchange prevailing on 1 January 2006, for the Agency's Working Capital Fund (WCF) for 2006. Using the UN rate of exchange of 1 January 2006 — €0.845 = \$1.00, the Working Capital Fund has been established at €15 210 000. No change is proposed for 2007; however, bearing in mind that the average monthly budget requirement according to the proposed budget for Agency programmes with price adjustment would be €23.4 million, the Secretariat will keep the level of the WCF under review. The relevant resolution (Draft Resolution C. The Working Capital Fund in 2007) is set out in the Annex to this document.

B.5. Cost Developments for 2007

B.5.1. Price Adjustments

18. The regular budget proposals for 2007 set out in document GC(49)/2 were at 2006 prices. It was indicated in that document (paragraph 24 of the Overview) that separate proposals for 2007 price adjustments would be introduced in the concise summary for 2007. The methodology for determining the price adjustments for the various items of expenditure was also described in the Overview. The price adjustments appropriate for 2007 are indicated in Table 3, The Regular Budget — by Item of Expenditure. As can be seen in this table, the proposed average price adjustment over the 2006 approved budget level is 2.9%. The adjustments, by individual item of expenditure, are applied to the budget proposals for 2007 at 2006 prices set out previously in document GC(49)/2.

B.5.2. Staff Costs

19. The principal cost elements which contribute to the price adjustments are staff costs. Details of the increases arising under this heading are given below.

Salaries

20. For year 2007 **Professional** salaries, the price adjustment is based on cost development over a three year time span. An adjustment of 3.1% over the 2007 budget at 2006 prices has been applied based on the net sum of the factors (a) to (c) listed below, which are derived from the UN Common System methodology:

- a) The increase that was assumed for year **2005** in the programme and budget for 2006 was 1.5%, based on a forecast of the International Civil Service Commission (ICSC) of an increase in post adjustment. The actual increase for 2005 proved to be 1.4%; consequently, a reduction of 0.1% is required in 2007 for what actually occurred in 2005.
- b) Based on the ICSC forecast that was available at the time, an increase of 2.0% was applied in the 2006 budget in respect of **2006**. This increase is expected to be 3.6% and consequently, an increase of 1.6% is required for this period in the 2007 budget.
- c) Based on the most recent information supplied by the ICSC, an increase of 1.6% is forecast for **2007**.

21. In the case of **General Service** staff salaries, pay developments/projections for the same three years (2005–2007) are also taken into account but are based on the Austrian Consumer Price Index (CPI) and “Tariflohn” (the Austrian minimum salary scale adjustment factor).

22. An increase of 2.5% over the 2007 budget at 2006 prices has been applied to General Services salaries based on the sum of the factors listed below in (a) to (c).

- a) For **2005**, an increase of 1.6% was assumed in the 2006 budget; the actual increase was 2.35%. Consequently, an increase of 0.75% is required for that year in 2007.
- b) In the absence of definite data at the time concerning **2006**, an increase of 1.3% (i.e. 1.7% prorated from 1 April 2006) in General Service salaries was assumed. Based on present indications, the increase is expected to be 1.8%, consequently, a net upward adjustment of 0.5% for that year.
- c) For **2007**, no information is yet available and a projected increase of 1.3% effective 1 April is assumed.

Common Staff Costs (CSC)

23. The estimated budgetary provision for CSC was 45.1% of total salary costs in the 2006 budget. A review of the common staff requirement indicates that the CSC percentage is adequate; therefore, no change in the CSC percentage is proposed and a derived price increase of 2.8% is applied.

B.5.3. Other Items of Expenditure

24. For items of expenditure other than staff costs, the actual increases experienced in 2005 are applied to 2007. The increases which have been so applied are as follows:

- a) For *staff travel* and *non-staff travel*, a review of the relevant price movements indicates that price increases of 2.0% and 6.5% respectively, are required.
- b) The most recent data concerning charges for *interpretation services* provided by United Nations Office at Vienna (UNOV) indicate that an increase of 8.8% for these services is necessary for 2007. There was no increase under this heading in 2006.
- c) There has been an increase in the ceiling rate for *hospitality* for Austria and a price adjustment of 4.6% is required in 2007. There has also been an increase of 1.6% in *representation allowance*, based on movements in the Austrian Consumer Price Index. There is consequently a weighted increase of 2.7% in *representation and hospitality* combined.
- d) For *training*, based on the Professional salary adjustments as outlined above and increases in training fees as shown by the relevant Austrian index, an increase of 0.3% would be appropriate.
- e) For *equipment (leased and purchased)* and *supplies and materials*, actual price movements indicate that increases of 1.4%, 0.6% and 2.9% respectively are appropriate.
- f) *General operating expenses* consist of VIC common services, rental and maintenance of premises, communications, utilities and related services, freight, storage, and transportation and maintenance of equipment. Increases for the constituent items are calculated separately based on information obtained internally, from UNIDO and various published indices and actual tariffs which are weighted according to actual expenditures on each item. A weighted inflation factor of 4.3% is, therefore, appropriate, based on the price adjustments in the different areas concerned.

- g) The item of expenditure *contracts* includes contractual consultant services, sample analytical services, and external editing and translation. The weighted average increase indicated by a review of the various indices used is 1.7%.
- h) Based on a comparison of the average cost per research and technical contracts in 2005 with that for 2004 indicates that an increase of 7.2% is appropriate.
- i) The adjustments for the wide variety of individual items which are categorized as *miscellaneous* translates into an overall weighted average increase of 2% for this heading.

Table 3. The Regular Budget — by Item of Expenditure

in Euro @ €1.00 = \$1.00

Item of expenditure	2005 actual expenditure	2006 budget	Programme increase/(decrease) %	2007 estimates at 2006 prices	Price increase %	2007 with price increase	
Salaries - established posts - P	57 526 623	63 167 500	262 400	0.4	63 429 900	3.1	65 396 100
Temporary assistance - P/ MT	6 611 611	8 626 500	189 400	2.2	8 815 900	3.1	9 088 600
Temporary assistance - P/ ST	689 925	957 000	28 100	2.9	985 100	3.1	1 015 500
Salaries - established posts - GS	30 257 495	30 879 700	40 200	0.1	30 919 900	2.5	31 693 500
Temporary assistance - GS/ MT	3 583 501	3 773 800	-	-	3 773 800	2.5	3 868 200
Temporary assistance - GS/ ST	1 177 200	387 800	700	0.2	388 500	2.5	398 300
Common staff costs	46 106 516	48 617 400	234 600	0.5	48 852 000	2.8	50 243 200
Overtime	359 079	264 500	1 700	0.6	266 200	2.3	272 400
Subtotal: Staff costs	146 311 950	156 674 200	757 100	0.5	157 431 300	2.9	161 975 800
Travel - staff	10 213 949	11 648 600	120 000	1.0	11 768 600	2.0	12 003 600
Travel - non-staff	7 389 164	8 023 600	219 500	2.7	8 243 100	6.5	8 778 600
Subtotal: Travel costs	17 603 113	19 672 200	339 500	1.7	20 011 700	3.9	20 782 200
Interpretation services	824 803	749 100	(60 000)	(8.0)	689 100	8.8	749 600
Representation and hospitality	246 357	233 800	(200)	(0.1)	233 600	2.7	239 800
Training	700 358	1 069 300	(196 400)	(18.4)	872 900	0.3	875 500
Equipment: leased or rented	334 090	419 800	-	-	419 800	1.4	425 600
Equipment purchased/ construction work	13 140 421	11 576 900	504 200	4.4	12 081 100	0.6	12 150 800
Supplies and materials	5 702 712	5 928 400	5 000	0.1	5 933 400	2.9	6 103 100
General operating expenses	18 755 772	19 573 200	(1 700)	(0.0)	19 571 500	4.3	20 407 400
Contracts	12 661 300	8 558 500	814 900	9.5	9 373 400	1.7	9 533 100
Research and technical contracts	4 697 564	4 978 100	(222 000)	(4.5)	4 756 100	7.2	5 098 200
Miscellaneous	3 430 381	3 626 500	40 300	1.1	3 666 800	2.0	3 740 800
Subtotal: Other direct costs	60 493 758	56 713 600	884 100	1.6	57 597 700	3.0	59 323 900
Direct implementation costs	10 641 544	11 446 500	93 800	0.8	11 540 300	2.6	11 839 700
Management and oper. costs of the IAEA's lab.	4 406 026	4 217 400	-	-	4 217 400	2.6	4 326 800
Laboratory Activities	15 047 570	15 663 900	93 800	0.6	15 757 700	2.6	16 166 500
Translation and Records Services	5 654 514	5 613 200	(100)	(0.0)	5 613 100	2.8	5 769 400
Printing Services	2 549 024	2 120 600	(2 000)	(0.1)	2 118 600	2.0	2 161 100
Data Processing Application Services	1 107 972	990 900	1 600	0.2	992 500	2.8	1 019 900
Data Processing Central Services (unallocated)	6 237 805	6 793 800	-	-	6 793 800	2.7	6 980 400
Data Processing Central Services (SG fixed costs)	1 368 236	1 390 800	-	-	1 390 800	2.7	1 428 600
Medical Services	854 208	936 600	-	-	936 600	2.4	959 200
Contracts Administration Services	616 596	635 400	-	-	635 400	2.6	651 800
Radiation Protection and Monitoring Services	1 150 117	1 164 800	-	-	1 164 800	2.4	1 193 200
Subtotal: Shared costs	19 538 472	19 646 100	(500)	(0.0)	19 645 600	2.6	20 163 600
Subtotal	258 994 863	268 370 000	2 074 000	0.8	270 444 000	2.9	278 412 000
8. Special Appropriation for Security Enhancements	278 077	2 430 000	-	-	2 430 000	2.9	2 500 000
Regular Budget for Agency Programmes	259 272 940	270 800 000	2 074 000	0.8	272 874 000	2.9	280 912 000
Reimbursable Work for Others	2 193 645	2 819 000	(169 000)	(6.0)	2 650 000	1.8	2 699 000
Total Regular Budget	261 466 585	273 619 000	1 905 000	0.7	275 524 000	2.9	283 611 000

Table 4. Agency's Laboratory Activities

in Euro @ €1.00 = \$1.00

Item of expenditure	2005 actual expenditure	2006 budget	Programme increase/(decrease) %		2007 estimates at 2006 prices	Price increase %	2007 with price increase
Salaries - established posts - P	2 554 657	2 677 400	-	-	2 677 400	3.1	2 760 400
Temporary assistance - P/ MT	213 684	402 600	-	-	402 600	3.1	415 100
Temporary assistance - P/ ST	-	-	-	-	-	-	-
Salaries - established posts - GS	3 718 557	3 906 900	-	-	3 906 900	2.5	4 004 600
Temporary assistance - GS/ MT	452 157	288 600	-	-	288 600	2.5	295 800
Temporary assistance - GS/ ST	26 947	-	-	-	-	-	-
Common staff costs	3 218 532	3 281 300	-	-	3 281 300	2.7	3 369 500
Overtime	82 675	78 900	4 000	5.1	82 900	2.5	85 000
Subtotal: Staff costs	10 267 209	10 635 700	4 000	-	10 639 700	2.7	10 930 400
Travel - staff	149 107	129 700	-	-	129 700	2.0	132 300
Travel - non-staff	89 985	145 000	-	-	145 000	6.5	154 400
Subtotal: Travel costs	239 092	274 700	-	-	274 700	4.4	286 700
Interpretation services	-	-	-	-	-	-	-
Representation and hospitality	998	1 800	-	-	1 800	5.6	1 900
Training	36 852	50 800	(4 300)	(8.5)	46 500	-	46 500
Equipment: leased or rented	3 256	7 200	-	-	7 200	2.8	7 400
Equipment purchased/ construction work	424 897	685 600	-	-	685 600	0.8	691 100
Supplies and materials	1 177 399	1 186 700	85 800	7.2	1 272 500	1.7	1 294 100
General operating expenses	2 360 142	2 259 500	3 800	0.2	2 263 300	2.9	2 328 900
Contracts	746 146	449 400	5 200	1.2	454 600	1.7	462 300
Research and technical contracts	34 000	41 600	-	-	41 600	7.2	44 600
Miscellaneous	33 873	283 600	(100)	(0.0)	283 500	0.5	285 000
Subtotal: Other direct costs	4 817 563	4 966 200	90 400	1.8	5 056 600	2.1	5 161 800
Direct implementation costs	(10 641 544)	(11 446 500)	(93 800)	0.8	(11 540 300)	2.6	(11 839 700)
Management and oper. costs of the IAEA's lab.	(4 406 026)	(4 217 400)	-	-	(4 217 400)	2.6	(4 326 800)
Laboratory Activities a_/	(15 047 570)	(15 663 900)	(93 800)	0.6	(15 757 700)	2.6	(16 166 500)
Translation and Records Services	5 000	5 100	100	2.0	5 200	1.9	5 300
Printing Services	15 567	16 800	(400)	(2.4)	16 400	1.8	16 700
Data Processing Application Services	12 699	13 400	(300)	(2.2)	13 100	3.1	13 500
Data Processing Central Services (unallocated)	-	-	-	-	-	-	-
Data Processing Central Services (SG fixed costs)	-	-	-	-	-	-	-
Medical Services	-	-	-	-	-	-	-
Contracts Administration Services	-	2 000	-	-	2 000	5.0	2 100
Radiation Protection and Monitoring Services	-	-	-	-	-	-	-
Subtotal: Shared costs	33 266	37 300	(600)	(1.6)	36 700	2.5	37 600
Reimbursable Work for Others	309 560	250 000	-	-	250 000	-	250 000
a_/							
MP.1	1 562 622	1 622 200	-	-	1 622 200	2.6	1 664 200
MP.2	8 511 497	8 671 400	93 800	1.1	8 765 200	2.6	8 992 500
MP.4	4 973 451	5 370 300	-	-	5 370 300	2.6	5 509 800
TOTAL Agency's Laboratory Activities	15 047 570	15 663 900	93 800	0.6	15 757 700	2.6	16 166 500

Table 5. Shared Costs

in Euro @ €1.00 = \$1.00

Item of expenditure	2005 actual expenditure	2006 budget	Programme increase/(decrease) %		2007 estimates at 2006 prices	Price increase %	2007 with price increase
Salaries - established posts - P	4 392 647	5 429 600	-	-	5 429 600	3.1	5 598 100
Temporary assistance - P/ MT	260 105	192 400	-	-	192 400	3.1	198 400
Temporary assistance - P/ ST	74 085	-	-	-	-	-	-
Salaries - established posts - GS	4 508 619	4 739 700	(127 300)	(2.7)	4 612 400	2.5	4 727 800
Temporary assistance - GS/ MT	268 193	472 400	-	-	472 400	2.5	484 200
Temporary assistance - GS/ ST	122 258	100 400	-	-	100 400	2.5	102 900
Common staff costs	4 447 325	4 931 000	(56 600)	(1.1)	4 874 400	2.8	5 008 600
Overtime	41 636	61 900	-	-	61 900	2.4	63 400
Subtotal: Staff costs	14 114 868	15 927 400	(183 900)	(1.2)	15 743 500	2.8	16 183 400
Travel - staff	63 155	52 000	-	-	52 000	1.9	53 000
Travel - non-staff	64 062	72 900	(11 300)	(15.5)	61 600	6.5	65 600
Subtotal: Travel costs	127 217	124 900	(11 300)	(9.0)	113 600	4.4	118 600
Interpretation services	-	-	-	-	-	-	-
Representation and hospitality	611	1 100	-	-	1 100	9.1	1 200
Training	224 110	138 700	-	-	138 700	-	138 700
Equipment: leased or rented	1 195 878	1 889 600	(3 100)	(0.2)	1 886 500	1.6	1 916 200
Equipment purchased/ construction work	681 970	286 500	16 400	5.7	302 900	0.7	305 000
Supplies and materials	1 346 790	614 400	-	-	614 400	1.9	625 900
General operating expenses	1 782 250	2 016 500	-	-	2 016 500	2.9	2 075 100
Contracts	1 930 702	1 049 200	11 800	1.1	1 061 000	1.7	1 079 300
Research and technical contracts	-	-	-	-	-	-	-
Miscellaneous	11 604	144 100	-	-	144 100	1.9	146 800
Subtotal: Other direct costs	7 173 915	6 140 100	25 100	0.4	6 165 200	2.0	6 288 200
Direct implementation costs	-	-	-	-	-	-	-
Management and oper. costs of the IAEA's lab.	-	-	-	-	-	-	-
Laboratory Activities	-	-	-	-	-	-	-
Translation and Records Services	13 501	16 000	-	-	16 000	2.5	16 400
Printing Services	33 417	16 300	-	-	16 300	2.5	16 700
Data Processing Application Services	268 814	37 900	-	-	37 900	2.6	38 900
Data Processing Central Services (unallocated)	-	-	-	-	-	-	-
Data Processing Central Services (SG fixed costs)	-	-	-	-	-	-	-
Medical Services	-	-	-	-	-	-	-
Contracts Administration Services	-	-	-	-	-	-	-
Radiation Protection and Monitoring Services	-	-	-	-	-	-	-
Subtotal: Shared costs	315 732	70 200	-	-	70 200	2.6	72 000
T O T A L	21 731 732	22 262 600	(170 100)	(0.8)	22 092 500	2.6	22 662 200
<i>Less:</i>							
Cross-charge (above)	315 732	70 200	-	-	70 200	2.6	72 000
Cross-charge Laboratory Activities	33 266	37 300	(600)	(1.6)	36 700	2.5	37 600
TOTAL Shared Services	21 382 734	22 155 100	(169 500)	(0.8)	21 985 600	2.6	22 552 600
<i>Less:</i>							
Transfer to Programmes Q and S	6 237 805	6 793 800	-	-	6 793 800	2.7	6 980 400
Allocation to Agency Programmes	13 300 667	12 852 300	(500)	(0.0)	12 851 800	2.6	13 183 200
Reimbursable Work for Others	1 844 262	2 509 000	(169 000)	(6.7)	2 340 000	2.1	2 389 000
	-	-	-	-	-	-	-

Table 6. The Regular Budget — Staff Costs

in Euro @ €1.00 = \$1.00

Item of expenditure	2005 actual expenditure	2006 budget	Programme increase/(decrease) %	2007 estimates at 2006 prices	Price increase %	2007 with price increase
Salaries - established posts - P	64 473 927	71 274 500	262 400 0.4	71 536 900	3.1	73 754 600
Temporary assistance - P/ MT	7 085 400	9 221 500	189 400 2.1	9 410 900	3.1	9 702 100
Temporary assistance - P/ ST	764 010	957 000	28 100 2.9	985 100	3.1	1 015 500
Salaries - established posts - GS	38 484 671	39 526 300	(87 100) (0.2)	39 439 200	2.5	40 425 900
Temporary assistance - GS/ MT	4 303 851	4 534 800	- -	4 534 800	2.5	4 648 200
Temporary assistance - GS/ ST	1 326 405	488 200	700 0.1	488 900	2.5	501 200
Common staff costs	53 772 373	56 829 700	178 000 0.3	57 007 700	2.8	58 621 300
Overtime	483 390	405 300	5 700 1.4	411 000	2.4	420 800
Total: Staff costs	170 694 027	183 237 300	577 200 0.3	183 814 500	2.9	189 089 600

ANNEX**Draft Resolutions****A. Regular Budget Appropriations for 2007**

The General Conference,

Accepting the recommendations of the Board of Governors relating to the Regular Budget of the Agency for 2007 ^{1/},

1. Appropriates on the basis of an exchange rate of \$1.00 to €1.00, an amount of €283 611 000 for the Regular Budget expenses of the Agency in 2007 as follows ^{2/}:

	<u>Euro</u>
1. Nuclear Power, Fuel Cycle and Nuclear Science	27 651 000
2. Nuclear Techniques for Development and Environmental Protection	31 635 000
3. Nuclear Safety and Security	23 050 000
4. Nuclear Verification	110 879 000
5. Information Support Services	16 416 000
6. Management of Technical Cooperation for Development	15 821 000
7. Policy and General Management	52 960 000
Subtotal	<hr/> 278 412 000
8. Special Appropriation for Security Enhancements	<hr/> 2 500 000
Subtotal Agency Programmes	280 912 000
9. Reimbursable Work for Others	<hr/> 2 699 000
TOTAL	<hr/> <hr/> 283 611 000

the amounts in the Appropriation Sections to be adjusted in accordance with the adjustment formula presented in the Attachment in order to take into account the exchange rate variations during the year.

2. Decides that the foregoing appropriation shall be financed, after the deduction of
 - revenues deriving from Reimbursable Work for Others (Section 9); and
 - Other Miscellaneous Income of €2 857 000 (representing €1 263 000 plus \$1 594 000);from contributions by Member States amounting, for an exchange rate of \$1.00 to €1.00, to €278 055 000 (€221 704 000 plus \$56 351 000), in accordance with the scale of assessment fixed by the General Conference in resolution GC(50)/RES/ ; and

3. Authorizes the Director General:
 - (a) To incur expenditures additional to those for which provision is made in the Regular Budget for 2007, provided that the relevant emoluments of any staff involved and all 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 Budget for 2007; and
 - (b) With the prior approval of the Board of Governors, to make transfers between any of the Sections listed in paragraph 1 above.

^{1/} See document GC(50)/6.

^{2/} The Appropriation Sections 1–7 represent the Agency’s Major Programmes.

ATTACHMENT

ADJUSTMENT FORMULA IN EURO

	€		US\$	
1. Nuclear Power, Fuel Cycle and Nuclear Science	21 611 000	+	(6 040 000	/R)
2. Nuclear Techniques for Development and Environmental Protection	25 217 000	+	(6 418 000	/R)
3. Nuclear Safety and Security	17 492 000	+	(5 558 000	/R)
4. Nuclear Verification	84 594 000	+	(26 285 000	/R)
5. Information Support Services	13 621 000	+	(2 795 000	/R)
6. Management of Technical Cooperation for Development	12 899 000	+	(2 922 000	/R)
7. Policy and General Management	45 033 000	+	(7 927 000	/R)
	<hr/>		<hr/>	
Subtotal	220 467 000	+	(57 945 000	/R)
8. Special Appropriation for Security Enhancements	<hr/> 2 500 000	+	<hr/> -	
Subtotal Agency Programmes	222 967 000	+	(57 945 000	/R)
9. Reimbursable Work for Others	<hr/> 2 116 000	+	<hr/> (583 000	/R)
TOTAL	<hr/> <hr/> 225 083 000	+	<hr/> <hr/> (58 528 000	/R)

Note: R is the average United Nations dollar-to-euro exchange rate which will be experienced during 2007.

B. Technical Cooperation Fund Allocation for 2007

The General Conference,

Recalling the decision of the Board of Governors, which was noted by the General Conference in resolution GC(48)/RES/7, that for 2007, the indicative planning figure for voluntary contributions to the Agency's Technical Cooperation Fund shall not be less than \$78 500 000,

Accepting the recommendation of the Board of Governors relating to the target for voluntary contributions to the Agency's Technical Cooperation Fund for 2007,

1. Decides that for 2007 the target for voluntary contributions to the Technical Cooperation Fund shall be \$;^{1/}
2. Notes that funds from other sources, estimated at \$1 000 000, are expected to be available for that programme;
3. Allocates the amount of \$ for the Agency's Technical Cooperation programme for 2007; and
4. Urges all Member States to make voluntary contributions for 2007 in accordance with Article XIV.F of the Statute, with paragraph 2 of its Resolution GC(V)/RES/100 as amended by Resolution GC(XV)/RES/286 or with paragraph 3 of the former Resolution, as appropriate.

C. The Working Capital Fund in 2007

The General Conference,

Accepting the recommendations of the Board of Governors relating to the Agency's Working Capital Fund in 2007,

1. Approves a level of €15 210 000 for the Agency's Working Capital Fund in 2007;
2. Decides that the Fund shall be financed, administered and used in 2007 in accordance with the relevant provisions of the Agency's Financial Regulations^{2/};
3. Authorizes the Director General to make advances from the Fund not exceeding €500 000 at any time to finance temporarily projects or activities which have been approved by the Board of Governors for which no funds have been provided under the Regular Budget; and
4. Requests the Director General to submit to the Board statements of advances made from the Fund under the authority given in paragraph 3 above.

^{1/} Decision on the target for recommendation to the General Conference to be taken by the Board of Governors at its meeting in September 2006.

^{2/} INFCIRC/8/Rev.2.