



STATEMENT OF THE G-77 AND CHINA DURING THE 25TH SESSION OF WORKING GROUP A, 7-11 JUNE 2004, DELIVERED BY H.E. AMBASSADOR TAOUS FEROUKHI, PR OF ALGERIA

On behalf of State Signatories of the Group of 77 and China, I am pleased to see you chairing the 25th session of Working Group A. I believe that under your chairmanship and guidance, discussions will lead to fruitful conclusions and I assure you of our full cooperation.

The Group wishes to thank the Executive Secretary, Ambassador Wolfgang Hoffmann, for his comprehensive written and oral reports and we would like to express our appreciation for the diligent efforts of the whole 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 would like to express its views on the following issues, which will be considered during the present meeting of Working Group A.

We appreciate the activities undertaken by the PTS during 2002 in implementation of Major Programmes 6 (Policy Making Organs) and 7 (Administration, Coordination and Support). We encourage the PTS to continue assisting in promoting cooperation among States Signatories to facilitate exchanges of technologies used in the verification of the Treaty. The Group believes that training courses of the PTS are elements of utmost importance for the dissemination of information about different technologies and for the universalization of the Treaty and should be further coordinated, well funded and widely represented.

INITIAL REVIEW OF THE DRAFT 2005 PROGRAMME AND BUDGET

In considering the guidance to the PTS for preparing programme and budget for 2005, the group would like to emphasize on its budget principles which have been mentioned in the previous statements and in this regard takes note with appreciation the efforts of the PTS in implementation of a realistic approach towards the program and budget for 2005 and trying to keep the 2005 at the same level of 2004 with no programmatic increases over the 2004 funding level, or in PTS staffing levels by sticking to the two assumptions of last year namely no programmatic or staff increase and accommodation of proposed changes by prioritization and reallocating the resources.

We believe that by prioritization and reallocating the resources the PTS can easily accommodate the changes and have a budget, which is really based on no programmatic increase. Therefore we are expressing again our priorities and areas which the reallocations can be done.

We believe that funding for the Capital Investment Fund (CIF) should further decrease as a lot of progress has already been made in the IMS Major Programme, and the majority of stations have been site surveyed, installed and are being certified.

The only purpose of the proposed system-wide performance test is to evaluate the performance of the whole system. Since there is no verification related activities for the system before the Entry In to Force of the Treaty, we believe that the test should be done in a very limited timeframe, taking into account the sole purpose of testing the system. The Group is of the view that the cost of this exercise should be absorbed within the existing resources and there should be no extra budgetary provision to this item.

The Group also believes that Post Certification Costs should be reduced taking into account already approved guidelines in the WGB (CTBT/WGB-19/1 Para 15) and WGA (CTBT/WGA-22/1 Para 15).

The Group would like to thank the Secretariat for the preliminary and initial information that Member States received on the enhanced security arrangements to enable the Vienna-based Organizations to comply with the Headquarter's Minimum Operating Security Standards (H-MOSS) being proposed by UN Headquarters in New York. However the group believes that taking decision on necessity of enhanced security arrangement is the prerogative of member states of each organization taking into account a realistic and practical approach based on a real threat perception, local security situation and cost efficiency.

The Group would like to stress that the recommendations for enhancing security measures should be decided by Member States after discussion in a transparent manner with the secretariat and with due regards to cost efficiency.

In this regard, the Group is of the view that additional financial burdens as a result of these measures should not be imposed on Member States beyond their capacity to pay for them. The Group therefore welcomes any voluntary contribution and further consultations between the PTS and other organizations as well as UN Secretariat in New York. We expect that the Member States will be fully informed about any developments in this regard.

Mr. Chairman,

REVIEW OF THE ORGANIZATIONAL STRUCTURE OF THE PROVISIONAL TECHNICAL SECRETARIAT

From the beginning of the initiative of WGB for the review of the organizational structure of the PTS, Member of the Group raised some question about the need of such a review since the present structure is serving the State Signatories well. We were unhappy that the initial appointment and nomination of the team were not in consultation with the State Signatories as stated in the joint paper. However in the light of very recent development and consultations, and the present composition of 9 member team we are ready to work with other State Signatories on this issue taking into account the following consideration.

From our point of view the tasks of the PTS include two main pillars namely political issues and technical issues. In any attempt to restructuring, the balance between political and technical tasks of the PTS should be maintained. The purpose of the restructuring should be exclusively to increase coordination, to enhance efficiency and possible cost efficiency in the PTS. The experiences of the PTS should be taken into account. Should an external evaluation team be appointed to propose some recommendations on restructuring for consideration by the Prep-Com, then the Group attaches utmost importance to fair geographical representation within the team. The Group is of the view that the identification and selection of the members of the external team should be made by State Signatories rather than by the Chairpersons of the Working Group A and Working Group B.

We should reiterate that restructuring of the PTS is a very sensitive issue and that recommendations can be implemented only after thorough reviewing by the State Signatories and decisions should be taken in the Working Groups and the Prep-Com. We believe that the whole process of restructuring should be fully transparent and in close consultation with the State Signatories. The Group is nominating H.E. Ambassador Rimdap from Nigeria for the Chairmanship of the Team. With regard to the funding of the team, it is our view that this exercise should be funded within available resources.

Letter of Comfort on the Provident Fund for 2003

The Group takes note of the letter of comfort on the Provident Fund for 2003 which was distributed in CTBT/PTS/INF.653, together with the 2003 Annual Report of the Provident Fund. We also express our appreciation to the members of Management Board of the Provident Fund for their works.

2003 PROGRAMME AND BUDGET PERFORMANCE REPORT

The Group noted with satisfaction that the External Auditor had placed an unqualified opinion on the 2003 Accounts. The group also takes note that the 2003 Programme and Budget Performance Report (PBPR) (CTBT/PTS/INF.659), includes an expanded International Monitoring System (IMS) station-by-station report, providing total installation costs to date for each station. We also take note of the views of the Advisory Group in this regard and follow the case with great care. The group shares the view of the Executive Secretary that "it may be counterproductive to establish a priori the cost of building and installing a site because the advantage of competitive bidding and contractual negotiation would be lost by prescribing the cost of a site. However we support more transparency with regard to the Post Certification costs of IMS Stations and ask the PTS to provide in the budget and in the IMS station-by-station report of the PBPR an estimate of total costs for operation and maintenance of each IMS station in order to ensure an increased level of transparency, control and accountability. In this regard we welcome that a paper by the PTS was presented to the second part of the Advisory Group session, which propose some regulations to govern payments to States for the Operation and Maintenance of IMS facilities.

The Group supports the recommendations of the Advisory Group during its 22nd session, and in particular the ones referring to the procurement process, contained in paras 92 and 93 of its Report. The Group considers that any procurement process streamlining proposal cannot go in detriment of effective oversight and control procedures.

Long Term Financial Implications of a Split Currency System

We take note with appreciation that in response to the request of the Commission, the AG considered the financial implications of a split currency system for the assessment of States Signatories over the long term. However the group recalls that the Commission decided to adopt a split currency system starting from 2005 onwards in order to protect the Commission directly against the adverse effects of exchange rate fluctuations

IMPLICATIONS OF THE POSSIBLE INTRODUCTION OF A BIENNIAL BUDGET IN THE COMMISSION

In line with other International Organizations in Vienna such as IAEA, the Group sees some merits in the introduction of a biennial Budget in the Commission. Therefore we support consideration of this issue by the Advisory Group and WGA at their next meetings and ask the PTS to provide a paper for discussion.

HUMAN RESOURCES IN THE PROVISIONAL TECHNICAL SECRETARIAT (PTS)

2003 Annual Report on Human Resources Management

The Group takes note the 2003 Report of the PTS on Human Resources Management containing statistical information on the composition of PTS staff and recruitment related information in CTBT/PTS/INF.665. In order to improve and enhance fair geographical representation and gender balance at the decision making level posts in the PTS, The group is of the view that in recruitment of the new members of the PTS due regard should be paid to the principle of wider geographical representation and transparency should be applied in the process of recruitments. Equitable geographical representation and full consultation with different regional groups and countries, as well as high level standards of expertise, competence, integrity and experience shall be the main criteria for appointment of the staff in the PTS. The group also reserves its right to come back to this issue later on.

Seven-Year Service Limit in the Provisional Technical Secretariat

The Group believes that the Human Resources issues in the PTS should continue to be treated in an open and transparent approach according to the existing staff rules and regulations. Therefore, the Group strongly support the Commission's non-career policy, especially the seven-year limit on service with the PTS, as outlined in its staff rules and regulations and the administrative directive on recruitment, appointment, reappointment and tenure.

Although it is the prerogative of the Executive Secretary to make some exceptions to the service limit in accordance with Administrative Directive No. 20 (Rev.2), in order to retain essential expertise or memory in the PTS, but these exception shall be done in absolute minimum cases in accordance with the Administrative Directive No. 20 (Rev.2), and WGA reports. These exceptions shall be reported to the Commission.

We take note of the fact that the only reason on which the judgment of the International Labour Organization Administrative Tribunal (ILOAT) was based to rule out the decision of the Executive Secretary is non reflection of the Non career policy and 7 year limit in the contract of the staff. Since we don't have access to the new contracts we ask the PTS to take due care and make sure that the requirements of the judgment are fulfilled.

We support the 'wholesale' import of the tenure provisions in Administrative Directive 20(Rev. 2) into Staff Regulations and Rules,

APPOINTMENT AND MODALITIES OF TENURE OF A FUTURE EXECUTIVE SECRETARY

The Group takes note with appreciation the efforts of H.E Ambassador Takasu, Chairman of the Prep-Com, and the informal meetings held by him for reaching consensus on the new modalities of tenure of a future Executive Secretary and the appointment of a future Executive Secretary. We thank him and believe that his paper can be a basis for further consideration. Although the Group supports the criterion that the next Executive Secretary must come from a ratifying State. We believe that in the framework of Preparatory Commission the only legal actors are Signatory States. The Group is of the view that there should not be any link between the fulfilling of financial obligations of a Member State and the selection of the future Executive Secretary, because it is an unprecedented link and no reference in this respect is made in the Treaty or Rules of Procedure.

In the selection of the new Executive Secretary paramount importance should be attached to the principle of fair geographical representation, therefore new Executive Secretary should be a diplomat from a developing country with highest quality of competence and integrity and demonstrated managerial skills and experience to assist the work of the commission

Thank you Mr. Chairman.