



STATEMENT BY THE GROUP OF 77 AND CHINA DURING THE THIRY-FIRST SESSION OF THE PREPARATORY COMMISSION DELIVERED BY HE AMBASSADOR ANTONIO GUERREIRO, PERMANENT REPRESENTATIVE OF BRAZIL, 17-18 NOVEMBER 2008

Mr. Chairman,

At the outset, let me express the sincere appreciation of the States Signatories of the Group of 77 and China in seeing you, Ambassador Hans Lundborg, chairing the 31st session of the PrepCom. The Group believes that under your leadership, our deliberations will lead to fruitful conclusions and I assure you of our full cooperation in this regard.

The Group of 77 and China notes that since the last Session of the PrepCom progress has been made towards bringing the CTBT to its much-desired universal status, with the signature by Iraq and Timor-Leste and with the ratification by Burundi and Mozambique, thus elevating the total number of States Signatories to 180 and the number of ratifying States to 146.

The Group thanks the Executive Secretary Mr. Tibor Tóth for his oral and written reports, and would like to express its views on the substantive items of the agenda of the present Session of the Preparatory Commission.

AGENDA ITEM 3: CONSIDERATION OF THE REPORT OF WORKING GROUP B

Mr. Chairman,

As regards the report of the 31st Session of Working Group B, the Group wishes to recall its concerns with the imbalance between the three main dimensions of the verification system, namely the IMS, the IDC and OSI. As a consequence of an excessive focus on station building, the capabilities of the IDC have been severely outpaced by the enormous increases in the volume of data generated by an ever-growing IMS.

The Group also notes that since the last Session of the PrepCom, the PTS has entered into agreements with four States Signatories on the provision of data for tsunami-warning purposes. In this regard, while the Group considers this as a positive spin-off from the monitoring system, we reiterate our view that the provision of available data for tsunami warning purposes shall be without prejudice to the objectives and purposes of the Treaty, shall not detract from the provisional function and integrity of the IMS, or infringe upon the confidentiality of information, nor add any financial burden on States Signatories.

As to the OSI Integrated Field Exercise, the Group of 77 and China congratulates the Secretariat for its efforts in planning, organizing and carrying out such a major and complex undertaking. The Group also appreciates the cooperation offered by the host country Kazakhstan, and the financial and in-kind contributions made by several States Signatories. The Group reiterates its expectation that the results of this exercise should be subject to a thorough and transparent evaluation, open to the participation of all States Signatories.

While noting the need for the PTS to continue its efforts towards the reinforcement and improvement of its capabilities in the field of OSI, the Group of 77 and China believes that a mock inspection should be held only after the Entry Into Force of the Treaty.

AGENDA ITEM 4 & 5: CONSIDERATION OF THE REPORT OF WORKING GROUP A AND THE ADVISORY GROUP

Mr. Chairman,

As regards the reports of the 34th session of WGA and of the 31st Session of the Advisory Group, the Group takes note of all recommendations contained therein, and welcomes in particular the proposal to authorize the PTS to initiate the necessary planning and analysis required to make the transition to IPSAS. The Group expects that the results of such endeavours, which should take into account experiences in other International Organizations in adopting IPSAS, shall enable States Signatories to take informed decisions on the issue.

The Group also welcomes the draft individual plans for the payment of assessed contributions in arrears negotiated between the Secretariat and interested States Signatories, and recommends their adoption by the PrepCom. The Group expects that, in accordance with the terms of its decision mandating the PTS to negotiate such payment plans, the PrepCom restores the voting rights of the States concerned at its next Session.

The Group of 77 and China also welcomes the recommendations made by the AG to the Executive Secretary at its 31st Session. Following the practice of the WGA, the Group of 77 and China proposes that the PrepCom endorses such recommendations.

AGENDA ITEM 6: CONSIDERATION OF THE FINAL DRAFT 2009 PROGRAMME AND BUDGET PROPOSALS

Mr Chairman,

The Group has expressed its general views regarding the Programme and Budget for 2009 during the previous meetings of Policy Making Organs. At this occasion, the Group would like to reiterate once again the importance of the following four key elements that must be taken into account in all budgetary cycles of the PrepCom:

- the current well-advanced status of the verification system,
- the mandate of the PrepCom on the provisional operation of the system,
- the actual prospect of entry into force of the Treaty, and
- the financial burden on States Signatories.

Specifically as regards the final draft programme and budget proposal for 2009, the Group of 77 and China reiterates its disappointment with the lack of appropriate justification for the abrupt increases in numerous items of expenditure in comparison with the 2008 budget, which is exemplified, inter alia, by the additional expenditures included after the presentation of the initial draft in project D.1.0.1 for testing and evaluation.

The Group of 77 and China takes note of the proposed adjustments to the final 2009 programme and budget recently presented by the Secretariat. However slight, such modifications demonstrate the potential for the identification of savings through rigorous estimates and priority-setting.

The Group reiterates that in the next budget cycle, utmost priority should be given by the Secretariat to the elimination of unnecessary increases in levels of expenditure and to the identification of possible further savings, and that the results of such efforts are duly reported to Working Group A and to the PrepCom. The Group also underscores that, as recommended by the Advisory Group and Working Group A, any increases should be thoroughly and exhaustively justified.

The Group also highlights the need to continuously assess the short and medium-term programmatic priorities and financial needs of the PrepCom in light of possible developments in terms of the perspectives for entry into force of the Treaty.

AGENDA ITEM 7: APPOINTMENTS AND ELECTIONS

Mr Chairman,

As to agenda item 7.1, on the selection of the External Auditor for the period 2009-2010, the Group notes the efforts undertaken by the Chairperson in conducting consultations on this issue and takes note of the reports presented during the informal briefings held in preparation for this Session of the PrepCom. The Group reiterates its expectation that through your continued good offices a decision on this issue can be reached at this Session by consensus.

As regards agenda item 7.3, the Group would like to express its appreciation for the competence and diplomatic skills demonstrated by Mr. Tibor Tóth in the discharge of his duties since his appointment as Executive Secretary in June 2005. The Group therefore supports the renewal of the appointment of the Executive Secretary for an additional mandate of four years.

The Group believes that in the future States Signatories need to be formally notified with due advance of the upcoming end of the mandate of the Executive Secretary, and that also in cases a reappointment is being sought, such formal notification should include a closing date for the possible nomination of candidates to this position.

Turning now to agenda item 7.4, the Group supports the proposed extension of the terms of appointment of the directors of the IMS, OSI and IDC Divisions, as well as the appointment of Mr. Genxin Li to replace Mr. Ziping Gu as Director of the Division of Legal and External Relations. The Group also extends its congratulations and appreciation for the services rendered by Mr. Gu in the discharge of his duties.

AGENDA ITEM 8: SCHEDULE OF SESSIONS OF THE PREPCOM AND ITS SUBSIDIARY BODIES IN 2009 AND POSSIBLE AGENDA OF THE NEXT SESSION

Mr Chairman,

As regards the issue of the draft schedule of sessions of the PrepCom and its subsidiary bodies for 2009, the Group notes with satisfaction that at its 31st Session, WGB cancelled the May/June Session proposed in the original draft schedule of meetings for 2009.

The Group believes that appropriate time should be allocated in the two Sessions of WGB to be held in 2009 for a thorough analysis of the results and lessons learned in the OSI IFE08, to be supplemented by workshops and other possible technical meetings.

The Group also recalls its proposal to examine the need to have a regular PrepCom session in June 2009, and taking into account the discussions on this issue during the last Session of the WGA, it believes that the regular session originally proposed could be replaced by a one-day extraordinary session in tandem with the 35th Session of WGA, to be convened only if deemed necessary by the Chairperson of the PrepCom.

AGENDA ITEM 10: FINANCING OF AN ARTICLE XIV CONFERENCE IN 2009

Mr. Chairman,

The Group appreciates the informal consultations on the financing of a possible Article XIV Conference in 2009 held by the Co-Chairs of the last edition of the Conference, Austria and Costa Rica.

On this issue, the Group strongly believes that any cash surplus in the General Fund at the close of any financial year shall be apportioned among Member States in proportion to the scale of assessments applicable to that financial year in accordance with financial regulation 6.1 of the Preparatory Commission. The Group is of the view that States Signatories must be able to decide what to do with their share of the cash surplus.

In this regard, the Group takes note of the total cost estimate for the financing of a possible Article XIV Conference in 2009, which amounts to US\$ 265.000. Bearing in mind that the funds left over from the 2007 edition correspond to US\$ 290.000, the Group is of the view that the budget for a possible Article XIV Conference in 2009 should be determined by the aforementioned cost estimate, and that the remaining US\$ 35.000 should be returned to States Signatories which contributed those funds originally.

Furthermore, the Group wishes to reiterate that a Conference held in accordance with Article XIV should aim exclusively at facilitating the early Entry Into Force of the Treaty.

AGENDA ITEM 11.1: REQUEST FROM PALESTINE FOR OBSERVER STATUS WITH THE COMMISSION

Finally, Mr. Chairman, as regards the request from Palestine for observer status with the Commission, the Group regrets that after three years, and six Sessions of the PrepCom, the Commission has still not reached a positive decision on this issue, only because of the objection of one State Signatory. Bearing in mind the fact that Palestine has been accorded observer status in other United Nations Organizations, the Group is of the view that its request to receive this recognition at the Preparatory Commission should not be treated any differently. The Group therefore reiterates its strong support for the legitimate request by Palestine to be granted observer status within the Preparatory Commission for the CTBTO, in a manner consistent with the goal of achieving the objectives and the universality of the Treaty.