



STATEMENT BY THE GROUP OF 77 AND CHINA DURING THE FORTY-SECOND SESSION OF WORKING GROUP A, 26-28 SEPTEMBER 2012, DELIVERED BY H.E. AMBASSADOR ANTONIO GARCIA, PERMANENT REPRESENTATIVE OF PERU

Mr Chairman,

1. On behalf of the States Signatories of the Group of 77 and China, let me commence by expressing the satisfaction of the Group in seeing you, Ambassador Enkhsaikhan chair the Forty-Second Session of Working Group A. The Group takes this opportunity to renew to you the assurances of its full support and cooperation. The Group further wishes to express its gratitude to the Executive Secretary, Ambassador TiborToth, for his opening remarks at the commencement of the meeting.
2. Turning now to Agenda Item 3, on the Advisory Group recommendations, the Group would like to thank Sir Michael Weston for introducing the Report of the Thirty-Ninth Session of the Advisory Group (AG). The Group believes that this report demonstrates once more the usefulness of the AG as a source of expert analysis and advice on the basis of a broad array of background and expertise. In this regard the Group endorses all recommendations issued by the AG, with the following observations.
3. The Group shares, in particular, the observations expressed by the AG, as well as previously by the External Auditor, on the use of special accounts to fund long-term projects that are not covered under the Financial Regulations and Rules governing the CIF. The Group of 77 and China agrees with the Advisory Group, that any mechanism developed by the Provisional Technical Secretariat for the funding of multiyear projects should be clear, simple and transparent. The Group welcomes proposals aiming at funding multiyear projects in a unified system and in this regard looks forward to feedback thereof to the Advisory Group and to Working Group A.
4. Regarding Agenda Item 4, pertaining to the review of the final draft 2013 Programme and Budget Proposals, the Group of 77 and China is pleased by the adjustments introduced by the PTS to the initial proposal, as contained in document CTBT/PTS/INF.1199 of 31 August 2012. The Group has on many occasions stated that the revised budget proposal as well as future budgets need to be within the frame of zero real growth and that the PTS should continue to explore any further reductions, savings and efficiency measures. Whilst the Group welcomes this document and appreciates the efforts undertaken by the PTS in describing further adjustments to the proposals contained in its initial submission (CTBT/PTS/INF.1180), the Group would like to recall what it has already stated at the nineteenth joint meeting of Working Groups A and B. Given that there has been no significant development warranting any change in the position of the Group since then, such observations remain valid. The Group, however, takes note of the late issue of CTBT/PTS/INF.1180/Rev.1.
5. With regards to programme implementation, the Group reiterates that all budgets are programme driven and caution should be taken by the PTS to ensure conceptual accuracy when producing Information Papers.
6. Pertaining to the proposed changes to the financial rules and regulations, the Group of 77 and China welcomes those proposals by the PTS intended to increase the accountability and the transparency of the Preparatory Commission. In this regard, the Group takes note of CTBT/PTS/INF.1197 and is of the view that any possible additional changes to the financial rules should be brought to the consideration and approval of the Policy-making Organs in due time.
7. The Group believes that special attention should be given to changes of those financial rules that are necessary for the implementation of the ERP-IPSAS project. Moreover, the Group considers that this

guidance would allow for the implementation of the ERP-IPSAS project to be carried out in time and within budget.

8. The Group takes note of Information Paper (CTBT/PTS/INF.1201) pertaining to the replacement of the Storage Area Network (SAN) infrastructure and the decision of the PTS to pursue a leasing arrangement instead of purchase for the replacement of the SAN. However, for the issue of funding of the SAN to be thoroughly considered by States Signatories in future budget cycles, it is essential that the PTS envisages this as an ongoing process and that it continue to further adjust the estimated costs as contained in Information Paper 1201 by giving further precision and content to the projected figures as the PTS obtains relevant information inexistent at the time of producing its proposal, whilst continuing to seek savings and efficiency gains.

Mr Chairman,

9. Turning now to the election of the next Executive Secretary, the Group would like to thank the Chairperson of the Preparatory Commission, Ambassador Teresa Dengo, Permanent Representative of the Republic of Costa Rica for the informal briefing held on 6 September 2012. The Group is encouraged by the transparency and inclusiveness by which the process is taking place and looks forward to the presentations by the respective candidates tomorrow.

Thank you Mr. Chairman.