



## VIENNA CHAPTER

STATEMENT OF THE G-77 AND CHINA DURING THE CTBTO-WORKING GROUP B 21ST SESSION, 2ND PART 1-12 SEPTEMBER 2003 DELIVERED BY H.E. AMBASSADOR FREDERICO URRUELA PRADO, PR OF GUATEMALA ON BEHALF OF H.E. AMBASSADOR ROBERTO ABDENUR, PR OF BRAZIL

Mr. Chairman,

On behalf of State Signatories of the Group of 77 and China, I am pleased to see you again chairing the second part of the 21st session of Working Group B. I believe that under your chairmanship and guidance, discussions will lead to fruitful conclusions and I assure you of our full support and cooperation.

The Group expresses its condolence and sympathy with the family and friends of the victims, particularly Mr. Sergio Vieira De Mello, and strongly condemns the terrorist attack on the UN Headquarters in Baghdad. This tragic incident resulting in the loss of efficient and dedicated UN staff will lead to further deterioration of the safety and welfare of the Iraqi people.

The Group wishes to thank the Executive Secretary, Ambassador Wolfgang Hoffmann, for his comprehensive written and oral reports. We are pleased that the following progress has been made in the establishment of the verification system during the first seven months of 2003;

- 91% of the IMS stations have been site surveyed
- the PTS continued to assist in the installation of 'NDC in a box' software, which gives National Data Centres the capability to analyze IMS data interactively and Software integration work continued in the areas of software development, maintenance and configuration management
- 144 VSATs had been installed out of the planned total of 234
- the 9th OSI workshop and 7th OSI training course were conducted and preparations are under way for the third tabletop exercise and 4th OSI advanced course.

We would like to express our appreciation for the diligent efforts of the PTS in implementing the mandates of the Preparatory Commission for the establishment of the verification system at the Entry Into Force of the Treaty.

The Group attaches great importance to and supports the convening of the Article 14 Conference for facilitating of the Entry into Force (EIF) of the Treaty in next few days in Vienna, and in this regard the Group wishes to thank the efforts of H.E. Ambassador Grönberg of Finland. We are also pleased to note that Algeria, one of the members of the G-77 and China, recently ratified the treaty. Algeria's ratification marks an important step forward, as Algeria is one of the 44 States listed in Annex 2 to the CTBT, which must sign and ratify the Treaty before it can enter into force.

Mr. Chairman,

The Group would like to express its views on the following issues, which will be considered during the present meeting of Working Group B.

1. In consideration of guidance to the PTS for preparing the verification related work programme and budget elements for 2004, the Group would like to reiterate the views expressed in its previous statements, in particular that any proposal for the verification related work programme and budget elements for 2004 and thereafter, should be guided by the following main principles, First: the actual prospect of the Entry Into Force of the Treaty (EIF), Second: the capabilities of the Member States to pay their assessed contributions, Third: the capability of the PTS to consolidate the budget. In this regard the Group would like to emphasize

the Gentlemen's Agreement contained in the report of the nineteenth session of the Prep Com, document CTBT/PC-19/1 para 33, approved by all members of the Prep Com. Accordingly, the Group urges WGB to adjust the pace of its work to the above mentioned Gentlemen's Agreement and requests the PTS to prioritize and reallocate its resources between Major Programmes, under the principle of no overall programmatic increases. We take note that in the adjustment to the 2004 programme and budget proposal (CTBT/PTS/INF.613), instead of reduction in the overall budget, the PTS proposes 2.09 % increase in the IDC, 2.59% increase in the OSI and 1.93% increase in the evaluation budgets. We take note with appreciation of the efforts of the PTS in the implementation of a realistic approach towards the program and budget for 2004 by trying to keep the 2004 budget at the same level of 2003, with no programmatic increases over the 2003 funding level, or in PTS staffing levels. However, we believe that the total amount of \$ 96,817,600 for the 2004 budget is far beyond the capability of Member States to pay their contributions and is not in line with the Gentlemen's Agreement on keeping the budget of 2004 at the same level as the 2003 Programme and Budget.

Mr. Chairman,

In this regard we are of the opinion that by prioritization and reallocation of resources and programmes, further savings could be made in the following areas:

Since the PTS is at the stage of organizational transition, we believe that the funding for the Capital Investment Fund (CIF) should decrease substantially. For provisional operation and maintenance costs, we are of the view that Post Certification Costs should be reduced to the lowest level possible taking into account the estimation of the PTS in document CTBT/PTS/INF.536 para 24 and the already approved guidelines in the WGB (CTBT/WGB-19/1 para 15) and WGA (CTBT/WGA-22/1 para 15). The Group also believes that the budget for acquisition of hardware should decrease.

2. The Group believes that according to the resolution on the establishment of the Prep Com, technical testing and provisional operations, as necessary, pending the Entry Into Force (EIF) of the Treaty is a task of the Prep Com. The operation of IMS stations before the EIF of the Treaty is provisional and testing in nature and only for the purpose of testing and evaluating the performance and data quality of IMS stations. The Group welcomes the adoption of the guidelines for technical testing and provisional operation of certified IMS stations, the GCI and the IDC in the last Working Group B [CTBT/pc-19/1/annexII, para 13]. We believe that the mode of operation of IMS certified station should be determined in the light of actual needs of testing and maintenance of the IMS network, and the legal and financial concerns of State Signatories should be duly taken into account during the negotiation of contracts for post certification activities. With regard to the proposed system-wide performance test, in CTBT/PTS/INF.606, we are of the view that this test should be carried out when the majority of the IMS stations especially certified stations are in place and connected to the IDC and after doing enough preparation for this wide scale test by the PTS. Since the only purpose of this test is to evaluate the performance of the whole system and nothing more, and by this test the requirements of the data availability, in accordance with the approved guidelines for provisional operation and maintenance of IMS before the EIF of the Treaty would be waived, we believe that the test should be done in a very limited timeframe.

3. The Group attaches great importance to the National Data Centers (NDCs) and welcomes the establishment of joint theme task of NDC in the framework of Working Group B and supports the main objectives of this task as articulated by its distinguished task leader in the report of last WGB. We believe that the PTS should play a more active role in promoting the NDCs of developing countries especially in providing hardware and software. More training courses for NDCs are required to provide the necessary capabilities for the States Signatories, especially for developing countries, to take greater advantage of the data, products and services of the IDC. The Group encourages wider participation of the developing countries in IDC training courses.

4. The Group believes that all the elements of the verification regime of the treaty including IMS, IDC and OSI, are important and in this regard attaches great importance to a balanced approach in establishing all

those elements. Due to the complexity of the OSI issues, active participation of all members is important so we urge all the States Signatories to actively participate in the OSI discussion. From our point of view elaboration of the draft OSI Operational Manual, based on the Initial Draft Rolling Text (IDRT), remains a priority task for all members of the Commission.

In this respect the necessary preparations for the establishment of the OSI regime at Entry Into Force of the Treaty should be made. This should include testing and evaluation of all OSI equipments, establishing supporting infrastructure and preparing a comprehensive programme for training of the inspectors and inspection assistants after the EIF of the treaty. We would like to express our appreciation for the external evaluation of major programme 4 and the report which has been prepared by the External Evaluation Team. We note that the report of the team, CTBT/WGB-21/INF.5 of 5 June 2003, directed to Working Group B (WGB), contains many important recommendations for further improving the functionality and effectiveness of the OSI Major Programme in order to accelerate progress towards being able to launch and conduct effective inspections upon entry into force so we would like to ask the WGB to discuss and consider this report as well as the response of the PTS in this regard.

5. In accordance with the provisions of the Treaty, the text on the establishment of the Prep Com and due to the development in the work of the PTS, we believe that adopting a Confidentiality Policy for the PTS is a real and urgent need. The confidentiality policy should create a strict regime for handling all data and information available to the PTS and should not be limited to the procedures of the PTS in classification of the information. In this regard, we take note the paper of the PTS on its policies and procedures in handling the sensitive information in document CTBT/PTS/INF.614, this document could be a basis for further discussion. However, we believe that a comprehensive approach, including definition of information, list of types of information available to the PTS, criteria for the classification and declassification, Procedures and Modalities for handling the classified information, changing the Classification or Designation of Information, roles and responsibilities of States Signatories, is necessary for the confidentiality policy of the PTS. We believe that more time in WGB discussions should be allocated to this important task.

Thank you Mr. Chairman.