



International Atomic Energy Agency

# INFORMATION CIRCULAR

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## THE FINANCIAL REGULATIONS OF THE AGENCY

1. On 8 June 1999, pursuant to the implementation of the biennial programming concept in the Agency, the Board of Governors adopted certain amendments to the Agency's Financial Regulations to take effect from 1 January 2002 (GOV/1999/23 and GOV/OR.977). In addition, on 8 June 1999, the Board decided to suspend the application of Financial Regulation 3.01 exceptionally for the year 2001.
2. For ease of comparison and reference, reproduced herein are the full texts of the relevant Regulations in both current and amended form.
3. A consolidated text of the Financial Regulations will be issued in 2001.

CURRENT  
until 31-12-2001

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Financial Regulation 3.01 (Suspended for the Year 2001)

The Programme for the activities of the Agency shall be established for two consecutive calendar years, starting with an uneven calendar year (the programme biennium).

Financial Regulation 4.03

Appropriations, after approval by the General Conference, shall be available for obligation in respect of the financial year for which they were approved.

Financial Regulation 4.04

- (a) Appropriations shall remain available for twelve months or, in respect of research contracts and related technical contracts, twenty-four months following the end of the financial year for which they were approved, to the extent that they are required to discharge any unliquidated obligations for the financial year.

AMENDED  
from 01-01-2002  
(amendments in bold italics)

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Financial Regulation 3.01

The Programme for the activities of the Agency shall be established for two consecutive calendar years, starting with an *even* calendar year (the programme biennium).

Financial Regulation 4.03

*After approval by the General Conference*, appropriations shall be available for obligation in respect of the financial year for which they were approved. *However, any unobligated balance of the appropriations for the first financial year of the programme biennium shall be carried over and made available for obligation until the end of the second financial year of the programme biennium.*

Financial Regulation 4.04

- (a) Appropriations shall remain available for twelve *months, or* in respect of research contracts and related technical *contracts twenty-four months*, following the end of the financial year for which they were approved, *or in the case of carry over pursuant to Regulation 4.03, following the end of the financial year into which the appropriations were carried over*, to the extent that they are required to discharge any unliquidated obligations for *that* financial year.

## CURRENT

### Financial Regulation 7.02

At the end of each financial year the provisional surplus or deficit for the year shall be determined by establishing the balance between the following credits and charges to the Regular Budget Fund:

(a) Credits:

1. Assessed contributions received for the year from Member States; and
2. Miscellaneous income received during the year.

(b) Charges:

1. All disbursements against the appropriations for that year;
2. Provisions for unliquidated obligations to be charged against the appropriations for that year;
3. Provisions for unobligated balances of appropriations set aside to implement deferred programme activities in the following financial years; and
4. Transfers to Reserve Funds as authorized by the Board.

The provisional surplus or deficit shall be retained in the Regular Budget Fund for the following twelve months.

## AMENDED

### Financial Regulation 7.02

At the end of each financial year the provisional surplus or deficit for the year shall be determined by establishing the balance between the following credits and charges to the Regular Budget Fund:

(a) Credits:

1. Assessed contributions received for the year from Member States; and
2. Miscellaneous income received during the year.

(b) Charges:

1. All disbursements against the appropriations for that year;
2. Provisions for unliquidated obligations to be charged against the appropriations for that year;
3. Provisions for unobligated balances of appropriations set aside to implement deferred programme activities in the following financial years; and
4. Transfers to Reserve Funds as authorized by the Board; *and*
5. *Provisions for unobligated balances of appropriations carried over from the first financial year to the second financial year of the programme biennium in accordance with Regulation 4.03.*

The provisional surplus or deficit shall be retained in the Regular Budget Fund for the following twelve months.

CURRENT

Financial Regulation 7.03

(a) At the end of the twelve-month period referred to in Regulation 7.02 the cash surplus or deficit for the financial year shall be determined by:

1. Crediting to the provisional surplus or deficit:
  - (i) Any arrears of prior years' assessed contributions received during that period;
  - (ii) Any savings from the provisions made for unliquidated obligations pursuant to Regulation 7.02(b)(2); and
  - (iii) Any savings from the provisions for unobligated balances of appropriations set aside for deferred programme activities pursuant to Regulation 7.02(b)(3).
  
2. Charging to the provisional surplus or deficit:
  - (i) The cash deficit, if any, of the financial year preceding the financial year for which the cash surplus or deficit is determined.

AMENDED

Financial Regulation 7.03

(a) At the end of the twelve-month period referred to in Regulation 7.02 the cash surplus or deficit for the financial year shall be determined by:

1. Crediting to the provisional surplus or deficit:
  - (i) Any arrears of prior years' assessed contributions received during that period;
  - (ii) Any savings from the provisions made for unliquidated obligations pursuant to Regulation 7.02(b)(2); and
  - (iii) Any savings from the provisions for unobligated balances of appropriations set aside for deferred programme activities pursuant to Regulation 7.02(b)(3); *and*
  - (iv) *Any savings from the provisions for carried over unobligated balances of appropriations pursuant to Regulation 7.02(b)(5).*
  
2. Charging to the provisional surplus or deficit:
  - (i) The cash deficit, if any, of the financial year preceding the financial year for which the cash surplus or deficit is determined.

CURRENT

- (b) After the audit by the External Auditor of the accounts for the twelve-month period referred to in Regulation 7.02 has been completed, the cash surplus shall be allocated among Member States in accordance with the scale of contributions for the financial year to which the surplus relates. The Board may defer the allocation of the cash surplus if the surplus is required to finance a temporary cash shortage of the Regular Budget Fund.
- (c) The individual allocations to those Member States who have paid their assessed contributions in full for the year to which the surplus relates shall be applied to liquidate in the following order:
1. Any outstanding advances to the Working Capital Fund;
  2. Any arrears of assessed contributions;
  3. Assessed contributions for the current financial year.

The allocations to the remaining Member States shall be so applied after their arrears of assessed contributions for the financial year to which the surplus relates have been liquidated in full.

AMENDED

- (b) After the audit by the External Auditor of the accounts for the twelve-month period referred to in Regulation 7.02 has been completed, the cash surplus shall be allocated among Member States in accordance with the scale of contributions for the financial year to which the surplus relates. The Board may defer the allocation of the cash surplus if the surplus is required to finance a temporary cash shortage of the Regular Budget Fund.
- (c) The individual allocations to those Member States who have paid their assessed contributions in full for the year to which the surplus relates shall be applied to liquidate in the following order:
1. Any outstanding advances to the Working Capital Fund;
  2. Any arrears of assessed contributions;
  3. Assessed contributions for the current financial year.

The allocations to the remaining Member States shall be so applied after their arrears of assessed contributions for the financial year to which the surplus relates have been liquidated in full.