



STATEMENT BY THE GROUP OF 77 AND CHINA DURING THE THIRTY-SECOND SESSION OF WORKING GROUP A, DELIVERED BY HE AMBASSADOR SAYED GALAL E. ELAMIN, PERMANENT REPRESENTATIVE OF THE SUDAN

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 chairing the 32nd Session of Working Group A.

The Group would also like to thank the Executive Secretary for his oral and written reports.

**AGENDA ITEM 3: REVIEW OF THE FINAL DRAFT 2008 PROGRAMME AND BUDGET PROPOSALS**

Mr Chairman,

The Group has expressed its general views regarding the Programme and Budget in general and for 2008 in particular during the previous meetings of Policy Making Organs (PMOs). However, in light of the current financial situation of the PrepCom, the Group would like to reiterate once again the importance of the following four key elements in any proposed Programme and Budget:

- 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.

The Group has elaborated the above mentioned key elements and their impact on the Budget before, and therefore would limit itself to the following:

The Group commends the Executive Secretary for implementing austerity measures, and reduction of the costs for 2007 and adjusting the Budget for 2008 taking into account the principle of zero real growth. Although such measures could be a way out of the current serious financial situation in the short term, a long term solution would be the need for the Provisional Technical Secretariat (PTS) to reconsider seriously its programmes based on current realities and the mandate of the PrepCom. The Group highlights that the PrepCom's mandate is the preparation of the verification system on the basis that it would operate provisionally rather than fully. Emphasizing the use of data for civil and scientific applications should not be considered as an alternative for the main purpose of this Treaty, and justification to neglect the mandate of the PrepCom. Hence, the Group urges the PTS to review and assess its work based on the key elements as elaborated above and report back to the PMOs accordingly. 6. With respect to the proposed 2008 Programme and Budget, the Group thanks the Executive Secretary for the adjustments proposed to the initial draft 2008 Programme and Budget as contained in document CTBT/PTS/INF.905. The Group also takes note of the final draft of the 2008 Programme and Budget proposals as contained in document CTBT/PTS/INF.880/Rev.1 and thanks the PTS for preparing this document. The Group welcomes that the PTS has considered some of the realities in adjusting the 2008 Programme and Budget and hopes this approach would be continued. The Group believes that through an incremental, smooth and balanced approach, the verification regime could be completed.

Mr Chairman,

Regarding the assessed contributions and current financial situation, the Group reiterates its grave concern about the non-payment by a major contributor of its financial obligations in full to the PrepCom and notes that during recent years a large amount has not been paid by this major contributor. Such a situation has

created a serious challenge to the CTBT verification regime and if it continues would jeopardize the future of the whole system. In this regard the Group urges this State Signatory to reconsider its political position and selective approach towards the Treaty, and support fully the PrepCom.

Mr Chairman,

In conclusion, while the Group re-emphasizes the principle of zero real growth budget, in the light of the above mentioned realities and current financial situation, the Group believes that the Programme and Budget should be reviewed for the following years based on the above mentioned realities. In this context the Group expects that the Budget for the coming years should be proposed based on the actual estimate of the received assessed contributions, as well as the other mentioned key elements.

#### **AGENDA ITEM 5: REVIEW OF THE ADVISORY GROUP REPORT**

Mr Chairman,

The Group commends the Advisory Group and its chair, Mr André Gué, for preparing its report as contained in document CTBT/AG-29/1. The Group expresses its views on this report as follows:

With respect to the matters related to payment of the assessed contributions, the Group notes that the current challenge resulted from uncertainties about the timing and the amounts of the payments. The Group takes note that the Advisory Group explored the ways to address this issue and proposed a temporary solution in this regard. The Group notes that the Advisory Group recommended that, on an exceptional basis, the 2007 General Fund unused obligating authority be extended until 31 December 2008. The Group takes note of this recommendation, and believes that this is only a temporary solution, thus not solving the main problem in the long term. The Group highlights its position once again that the PTS should review its Medium Term Plan based on the realities and the mandate of the PrepCom as elaborated before.

Mr Chairman,

Regarding the proposal for measures to facilitate the payment of contributions from States Signatories in arrears and the idea of a payment plan, as implemented in some other international organizations, the Group welcomes such a proposal since it may encourage States Signatories to address their arrears in assessed contributions and have their voting rights restored.

#### **ANY OTHER BUSINESS**

Mr Chairman,

Regarding the appointment of the next External Auditor for 2009-2010, the Group takes note that the previous External Auditors have been selected from the same Group. In this context, the Group believes that every effort should be made to encourage nominating candidates from other regions, in particular from developing countries, and in this regard supports the candidature of South Africa for this position.

Mr Chairman,

Concerning the procedure for changing responsibility for an IMS station from one State Signatory to another, the Group notes that the proposed procedure is the result of discussions for changing the coordinates of only one station. The Group noted that this station may be established in the same coordinates upon the removal of the temporary logistical problem. The Group believes that establishing a procedure for one station which WGB has not been convinced even on its technical and logistical justification, is not necessary. In this context the Group proposes that the PTS examine the other cases that may be faced with a similar situation. Based on such a study, WGA could decide if there is a need to establish such a procedure. Mr Chairman, At the end, the Group would also like to address some of its other concerns as follows:

The Group reiterates its concern that the overall representation of developing countries in the PTS remains unbalanced. It is critical that the PTS continue its efforts to increase the number of staff members from developing countries in the PTS. The Group calls upon the Secretariat to give due attention to this criterion in the recruitment process of new staff members who will replace those who have reached their service limit.

The Group urges the PTS to observe the policy of establishing a seven-year service limit for Professional and internationally recruited General Service staff members. The Group reiterates its view that it is important that the seven-year limit is strictly adhered to in spirit and letter. The Group requests the Executive Secretary to continue his efforts to ensure the equitable geographical representation of the staff in the PTS and report on the progress made concerning the staff recruited from developing countries, particularly on the Professional level, in comparison to previous years. The Group expresses its concern that some countries are over-represented in the PTS and believes that a limitation should be put on the recruitment of staff from each State Signatory.

Mr Chairman,

The Group is concerned that it was indicated by the PTS that the budget for financing the pilot project for participation of experts from developing countries in the technical meetings of the PMOs, in particular WGB meetings, may not be sufficient for 2008. The Group recalls the decision of the PrepCom in its 27th meeting that the PTS report to the PrepCom "shall include also recommendations to the Preparatory Commission on how to improve project performance, including sufficient and sustainable funding". The Group also recalls the appeal of the PrepCom to the States Signatories to provide voluntary contributions for this project, and inviting the Executive Secretary to utilize his good offices to this end. In this regard the Group appreciates the recent financial contributions provided by some States Signatories as reported by the Executive Secretary and call on the PTS to report on the availability of funds for this pilot project for the next year.

In this context, the Group would like to recall that the deficit in the participation of developing countries in WGB meetings was recognized by the PrepCom. We reaffirm the expectation that at least 9 experts should be financed through this project. Hence, the Group calls on the PTS to work on a feasible proposal for predictable and sustainable funding for this project, including the creation of a reserve fund to ensure its continuation. In this regard the Group notes with appreciation the allocation by some States Signatories of a portion of their cash surplus to finance the participation of experts from developing countries in the WGB meetings. The Group encourages States Signatories in a position to do so to continue considering allocating a portion of their cash surplus for this purpose.

Thank you, Mr Chairman.