

## **RCA Medium Term Strategy Coordination Working Group**

### **Performance Indicator 3.1 Discussion Paper**

#### **Background**

During the 9<sup>th</sup> Meeting of the RCA Medium Term Strategy Coordination Working Group (MTSC WG), the group discussed the findings and recommendations of the Mid-Term Review of the RCA conducted by PAC in 2020 based on the MTSC WG advice. Specifically, the MTSC WG reviewed the target criteria under each of the Performance Indicators (PI) to review whether their design was appropriate to measure the desired outcome in an efficient and realistic manner. The below capture discussion on the PI 3.1 and tasks the IAEA Secretariat to provide further information to the MTSC WG.

#### **Performance Indicator 3.1**

PI 3.1 relates to the Sustainability of the RCA Programme, stating:

*Required financial resources available for the full implementation of the RCA activities*

To measure programme performance against this indicator, the MTSC WG established a Target Criteria under its guidance to PAC for the MTR:

*Project designs identify at least 25% of budgeted components or activities as extra-budgetary supported.*

In the MTR, PAC noted that 25% of reviewed projects had at least 25% of their activities allocated to extra-budgetary (EB) funds. This led to a finding of 'Inadequate' programme performance against this PI.

However, PAC also noted:

*The requirement that all RCA Projects should have a 25% EB component could be counterproductive. Assigning activities for implementation with EB funds that are not assured could result in those activities not being implemented affecting the outputs and the outcomes of the projects.*

#### **MTSC WG Discussion on Target Criteria**

In discussion of this Target Criteria, the MTSC WG agreed that forcing project designers to allocate certain activities to EB contributions could undermine the effectiveness of the projects as there was no certainty to when, or even if, EB funds would become available. As such, it was decided that a different Target Criteria was required.

To develop a new Criteria, the MTSC WG reviewed the PI and noted that the PI was not focused on EB contributions, so a more holistic approach that considered Technical Cooperation Fund allocations to the RCA could also be beneficial. It was also noted that there had been extensive attempts to increase EB contributions to the RCA in recent years that had ultimately failed to illicit such funds. Such activities included:

- Consideration of establishing an AFRA-style RCA Fund. This was ultimately rejected by the National Representatives (NR).
- Two letters from the RCA Chair to Permanent Missions to the IAEA of RCA Governing Parties (GP). Neither letter resulted in extra EB contributions.

- Installation of a requirement for RCA projects to include 25% of activities to be attributed to EB contributions. This requirement has been shown to undermine good project design.

With this in mind, the MTSC WG reviewed contributions to the RCA from the TCF in recent times, as indicated in the Table below.

Year	Curr.	TCF Budget			EB	
		TCF Target	Allotted for RCA Proj		Total for RCA Proj	% of TCF Contribution
			Total	% of TCF		
2001	USD	73000000	4800000	6.58	72965	1.52
2002		73000000	4718280	6.46	425163	9.01
2003		74750000	4067000	5.44	543394	13.36
2004		74750000	4338000	5.80	336639	7.76
2005		77500000	3968000	5.12	282600	7.12
2006		77500000	3854000	4.97	824470	21.39
2007		80000000	3510000	4.39	304500	8.68
2008		80000000	3440000	4.30	414250	12.04
2009		85000000	2850000	3.35	163693	5.74
2010		85000000	2250000	2.65	148611	6.60
2011	EUR	70434000	1300000	1.85	850000	65.38
2012		62302500	1850000	2.97	188888	10.21
2013		71443000	1660000	2.32	318825	19.21
2014		69221750	1420000	2.05	214434	15.10
2015		69797000	1420000	2.03	458478	32.29
2016		84456000	1420000	1.68	537200	37.83
2017		84915000	1880000	2.21	83149	4.42
2018		85700000	1400000	1.63	508970	36.36
2019		86200000	1657000	1.92	216960	13.09
2020		88061000	1827487	2.08	203830	11.15

*Source: TCF targets come from TC reports to the Board of Governors. TCF allotments and EB contributions to the RCA come from RCA Annual Reports.*

This analysis revealed two major findings:

1. The allotment of the TCF to the RCA has flatlined around 2% in recent years, down substantially from highs of over 6% in the early 2000's.
2. The percent of EB contributions to the RCA has shifted due to their irregular nature, but has generally increased over time.

In coming to these findings, the MTSC WG understands that more Member States have joined the IAEA in this time which increases the draw on the TCF for national projects. However, the MTSC WG is also aware that there are substantial non-Agreement projects, including in the Indo-Pacific region. It is unclear whether the TCF allocations to these non-Agreement projects has changed in line with allocations to the RCA. It is also unclear to the MTSC WG exactly how the IAEA Secretariat divides TCF allocations between national, regional Agreement, and regional non-Agreement projects.

### **Questions for the Secretariat**

To help devise an appropriate, new Target Criteria for PI 3.1, the MTSC WG requests that the Secretariat provide a report on:

1. The methodology the IAEA uses to determine the split of the TCF between national, regional Agreement, and regional non-Agreement projects.
2. The allocation of TCF contributions for RCA vs non-Agreement projects in Indo-Pacific back to 2000.
3. The allocation of TCF contributions of the RCA vs other regional Agreement projects back to 2000.
4. An explanation as to why RCA contributions as a percentage of the TCF have dropped substantially since the 2000's.

The report should be provided to the MTSC WG by the end of August 2021.

### **Other Considerations**

While it is premature to determine a new Target Criteria for PI 3.1 until the above information is received, an appropriate measure may be to look at the percent of RCA budgets that are approved as footnote/a each biennium. This would measure that projects are being approved because they meet GP needs, but that TCF funding is not available.

Noting that the current Target Criteria for PI 3.1 needs to be replaced with something that reflects appropriate TCF contributions, the recognition for EB contributions also needs to be reflected. This may require a second Target Criteria.