



STATEMENT BY THE GROUP OF 77 AND CHINA DURING THE THIRTY-EIGHTH SESSION OF THE PREPARATORY COMMISSION DELIVERED BY H.E. AMBASSADOR ANTONIO GARCIA, PERMANENT REPRESENTATIVE OF PERU 14-15 JUNE 2012

Mr Chairman,

1. The Group of 77 and China is pleased to see you, Ambassador Alfredo Labbe Villa, at the helm of this Thirty-Eighth Session of the Preparatory Commission and trusts that under your able stewardship, the tasks ahead of this session will be concluded successfully and would like to thank the Executive Secretary for his opening remarks.

2. The Group notes that, in the process of bringing the CTBT to its much desired universal status, since the Thirty-Seventh Session of the Preparatory Commission, the Republic of Niue, has signed, and Indonesia and the Republic of Guatemala have ratified the Treaty.

Mr Chairman,

3. On agenda item 3, on the consideration of the report of Working Group A, the Group takes note of the report and the recommendations contained therein and would like to thank Ambassador Jargalsaikhan Enkhsaikhan for his work done in steering this body. The Group would like to offer a few thoughts on the report of Working Group A.

4. The Group is encouraged by the commitment of the PTS to deliver the ERP project in time and within the allocated budget and notes the qualifier that this would only be possible if the Commission's approval process allowed for it to be implemented in 2013. However, the Group would like to reiterate its position that in order to consider any amendments to the Financial Regulations and Rules, full information as to what these amendments entail will need to be provided to States Signatories, in order for an informed decision to be made.

5. The Group is looking forward to receive information from the PTS on the budgetary expenses as well as the breakdown of the funds spent to date on the ERP project as requested by the Group at the Forty-First Session of WGA.

Mr Chairman,

6. On agenda item 4, the Group takes note of the report of the Thirty-Eighth Session of Working Group B and its recommendations, and thanks Mr Hein Haak for his work in chairing this body. On issues falling under the purview of Working Group B, the Group of 77 and China would like to make the following comments:

7. The Group has consistently stated that a balance in the prioritization and distribution of resources across the three Major Programmes of the verification regime of the CTBT must be achieved with overall priority given to the further development of the OSI element.

8. The Group noted during Working Group A the concern it had with the increase in the budget pertaining to the IMS and IDC Divisions and trusts that the PTS will take due regard of this concern, given its undertaking to States Signatories in 2011 and 2012 that a key priority for the Secretariat was to achieve a balance between the three Major Programmes. The PTS is thus encouraged to persevere in its efforts to this end.

9. The Integrated Field Exercise scheduled for 2014 is certainly a key milestone in the development of the OSI capabilities. The Group encourages Working Group B to continue discussions to further develop the draft OSI Manual. WGB noted that in order to allow for the training of surrogate inspectors by early 2013, the IFE will require the timely availability of a draft OSI Operational Manual suitable for testing through the exercise. States Signatories are therefore encouraged to capitalise on the working modalities agreed by Working Group B at its Thirty-Sixth Session, and to gain further momentum in this important task ahead of us.

Mr Chairman,

10. The Group has noted the report of the Thirty-Eighth Session of the Advisory Group and of the recommendations to the Executive Secretary and to the Preparatory Commission and Working Group A, as contained in paragraphs 49 and 65, respectively. The Group takes the opportunity to thank the Advisory Group and its Chairman, Sir Michael Weston, for their work and for the report presented to the Commission at its current session.

11. On the 2013 Programme and Budget initial draft proposals, The Group of 77 and China has already expressed its views at Working Group A but re-iterates as always its principled position of zero-real growth. The Group believes that a zero real growth budget can be maintained if there is streamlining and re-prioritisation within the different Major Programmes. Furthermore, as discussed at the 38th session of WGB and as reflected in paragraphs 12 to 17 of its report, the Group believes that it is the Secretariats responsibility to re-prioritise its activities for 2013 and to present an amended budget proposal to States Signatories, and not the responsibility of States Signatories to provide specific suggestions and principles that is meant to inform such adjustments.

12. The Group considers that capacity building activities should be funded through the regular budget within existing baselines and resources and therefore notes with concern that such activities were included in the envisaged increase in the 2013 budget. The Group is therefore looking forward to a budgetary adjustments paper and to discuss the proposals contained therein.

13. Following the request made to Working Group A for the PTS to provide information on the proposed upgrades of the storage area network (SAN) infrastructure, including technical issues which should be considered by Working Group B at its next session in August, the Group is looking forward to receive this information from the PTS as soon as possible.

Mr Chairman,

14. The Group takes note of the nomination of the four respective representatives of Portugal, the Republic of Korea, the Russian Federation and the United Kingdom to serve as members of the Advisory Group and of the re-submission of Sir Michael Weston as Chair of the Advisory Group.

15. On personnel matters, the Group considers a balanced geographical distribution of utmost importance, and although it recognizes that efforts are being undertaken by the PTS to improve these statistics, further efforts should still be made to recruit staff on as wide as possible geographical basis.

16. The Group of 77 and China would like to thank H.E. Ambassador Dato' Muhammad Shahrul Ikram YAAKOB, Permanent Representative of Malaysia for availing himself to conduct the intersessional consultations in order for States Signatories to consider the procedures and modalities of the appointment of the future Executive Secretary.

17. With these remarks, the Group of 77 and China reiterates its pledge to work in both a constructive and committed way. May these deliberations be fruitful and result in substantive progress on the important issues

coming to our consideration during the current session.

Thank you.