



VIENNA CHAPTER

STATEMENT OF THE GROUP OF 77 AND CHINA DURING THE 31st SESSION OF WORKING GROUP B OF THE PREPARATORY COMMISSION OF THE COMPREHENSIVE NUCLEAR-TEST-BAN TREATY ORGANIZATION AUGUST 25th - SEPTEMBER 12th, 2008 DELIVERED ON 1 SEPTEMBER 2008 BY H.E. AMBASSADOR A. VALLIM GUERREIRO, PERMANENT REPRESENTATIVE OF BRAZIL

Chairperson,

At the outset, on behalf of the States Signatories of the Group of 77 and China, I would like to reiterate our satisfaction in seeing you chairing Working Group "B" of the Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization at its 31st Session. The Group is certain that your able guidance will enable WGB to fully attain its objectives and I assure you of our full cooperation in that respect.

The Group of 77 and China notes that on August 19th, the Republic of Iraq has signed the CTBT, thus elevating the total number of States Signatories of the Treaty to 179 and bringing the Treaty one step closer to the much-desired universal status.

As regards the issue of the method of work of Working Group B, the Group of 77 and China reiterates its satisfaction with the improvements introduced last year, in particular the elimination of parallel sessions. The Group also believes that experience in the current year is confirming our view that, through further rationalization and streamlining, the annual programme of work of WGB can be carried out in two sessions per year, with a duration of three weeks each. Therefore, the Group proposes that the schedule of meetings for 2009 circulated by the Secretariat, as contained in document CTBT/PTS/INF.957, should be revised with a view to eliminating the proposed part I of the 33rd Session of the WGB.

The Group is of the view that many of the long-standing issues that have been lingering in the agenda of the WGB for years will not be resolved by holding longer or more numerous sessions. Their resolution seems to depend more on stimulus and time pressure deriving from a possible reinforcement of the perspectives for entry into force of the Treaty in the short to medium term. Chairperson,

The Group wishes to once more express its sincere appreciation to all States Signatories which contributed voluntarily to the Pilot Project for financing the participation of technical experts from developing countries in official technical meetings of the Commission, namely Austria, China, Finland, Hungary, Indonesia, Malaysia, Morocco, the Netherlands, New Zealand, Norway, Oman, Qatar, Republic of Korea, Slovenia, South Africa, Turkey, and the United Kingdom. The Group of 77 and China also reiterates its call for other States Signatories in a position to do so to provide additional contributions with a view to enabling the Pilot Project to achieve its original goal of supporting the participation of nine experts, and encourages the Executive Secretary to further utilize his good offices in this regard. Chairperson,

The Group thanks the Executive Secretary for its written reports on the progress in the implementation of the 2008 verification-related work programme, as well as for the oral report to be delivered during the present session of WGB. With regard to the current status of the verification system, the Group notes that, as of 31 July 2008, a total of 220 international monitoring stations have already been certified and 36 stations are completed and awaiting certification. However, the Group notes with concern that, despite our call for a focus on the certification of stations already completed and for a postponement of the negotiation of new contracts and installation of new stations, since the last Session of WGB, the PTS has started construction of three new stations, and has initiated negotiation of contracts for five additional stations.

The postponement proposed by the Group of 77 and China should not be construed as an "artificial freeze", but instead as a much-needed adjustment of pace. It does not represent an attempt to introduce an imbalance in efforts towards the establishment of the CTBT verification system, but instead a correction of an imbalance that already exists between its three main dimensions, namely the IMS, the IDC and OSI, due in particular to an excessive focus on station building. While more than two thirds of the IMS stations are already fully functional and working as envisaged by the Treaty, much more remains to be done in terms of establishment of capabilities of the IDC, in particular as regards data processing, data analysis and data products, which have been severely outpaced by the enormous increases in the volume of data generated by an ever-growing IMS. The imbalance is even more serious in the field of On-Site Inspections, in which the capabilities of the PTS are still on a very incipient stage.

The Group of 77 and China shares the perception that, for the purposes of stimulating ratification and entry into force of the Treaty, the PrepCom should remain being seen as a thriving and purposeful organization. This objective is best attained, however, by further demonstrating and advertising the outstanding capabilities already attained by the PTS, which have been proven in many instances by field tests and real-world events alike.

Against this backdrop, the Group believes that maintaining the current pace of IMS build-up would only lead this organization to a dangerous state of chronic financial unsustainability, which, in turn, may lead outside observers to erroneously assume that there is a lack of support for its objectives and purposes.

In view of this, the Group of 77 and China welcomes and endorses recent calls by another group of States Signatories for a more cautious approach on the use of resources, in particular by focusing them on areas agreed as being priority. In the view of the Group of 77 and China, among such priority areas are not only the development of noble gas technology and installation of noble gas systems, but also a further development of IDC capabilities.

Chairperson,

As regards the verification-related aspects of the Programme and Budget for 2009, the Group of 77 and China would like to reiterate once again the importance of four key elements underpinning its position as regards budgetary matters, namely:

- the current well-advanced status of the verification system,
- the mandate of the PrepCom on the provisional operation of the system,
- the actual prospects of entry into force of the Treaty, and
- the need to minimize the financial burden to be borne by States Signatories.

As a corollary to these key elements, the Group of 77 and China has been consistently calling for a strict observance of a zero-real-growth budget policy. In the last Sessions of WGA and the PrepCom, the Group of 77 and China has expressed that it was not in a position to accept the initial draft budget proposal for 2009 as a basis for future discussions on this issue, and requested the Secretariat to revise the draft proposal and to seek to identify all possible savings and to eliminate unnecessary increases in the current levels of expenditure.

As regards the revised programme and budget proposal that has been circulated on 20 August, the Group of 77 and China takes note of the efforts made by the Secretariat aimed at revising its initial version. The Group is particularly encouraged by the fact that the total proposed budget has been brought to a level slightly below zero real growth in comparison with 2008 levels. That notwithstanding, the Group is still deeply concerned with the fact that such reduction was not a consequence of savings and reductions of levels of expenditure, but resulted instead almost exclusively from a voluntary in-kind contribution.

The Group of 77 and China is particularly disappointed by the lack of appropriate justification for the abrupt increases in numerous items of expenditure in comparison with the 2008 budget and by the apparent

unwillingness to seek areas in which savings can be pursued. By the same token, the Group still needs further, more detailed explanation for the fact that the current proposal still presupposes a disproportionate growth in the portion denominated in Euros vis-à-vis the portion denominated in Dollars.

In view of the aforementioned, the Group of 77 and China is of the view that further efforts should be undertaken in order to bring about necessary cost reductions, which should then be incorporated to document CTBT/PTS/INF.945/Rev.1 prior to final adoption of the Programme and Budget of the PrepCom for 2009.

On the issue of On-Site inspection, the Group of 77 and China is pleased by the encouraging prospects for a successful and effective Integrated Field Exercise (IFE08). The Group also 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. The Group also reiterates that future steps in the field of OSI, particularly as regards the next exercise cycle, should be fully discussed by all policy-making organs of the PrepCom, and that any concrete actions to that effect by the PTS must be based on a prior and specific mandate. The Group also highlights that such discussions must take into account the perspectives for entry into force of the Treaty.

Before concluding, Mr. Chairman, the Group of 77 and China would like to touch upon the proposal presented by you during the last Session of WGB, concerning the possibility of conducting a validation test for the verification system in the next two or three years. The Group considers that this proposal still needs considerable elaboration prior to any formal analysis by the policy-making organs of the Commission. The Group also believes that wide-ranging validation tests should only be considered at the final stages of the establishment of the CTBT verification regime.

I thank you, Chairperson.