



STATEMENT BY THE GROUP OF 77 AND CHINA DURING THE FIFTYIETH SESSION OF WORKING GROUP A, 17-19 OCTOBER 2016, DELIVERED BY H.E. AMBASSADOR SIMON MADJUMO MARUTA, PERMANENT REPRESENTATIVE OF NAMIBIA

Mr. Chairman,

1. The Group of 77 and China would like to reiterate our full support and cooperation to the Chair of Working Group A, Ambassador OTHMAN . We would also like to welcome the appointment of the Vice chair of Working Group A, Ambassador Alfredo Raul Chuquihuara Chil.
2. The Group thanks the Executive Secretary, Mr. Lassina Zerbo, for his opening remarks and takes note of his reports on non-verification-related activities of the Provisional Technical Secretariat of the Commission.

Mr. Chairman,

3. The Group would also like to commend you for your continued efforts and commitment in organizing briefings and consultation sessions, as was the case most recently in September and October of this year, on the 2017 Budget Update Proposals as well as the proposal for the application of the 2014 cash surplus to financing the establishment of a permanent Equipment Storage and Maintenance Facility (ESMF), capacity building activities, and the Article XIV conference in 2017. We take this opportunity to reiterate our support your initiative to convene further briefings on other topics, as needed, in order to ensure the continued fluent communication between the PTS and States Signatories which is conducive to fruitful discussions among States Signatories on the issues of relevance to the work of the Commission and its subsidiary bodies in an open, transparent and inclusive manner.
4. The Group also thanks the PTS for their efforts in preparing the documents for this session in a timely manner, and would like to reaffirm again the importance for States Signatories to receive all the documents well in advance of the sessions of the Preparatory Commission and its subsidiary bodies, no later than four weeks before the corresponding sessions, as well as in time for the meetings of the Advisory Group.
5. On agenda item 3 on the review of Advisory Group (AG) recommendations, the Group would like to thank its Chairman, Mr. Michael Weston, for his presentation, and to highlight its support for the added value that the Advisory Group brings –as a Group of Experts open to appointment by all interested State Signatories- in ensuring an expedient and efficient decision-making process by the Preparatory Commission. The Group of 77 and China would like to reiterate its appreciation for the work performed by the Advisory Group at its Forty-Seventh session and takes note of its report, with the following comments:
  - 5.1. Regarding the status of budget implementation, the Group takes note that the rate of utilization stood at 82% as of 31 August 2016, and encourages the PTS to make all efforts to ensure an adequate overall budget utilization rate for 2016, achieving the target of 95%.
  - 5.2. The Group supports the recommendations made by the Advisory Group in its report, regarding the carry-forward of the Capital Investment Fund and Multiyear Funds unspent balances contained in document CTBT/PTS/INF.1374 as well as to amend the Financial Rule 11.1.21 contained in Appendix II to its report.
  - 5.3. On the Summary of Internal Audit Activities in 2015, the Group notes some progress was made since 31 December 2015 in the implementation of the internal auditor's recommendations. The Group further notes the absence for an extended period of time of any Professional staff in the section, following the departure of the Chief of Internal Audit Section in August 2016, which is currently under an Officer in

Charge, and urges the PTS to give priority to the recruitment of the remaining professional-level vacancies in the Internal Audit Section. The Group also supports the recommendation made by the Advisory Group, noting that a triennial review of the Internal Audit Charter (Administrative Directive No. 18 (Rev.1)) is now due, and encourages the Executive Secretary to inform the Commission accordingly, once it has been completed.

6. The Group notes with appreciation the voluntary contributions and contributions in kind made to the Organization in 2015, as reported in the 2017 Budget Update Proposals. The Group strongly encourages the PTS to seek synergies with States Signatories making extra budgetary contributions, which should go to activities that have been fully communicated to the subsidiary bodies and the Advisory Group, and then approved by the Preparatory Commission. In this regard, the Group is of the view that voluntary contributions and contributions in kind should support the regular activities of the PTS as outlined in the Programme approved by the Preparatory Commission.

7. Regarding the Equipment Storage and Maintenance Facility (ESMF), the Group thanks the PTS for the information paper provided on the status of and options for the establishment of a permanent replacement for the ESMF (CTBT/PTS/INF.1369), under consideration, which clearly states that: “the estimated budget, financing arrangement and source of funding for the permanent facility will be proposed once a decision is made regarding the detailed technical specifications of the facility at the selected site and the support requirements”. In this regard, the Group expects regular information updates on the activity under way, which will contribute to an expedient decision through the indispensable consultation process with Signatory States, on the options for financing of an ESMF in a timely manner once the technical specifications are completed, including the options that contemplate the use of the 2014 cash surplus.

Mr. Chairman,

8. To conclude, the Group believes that the preparation of the Programme and Budget for the next biennium should be held in a transparent and inclusive manner through formal and informal substantive discussions, with a view to achieving a sound budget that contains the agreed priorities of the organization.

Thank you, Mr. Chairman.