



**JAMES MARTIN CENTER FOR  
NONPROLIFERATION STUDIES**

*Vienna, September 2012*



**Vienna Center for Disarmament  
and Non-Proliferation**

**FACT SHEET #5**

*Information Relevant to the IAEA General Conference*

## **Topic: IAEA Budget**

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### **WHAT BUDGET MATTERS WILL THE GENERAL CONFERENCE CONSIDER IN THIS SESSION?**

The IAEA has a biannual budget; the General Conference approved the 2012-2013 budget in September 2011. Along with the budget, last year's GC approved target figures for the Technical Cooperation Fund for 2012-2013 and Indicative Planning Figures for 2014-2015.

The Agency's Statute, however, requires that the Board of Governors submit annual budget estimates to the GC, and therefore a brief budget update is issued each year. The Budget Update for 2013 indicates that the Agency needed to make adjustments to ensure implementation of activities under the Action Plan on Nuclear Safety. The estimated funding for the Action Plan for 2013 is €10.1 million. However, the overall budget, as well as proportions of it allocated to major programs, remained the same, in accordance with last year's "package proposal" whereby the 2013 budget was to remain at zero real growth compared to 2012.

The IAEA's total proposed regular budget for 2013 is €346.27 million, with an operational component of €337.93 million and capital component of €8.34 million. A separate General Conference resolution will propose setting the 2013 target for voluntary contributions to the Technical Cooperation Fund at \$88.75 million, as recommended by the Board in June 2011.

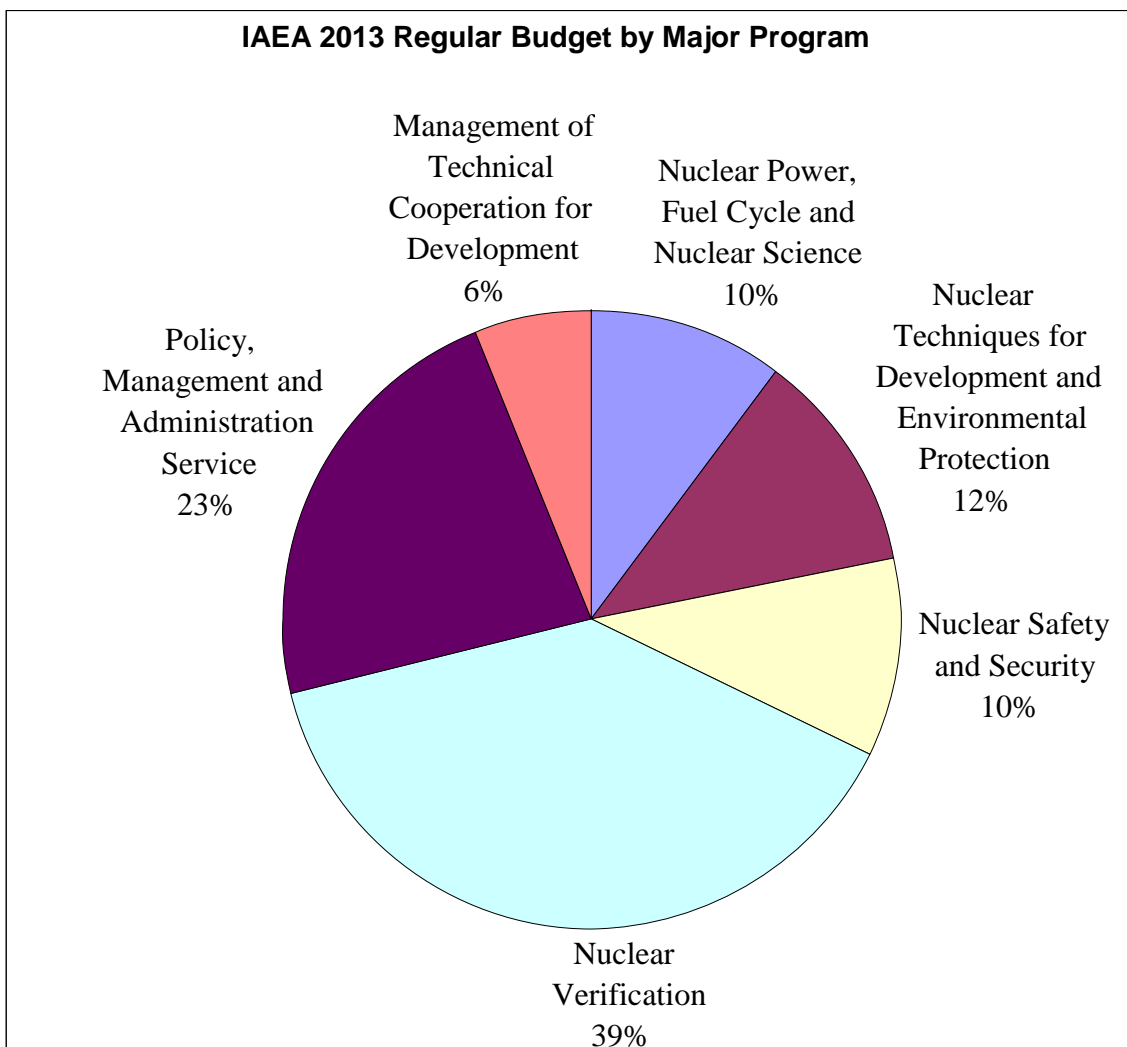
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### **WHAT ARE THE COMPONENTS OF THE IAEA BUDGET?**

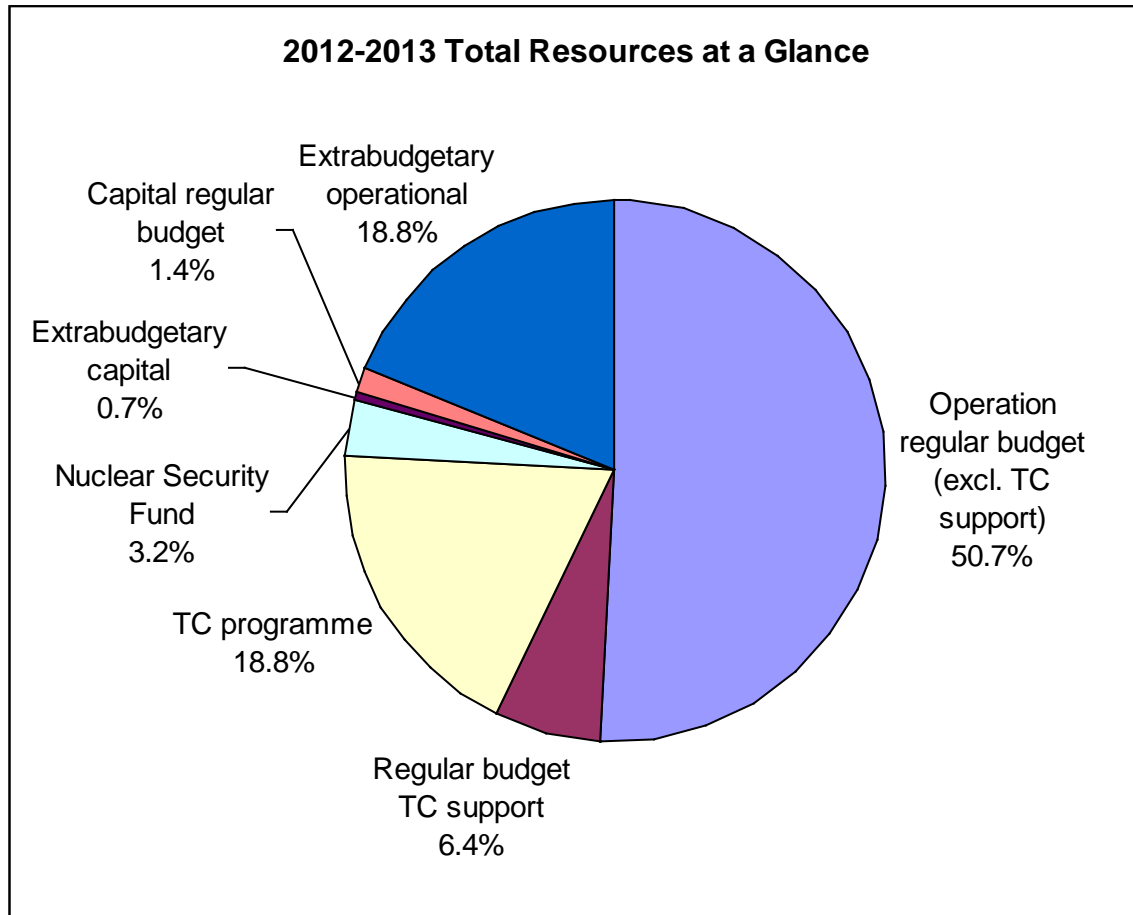
The financial resources available to the IAEA consist primarily of the regular budget (mandatory assessed contributions) and voluntary extrabudgetary resources. Payment of assessed contributions is mandatory for all member states of the Agency, and the amounts are determined according to a number of factors, including the economic strength of the respective state.

Voluntary contributions take a number of forms, from payments to specific funds—such as the Nuclear Security Fund, Technical Cooperation Fund, or Major Capital Investment Fund—to cost-free experts sent to the IAEA to support the Agency as needed. Anticipated total contributions for other extrabudgetary funds (operational and capital, including the Peaceful Uses Initiative, Low-Enriched Uranium (LEU) Fuel Bank, and Nuclear Security Fund) will total €110 million in 2013. Of these, the Nuclear Security Fund target is €19 million. If countries decide not to give to extrabudgetary (voluntary) funds, whether for political or financial reasons, the programs that rely on these contributions go unfunded. The funds are divided among six "Major Programs."

A lack of a coherent budgeting process has created resentment among member states. Developing countries, principally the G77 and China, often protest that the practice of funding some activities through extrabudgetary sources and others through assessed contributions does not give equal priority to each of the Agency’s statutory functions. Nuclear verification is largely funded through the regular budget. The Technical Cooperation Fund, an extrabudgetary source, is used for projects that support research and development of peaceful nuclear technology in global health and nuclear energy, and therefore is popular among developing countries. It should be noted that it is impossible to know exactly how much extrabudgetary help each program gets; some countries will offer the services of laboratories and personnel whose costs do not appear on the balance sheet.



Compiled from “The Agency’s Budget Update for 2013,” GC(56)/4, *International Atomic Energy Agency*, 2012, available at [http://www.iaea.org/About/Policy/GC/GC56/GC56Documents/English/gc56-4\\_en.pdf](http://www.iaea.org/About/Policy/GC/GC56/GC56Documents/English/gc56-4_en.pdf)



Taken from "The Agency's Programme and Budget, 2012-2013," GC(55)/5, *International Atomic Energy Agency*, 2011, P iii, [http://www.iaea.org/About/Policy/GC/GC55/GC55Documents/English/gc55-5\\_en.pdf](http://www.iaea.org/About/Policy/GC/GC55/GC55Documents/English/gc55-5_en.pdf)

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“The Agency’s Budget Update for 2013,” GC(56)/4, *International Atomic Energy Agency*, 2012, available at [http://www.iaea.org/About/Policy/GC/GC56/GC56Documents/English/gc56-4\\_en.pdf](http://www.iaea.org/About/Policy/GC/GC56/GC56Documents/English/gc56-4_en.pdf).

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Yukiya Amano, “Introductory Statement to Board of Governors,” [transcript] June 6, 2011, <http://www.iaea.org/newscenter/statements/2011/amsp2011n012.html>.