



STATEMENT BY THE DIRECTOR-GENERAL

OPENING STATEMENT TO THE EIGHTEENTH SESSION OF THE EXECUTIVE COUNCIL

Opening remarks

1. Mr Chairman, distinguished delegates.
2. Before we set off to discuss the numerous issues on the agenda of this session of the Council I would like to take a moment to reflect on the broader vision of the OPCW as we review the Organisation's long-term goals and objectives at the start of the new millennium.
3. Such a broader view may be apposite for a number of reasons. Shortly after humankind passed this threshold, the OPCW passed its own "mini millennium" - 25 January 2000 - which marked the first 1000 days of the OPCW.
4. We are fast approaching another important milestone - the third anniversary of the entry into force of the Chemical Weapons Convention. The drafters of the Convention identified this as a milestone at which additional measures - the expansion of the inspection regime to discrete organic chemicals (DOCs) and the introduction of trade restrictions on Schedule 2 chemicals - would come into effect. It therefore seems particularly appropriate to take this opportunity also to assess the progress achieved thus far by the Organisation, and to begin to define a long-term strategy for it.
5. The two sessions of the Council which remain before the Fifth Session of the Conference of the States Parties in May of this year should form a bridgehead for consolidating a broad policy consensus among States Parties regarding the role and the place of the OPCW in the global system of instruments which contribute to a safer and more stable environment for international peace and security.
6. We tend, with good reason, to refer to the OPCW as a young and learning organisation. It must, indeed, continue to sustain such a dynamic, innovative image. At the same time, the notable achievements and the considerable knowledge accumulated by the Organisation unquestionably signal its coming of age. We must do our utmost to avoid stagnation and any slowing down of our efforts to achieve and maintain a high level of dedication and efficiency.

7. While members of the Council may differ in their assessment of the precise extent to which progress has been achieved thus far, it is undeniable that, in just under three years since EIF, States Parties have at their disposal a fully functioning and lean international organisation which has already proven its professionalism, impartiality, and ability to implement the mandate assigned to it by the States Parties to the Convention. I was particularly pleased to hear this view recently echoed by the Honourable Walter Slocombe, the US Under Secretary of Defense for Policy, who, I understand, referred to his visit to the OPCW as one of the highlights of his activities in The Hague.
8. The OPCW has indeed been fortunate. Its success is largely due to the fact that the Organisation managed, from the outset, to attract much of the existing international expertise in the technical and political fields relating to chemical weapons, and to direct this unique expertise at overcoming the tragic legacies of the Cold War and of regional calamities or perceptions of security threats in some parts of the world.
9. On the other side of the balance sheet it has to be said that any mature Organisation must be capable of learning from and transcending its shortcomings. They still haunt the Organisation - both the functioning of its policy-making organs, and the work of the Secretariat. We are, in the final analysis, talking about the credibility of the Chemical Weapons Convention.
10. In particular, I believe that we should focus on the four main issues, as I perceive them.
11. The **first issue** affects the quality and the consistent application of our verification and inspection operations, as well as other related aspects of the Convention such as its confidentiality provisions. As we gain more experience we should identify weak links, and we should deal with them energetically. This is undoubtedly a primary responsibility of the Secretariat, which I intend to pursue in the coming months, but I would also be grateful for any guidance and advice which you may have to offer in this regard.
12. Under the concept of the equitable application to all of the provisions of the Convention, the Secretariat has always endeavoured to build and maintain a consistent and credible verification regime which would ensure a uniform approach to verification activities at similar types of facilities in all inspected States Parties. This can be achieved only if the Secretariat and all States Parties are working together. The complicated nature of the verification regime and the dynamic and diverse nature of the realities faced by our inspectors at inspection sites require us to continue to periodically review our current practices and methodologies.
13. With this in mind the Secretariat has initiated the practice of periodically reviewing inspections, by type of inspected facility, to identify areas in which further harmonisation is required. As one example of this practice I will single out the ongoing review of inspections at industrial facilities - over 200 of which have been conducted to date - to be completed by the middle of this year.

14. The **second issue** could be defined as the appropriate distribution of effort in all the areas of verification specified in the Convention. At the moment we still have gaps and imbalances in this respect. Despite a few outstanding issues, the OPCW has successfully established a functioning and effective verification regime for chemical weapons, and has fine-tuned this regime over the past two and a half years, on the basis of inspection experience with declared CW possessor States Parties. However, the OPCW still lacks a similar integrated concept with regard to the verification and destruction of old and abandoned chemical weapons.
15. In addition, there is a broad consensus among States Parties that the OPCW has yet to develop a comprehensive approach to industry verification. We may finally be in a position to do so when the long-awaited US industry declaration arrives, sometime in the near future. Once a level playing field has been established, the Organisation should revisit its basic assumptions for inspection planning. It should also reassess the artificial limitations imposed on the inspection regime for the chemical industry in an attempt to deal with the unfortunate consequences of the prolonged delay in the submission of the US industry declaration. While the Organisation now quite correctly focuses on the destruction of declared chemical weapons stockpiles, it must nevertheless ensure that the industry verification regime conducted under Article VI of the Convention - which is at the heart of the non-proliferation pillar of the Convention - also contains credible guarantees against potential non-compliance.
16. We need to establish sound “sufficiency criteria” for the scope of the future verification workload. This will become possible only when all States Parties submit to the OPCW realistic timetables for the implementation of their obligations under the Convention.
17. It is also impossible to foresee how an informed decision-making process concerning all of these issues can be achieved in the absence of consensus on the related issue of transparency.
18. Additional efforts should be undertaken to adequately address other critically important elements of the verification system such as challenge inspections and investigations of alleged use.
19. The **third issue** also deals with balance, but of a different sort. I am thinking here of the balance between verification and international cooperation and assistance. The Organisation must remain proactive in gradually increasing its involvement in the area of international cooperation. The Convention will succeed only if the OPCW is fully committed to the “two-track” approach vis-à-vis both verification and international cooperation and assistance, and provides concrete, ongoing evidence of such commitment.

20. Finally, the **fourth issue** is that of the governance and, in particular, the type of support and direction which the policy-making organs of the Organisation should be giving to the Secretariat. We must identify ways and means of accelerating the work of the Council, especially in relation to the taking of policy decisions on urgent issues.
21. For its part, the Secretariat intends to continue to actively work to seek out solutions to these and other difficult problems. To this end it will continue to submit to States Parties its specific recommendations for dealing with such problems, and will pursue every possible avenue for their early resolution.

New challenges - destruction of chemical weapons in the Russian Federation

22. A separate issue which the OPCW must address as a matter of urgency is the regrettable inability of the Russian Federation, for economic reasons, to achieve the rate of destruction of its chemical weapons which is stipulated by the Convention. There is, of course, a legal aspect to this issue - which is a requirement for the Conference to consider the Russian Federation's request for a delay in the achievement of the destruction goal of 1% of its declared stockpile of chemical weapons within three years after EIF.
23. There remain, however, the much larger problems of launching the actual destruction of chemical weapons in Russia and of the availability of the considerable funding which this will entail. There have recently been further signs of the international community's increasing involvement in this issue, such as the welcome signature of the bilateral agreement between Russia and Italy in January, and the ongoing coordination efforts within the context of the European Union. I have also been informed by the Swedish Ambassador of the latest developments with regard to the Swedish-Russian cooperation project at Kambarka - one of the seven sites proposed for the destruction of chemical weapons in the Russian Federation.
24. While this dimension of assistance, strictly speaking, falls outside the scope of the OPCW's mandate, it is my belief that the Organisation simply can not ignore it. The OPCW should support this kind of cooperation amongst Member States in order to achieve the objectives of the Convention. The discussion of the Russian request during the most recent Seventeenth Session of the Council serves only to highlight this point.
25. It is perhaps high time to revisit the proposals made by a number of potential and current donors willing to assist Russia with the burden of CW destruction, and to consider the establishment of a standing committee, with the participation of Russia and donor countries, to coordinate and to prioritise the provision of international assistance in this regard. Should this be deemed appropriate, I am prepared to provide the venue for the functioning of such an informal body, and to provide the necessary logistical assistance. The establishment of such an informal "outside" mechanism could also be useful as a means of keeping States Parties continuously informed of the current status and plans for the Russian CW destruction programme. The need for such information is evident from the report of the Seventeenth Session of the Council.

Other verification-related matters

Declarations

26. The Council, and indeed the Conference, have expressed particular concern on a number of occasions with regard to the considerable number of initial declarations which are still outstanding. As of today, despite repeated appeals by the OPCW, 32, or just under one quarter of our 129 States Parties, have yet to fulfil this basic treaty obligation.
27. Given the gravity of this situation, I have written to the individual foreign ministers of the 32 States Parties which, as of the beginning of February 2000, had not yet fulfilled this obligation, requesting them to devote their personal attention to this matter. I requested them to ensure that the pending initial declarations are submitted without further delay, and, if at all possible, not later than the April session of the Council. I also assigned Mr Jean-Louis Rolland, the Director of the Verification Division, to devote himself exclusively to this task. He has been requested to initiate intensive consultations with each of the above-mentioned States Parties. As appropriate, he will travel to the respective capitals as my special representative to facilitate the submission of their initial declarations, without any further delay. I am pleased to report to the Council that this "crash project" is already bearing fruit. Only two weeks after it was initiated, two more States Parties - namely Liechtenstein and Swaziland - have already submitted their initial declarations to the Secretariat. I hope that the members of the Council will actively assist this Secretariat initiative to encourage the fulfilment of an important declaration requirement of the Convention by making use of their diplomatic missions in, and regional liaisons with, States Parties which have yet to submit their initial declarations.
28. In view of Mr Rolland's special assignment, I have decided to request my Special Adviser, Mr Ron Manley, to manage the Verification Division during this period.
29. The status of implementation report (SIR) issued immediately prior to this session of the Council was based on a cut-off date of 31 December 1999. An update on the declaration-related information contained in it will be circulated later today as the annex to this statement.

Inspections, inspector resources

30. The Secretariat remains concerned about the potential under utilisation of inspection resources during the current year. It is probable that less inspectors than planned will be required for continuous monitoring at chemical weapons destruction facilities. One such facility may in fact complete its destruction programme sometime during the first six months of this year. At the same time destruction operations in Gornyy, in the Russian Federation, are unlikely to start before 2001. While the Secretariat has compiled an industry inspection schedule within the constraints imposed by the OPCW programme and budget for 2000, it is also aware that there may be a further limit on the number of industry inspections which could be conducted in the United States of America at any one time. It is important that any such additional limitations, which will have a negative impact on both the utilisation of inspector resources and

the distribution of the burden of inspections amongst States Parties (unless compensatory measures can be adopted in other areas) should be considered by the Conference.

Old chemical weapons

31. I have reported to the Council on a number of occasions on the difficulties which the Secretariat continues to face because of the absence both of approved guidelines on the “usability” of old chemical weapons and of an agreed verification regime with regard to such weapons. The continuance of the present situation, in which all inspection files for inspections of OCW and ACW produced between 1925 and 1946 remain open, is no longer tenable. Regrettably, the issue of the costs of the verification of old chemical weapons also continues to remain unsolved.
32. Furthermore, the Secretariat has noted differences in the way in which some States Parties interpret the Convention’s declaration requirements with regard to old chemical weapons, especially in relation to the submission of general and annual plans for, and reports on, the destruction of the declared items. As a consequence of these divergent views, the Secretariat is currently unaware of the extent to which progress, or lack of it, has been achieved in the destruction of old chemical weapons in two States Parties. Such a situation could never have been envisaged by the drafters of the Convention.
33. During the last round of consultations on old chemical weapons it was suggested that the Secretariat should inform States Parties of its proposals with regard to the resolution of these important issues, on the basis of the experience gained from inspections of items declared as old chemical weapons. A Note by the Secretariat which outlines the proposed verification measures for old chemical weapons produced between 1925 and 1946, and which reaffirms its approach to the declaration requirements for such weapons, will be circulated during this session of the Council. This Note will also inform States Parties of the approach which the Secretariat intends to pursue with regard to “usability” guidelines, pending a decision on this issue by the Conference.

Follow-up to inspections

34. One element in ensuring consistency in the application of the verification regime is the established practice of “closure letters”. These letters are meant to enable both the Secretariat and the inspected States Parties to follow up on “open” issues identified during on-site inspections, and to take remedial action, as necessary. In the past the Secretariat has closed inspection files in cases when some follow-up actions, such as the submission of minor amendments to a declaration which had been agreed with the inspected State Party on site, were still pending. This practice was applied only to industry inspections. Experience has shown, however, that, in the majority of cases - once inspection files were closed - the inspected States Parties in question often failed to complete the process by providing the Secretariat with the required documentation. In order to redress this situation I have decided that, for all inspections from 1 January 2000, the Secretariat will not close inspection files unless and until the inspected States Parties have complied with all of the requirements identified in final inspection reports. I wish to reiterate in this regard my previous request for States

Parties, when submitting amendments and other information arising from an inspection to the Secretariat, to kindly refer to the unique inspection code. I will formally remind National Authorities of this request in the very near future.

Challenge inspections

35. The Secretariat is continuing with its preparations for the conduct of challenge inspections. The seminar on challenge inspections conducted at the initiative of the United Kingdom of Great Britain and Northern Ireland, which took place on Friday of last week, was the latest in a series of steps undertaken with the active support of Member States to ensure a high level of preparedness on the part of the Secretariat for a real challenge inspection. Further exercises will be planned for this year. I have added to the draft OPCW budget for 2001 a dedicated budget line for practice and real challenge inspections and investigations of alleged use of chemical weapons.

Investigations of alleged use of chemical weapons

36. We are currently finalising the overall concept for the conduct of investigations of alleged use of chemical weapons and a requirement for the provision of assistance in cases of the use or threat of use of chemical weapons. In the course of this work it has become clear that, while the Secretariat has the resources to undertake a limited investigative role, its ability to mount a large-scale investigation operation coupled with the need to provide emergency assistance would be heavily dependent on the support of those Member States which possess appropriate resources. The Secretariat's role in relation to assistance would be limited to the coordination of the timely and efficient provision by Member States of the required assistance.
37. In the period under review the Secretariat has actually received two written communications from non-governmental organisations with regard to allegations of possible use of chemical weapons. The first letter, dated 30 November 1999, which was from Dr Obinski, the President of the International Council of Médecins Sans Frontières, was addressed to the UN Secretary-General, and was only copied to the OPCW. This letter referred to allegations of the use of chemical weapons by the Government of Sudan, but stopped short of requesting the OPCW to undertake any specific actions. The second letter, dated 7 December 1999, which was written to the Director-General of the OPCW by Mr Archer, the Secretary-General of the Geneva-based "International Peace Bureau", referred to allegations of the use of CW by the Russian armed forces in Chechnya. This letter requested the OPCW to "conduct a thorough enquiry" into the matter.
38. In my responses I advised both Mr Obinski and Mr Archer that, under the Convention, investigations of the alleged use of chemical weapons can be initiated only by a State Party. I also informed them that the above-mentioned States Parties to the Convention were under an obligation never, under any circumstances, to use chemical weapons, and noted that they had issued public statements denying these allegations.

Analytical issues

39. Member States will be aware that the preliminary evaluation results of the Sixth Official OPCW Proficiency Test were finalised on 22 November 1999, and were

subsequently discussed with the participants. Concerns over the validity of the samples prepared for this test were raised by a number of the participants. These concerns were conveyed to the evaluating laboratory for its further consideration. The revised final evaluation report and general comments of the evaluating laboratory regarding the scoring of the sixth proficiency test were submitted to the Secretariat on 11 January 2000. Given the nature of the concerns expressed by some of the participants, I also took the exceptional step of requesting the Scientific Advisory Board's temporary working group on analytical procedures to address the results of the test at a meeting held on 13 - 14 January. The application of the recommendations of the SAB's temporary working group, while not strictly in accordance with the Conference decision on the scoring of proficiency tests, would, in the Secretariat's view, ensure that the laboratories participating in the sixth test would be treated more fairly. Even so, if I were to promulgate the results - re-scored on the basis of the SAB working group's recommendation - it would not be possible for three of the 12 designated laboratories, in accordance with the criteria agreed by the Conference, to retain their designated status.

40. The test highlights a problem which Member States may wish to consider further. I remain uncertain that it is either practical or fair to revoke the designation of a laboratory, which may have performed satisfactorily for many years, on the basis of failure in one single proficiency test. Alternative sanctions, such as the temporary withdrawal of such laboratories from the list of those authorised to receive samples for analysis from the OPCW until they regain their former level of proficiency, might be deemed more appropriate, for example. It is my intention to delay the promulgation of the results of the sixth proficiency test for a little longer, to allow time for the members of the Council to express their views on this matter. I wish to request the members of the Council to give urgent consideration to this issue, as any recommendation for changes to the current criteria would need to be finalised in time for deliberation by the Conference at its Fifth Session.

Inspection equipment issues

41. The Secretariat has already informed the Council that some States Parties have been systematically applying restrictions on the use of specific items of approved inspection equipment during OPCW inspections on their territory. The Secretariat is currently compiling a list of these States Parties and the circumstances of each such case, with a view to submitting the list to the Council for further review.
42. During this year, the Secretariat was able to train and certify a pool of inspectors in the use of non-destructive evaluation (NDE) equipment. We now have 11 inspectors certified to use ultrasonic pulse echo (UPE) and X-ray equipment, and 9 inspectors certified to operate hydrogen concentration measurement (HCM) equipment. As a result, the Secretariat was able to successfully deploy and use X-ray equipment during recent a ACW inspection in China. The Secretariat has also now set up a laboratory, and is using approved OPCW sampling and analysis equipment at one of the CWDF sites.
43. The Conference at its First Session adopted the list of approved inspection equipment (C-I/DEC.71, and Corr.1, both dated 23 May 1997), on the understanding that each State Party should be able to familiarise itself with its technical specifications. The Conference decision, however, did not define any concrete time period during

which such familiarisation had to be undertaken. When notifying States Parties of new items of inspection equipment, the Secretariat seeks to ensure that sufficient time - at least two months - will be available for familiarisation procedures. While the Secretariat recognises that it may not in all cases be resource-efficient for all States Parties to send teams of experts to The Hague to familiarise themselves with a limited number of items of new equipment, it also cannot defer the use of such equipment until all States Parties have found it convenient to familiarise themselves with it. In future I will draw to the attention of the Council any actions by States Parties to restrict the use of items of inspection equipment after the period for familiarisation mentioned in the relevant Notes by the Secretariat has expired.

External relations

44. The United States Under Secretary of Defense for Policy, Mr Walter Slocombe, paid a visit to the Secretariat on 17 January 2000. Mr Slocombe was the first such high-ranking official from the United States of America to pay a visit to the OPCW since EIF. During the course of his visit Under Secretary Slocombe exchanged views with me and other senior officials of the Secretariat on a range of implementation issues, and was also briefed on the current status of the Secretariat's efforts in this regard. Mr Slocombe expressed the strong support of the United States for the upholding of the aims of the Convention and the OPCW.
45. Some 40 delegates of the Geneva-based Biological and Toxin Weapons Convention Ad Hoc Group working on a Verification Protocol for the Biological Weapons Convention visited the OPCW on 29 January. The group was in The Hague at the invitation of the Dutch Government. The visitors were briefed on the activities of the OPCW since the entry into force of the Convention, and were taken on a short tour of the building.
46. Finally, the latest developments on Iraq. The Secretariat has been approached informally by the UN with the request to nominate a Commissioner for UNMOVIC - the successor to UNSCOM. It is my conviction that, at this juncture, the political environment does not really require or justify such an involvement of the OPCW in the activities of UNMOVIC. My response to this effect was communicated to New York yesterday.

OPCW website project

47. Extensive work has finally begun on the development of an updated website for the OPCW. As required by the Media and Public Affairs Policy, the new website will better assist the general public and the news media to understand the tasks and activities of the Organisation, and will better promote the image of the OPCW as an accessible international organisation which provides balanced, timely, and objective information. Associated with this development will be the provision of the password protected restricted area of the website containing official documents which comply with the criteria set down in my Note on this subject to the Council at its Seventeenth Session (EC-XVII/DG.1, dated 4 November 1999).

International cooperation and assistance

48. Last year, steps were taken to set up a protection network. Several Member States put protection experts at the disposal of the Secretariat, in order to enable it to better respond to requests under Article X, paragraph 5, for advice on protection. I can report that this network is up and running. The Secretariat is now, with the assistance of experts of the protection network, preparing information material on a multitude of aspects of protection against chemical weapons. The provision of additional protection expertise to this network would be welcome, and I would like to encourage other Member States to offer the services of their experts in this field.
49. Under the Convention States Parties have obligations to provide declarations or information on a number of issues. One such obligation, which only 12 percent of the States Parties have fulfilled thus far, is the annual provision under Article X, paragraph 4, of information on their national programmes on protection against chemical weapons. The track record of members of the Council in this respect is somewhat better: 24 percent of the Council members have met this obligation. I must, however, reiterate my request for the 113 States Parties, including the 31 members of the Council, to meet their obligations under paragraph 4 of Article X, and to submit information on their national programmes related to protection, if any, which they deem appropriate.
50. In the area of the mobilisation of an international response to a request for assistance under the provisions of Article X of the Convention, I have to report that more than half of Member States have not yet provided the required information. Thus, in December 1999 the Secretariat, in a letter to these Member States, reminded them of this obligation, and urged them to comply with it.
51. Some unilateral offers of assistance made thus far are too vague to fit into a meaningful and effective assistance package. The Secretariat will in the near future approach Member States which have made such offers in order to clarify their contents and any specific conditions for their availability at short notice, as well as any associated technical or logistical considerations. To maximise their utility, such offers should also be supplemented by some form of arrangements with the offering State Party. Should there be a real need for assistance, there will be no time to engage in discussions of the modalities for the delivery of the assistance offered.
52. Trade in chemicals is a central issue under the Convention. The prohibition on transfers of Schedule 2 chemicals to and from non-States Parties will very soon enter into force. In two years a Conference decision will be required on transfers of Schedule 3 chemicals. Under subparagraph 2(e) of Article XI of the Convention, States Parties undertake to review their existing national regulations in the field of trade in chemicals in order to render them consistent with the object and purpose of the Convention. No agreement could be reached to date as to whether the outcome of such reviews should be reported to the OPCW, and until now very few States Parties have done so. Nevertheless, I would like to strongly encourage the submission of reports on the reviews undertaken, and on possible changes in national legislation as a result of such reviews. Such reports would provide States Parties with enhanced transparency of trade policies under the Convention, and will thus further facilitate its implementation.

53. The Secretariat continues to provide ongoing support to National Authorities in areas relevant to the implementation of the Convention. In this context I wish to mention the novel training programme which was jointly conducted by the National Authority of Spain and the Secretariat in October 1999 for personnel from the Iberian - American and Caribbean National Authorities. This advanced training course was well attended by representatives of the government of Spain and members of the industrial community. The course was opened by Mr José de Carvajal, Undersecretary of the Ministry of Foreign Affairs, while I was represented by the Director of the International Cooperation and Assistance Division, Mr John Makhubalo.
54. The programme for this training course included the conduct of inspections and escort procedures at a Schedule 3 plant site in Palos de la Frontera, Huelva, where members of the Spanish National Authority shared their considerable practical experience in implementing the provisions of the Convention, particularly with respect to the provisions of Article VI and related parts of the Verification Annex. One session in Huelva was devoted to the intervention of the participants, who actively engaged in an exchange of views on a wide range of issues. The promotion of universality was also one of the main purposes of the training course. It was widely felt that this training programme provided a valuable opportunity for all participants to learn from each other and to broaden their experiences in the practical aspects of implementing the Convention. The course was closed by the Vice-President of the Spanish National Authority and Undersecretary of the Ministry of Industry and Energy, Mr Carlos Gonzalez-Bueno.

Administration

55. The draft budget for 2001 has been circulated to States Parties. I intend to hold an informal meeting with interested delegations on Thursday of this week, in order to present the Secretariat's strategy in relation to this draft document and its main elements.

Contributions from States Parties

56. During the period from 21 November 1999 to 10 February 2000, the Secretariat received a total of 11.9 million guilders in contributions, some of which related to the 1997 and 1998 OPCW budgets. The collection rate for contributions for the year 1998 now stands at 98.8% for the Working Capital Fund, and 98.9% for the OPCW budget. As of 10 February 2000, however, 32 of the 121 States Parties had still not paid their 1998 contributions.

57. With regard to the assessed contributions for the 1999 budget, only 69 of the 128 States Parties, or just over one half of the membership of the OPCW had, by 10 February, paid their assessment in full. A further 13 States Parties had either made a partial payment or had received a credit on the basis of their 1997 cash surplus. Forty-six States Parties, or over 35%, have therefore so far made no contribution towards their assessment for 1999. The approximately NLG 104 million received by the Secretariat by 10 February 2000 represented 93% of the total assessed contributions for 1999.
58. As a result of the strong concern expressed by the Council at its last session with regard to the large number of States Parties which had still not paid their 1998 or 1999 contributions, the Secretariat, on 17 December 1999, sent reminder letters to the 95 signatory States and States Parties which were then in arrears with contributions to the OPCW and the Preparatory Commission.
59. Included in the above-mentioned number are 24 States Parties which were at risk, in accordance with paragraph 8 of Article VIII of the Convention, of losing their voting rights because their arrears exceeded the amount of the contributions due from them for the years 1998 and 1999. The Secretariat has drawn the attention of these States Parties to the negative consequences of a further delay in the payment of their arrears.
60. During the period from 21 November 1999 to 10 February 2000 the Secretariat received payments in the total amount of NLG 3.7 million for the reimbursement of verification costs under Articles IV and V of the Convention. The balance of outstanding reimbursements as of 10 February 2000 was still NLG 8.1 million. I must, once again, request those States Parties whose reimbursements are still unpaid to meet their financial obligations as soon as possible.
61. The 1999 budget of the OPCW has closed with a surplus of 8.2 million guilders. The main categories of the under spend are salaries (2.9 million guilders), inspection travel and subsistence allowance (2.4 million guilders), and general operating expenses (1.1 million guilders).
62. While accepting that the size of the under spend remains high, I would like to note that, in line with the recommendation of the External Auditor, the budgetary surpluses were substantially reduced - by an order of magnitude in each of the past three years - from NLG 36.1 million in 1997, to NLG 18.6 million in 1998, and NLG 8.2 million in 1999.
63. The 1999 financial statements of the OPCW and the Provident Fund of the OPCW will be audited by the External Auditor, from India, during the period from 2 February to 10 March of this year. The audited financial statements, together with the reports of the External Auditor, will be reviewed by the Advisory Body on Administrative and Financial Matters at the end of March 2000, as well as by the Council at its Nineteenth Session. They will be submitted to the Conference for consideration at its Fifth Session in May 2000.

64. In response to my invitation to all States Parties in November 1999 for nominations for the appointment of the External Auditor of the OPCW for the financial periods of 2000 and beyond, the Secretariat has received four nominations from the following States Parties: Ethiopia, India, Pakistan, and the United Kingdom of Great Britain and Northern Ireland. The Secretariat is in the process of preparing a comparative summary of these nominations for consideration by the Council, and subsequently by the Conference in May.

Human resources

65. Of the 507 posts authorised in the OPCW budget for 2000, 485 had been filled as of 1 February 2000, representing 96 percent of total authorised fixed-term posts. This total includes 344 posts in the professional and higher categories, and 163 posts in the General Service category. The Secretariat currently has 14 vacant posts in the professional and higher categories, and 7 in the General Service category.
66. Staff representing 64 Member States are currently working in the Secretariat. The regional breakdown of these nationalities in the professional and higher categories is as follows: Africa 8%; Asia: 26%; Eastern Europe: 22%; Latin America and the Caribbean: 12%; and WEOG: 32%. I urge qualified candidates from under represented regions to submit applications for vacant posts.
67. The number of female staff members in the professional and higher categories remains low at 40, or 12%, of the staff in these categories. I encourage delegations to put forward more suitably qualified female candidates for vacancies in these categories.
68. During 1999 5% of staff members in all categories separated from the Secretariat, representing 4% of staff members in the professional and higher categories, and 7% of General Service staff members. By comparison the figures for 1998 were 4.2% of staff members in all categories, representing 2.6% of staff members in the professional and higher categories, and 7.9% of General Service staff members.
69. Following the decisions on contract renewals of Secretariat staff conducted in October last year, 15 staff members, accounting for 3% of the total of 507 posts authorised in the OPCW budget for 2000, either did not seek a renewal of their contracts or were not offered a renewal.
70. Following the completion of the exercise conducted last year to assist staff members to familiarise themselves with the new performance and management appraisal system (PMAS) for the Secretariat, the new system has been implemented. The PMAS will ensure performance feedback and guidance through a mechanism of regular discussions between supervisors and individual staff members on the extent to which they have displayed integrity, competence and efficiency. The rigorous PMAS is designed to improve the ability of the Secretariat to encourage, recognise, and reward high performance, and will improve communication between staff members and their supervisors. It will also facilitate empowerment, by encouraging staff members to make a real contribution towards establishing the performance goals of their functional unit. The PMAS will provide a means of allowing staff members, in cooperation with their supervisors, to identify their strengths and weaknesses.

71. In accordance with the decision taken by the Council during its Sixteenth Session on the terms of reference and scope for the new classification study of posts in the Secretariat, I have consulted the International Civil Service Commission (ICSC) on the relevant procedures to be followed in initiating the study, including the appropriate standards to be used. On the basis of information provided by the ICSC and the United Nations, I have begun the process of obtaining proposals from internationally recognised experts in this field, from which a team will soon be selected to undertake this project.

SCN audit

72. I wish to reiterate my firm conviction that a fully functional security-critical network (SCN) is an essential precondition for the efficient implementation of the Convention's verification regime. This is why I, together with the members of the Council, took the failure of the most recent audit very seriously indeed. As I reported in my most recent report to the Council on this subject (EX-XVIII/DG.6 and Corr.1, dated 1 and 4 February 2000 respectively), I have already taken a number of urgent measures to address the shortcomings identified by the audit team.
73. At my request a survey of the existing situation was carried out in the week before Christmas by two experts provided by States Parties - Mr Andrew Beckett of the United Kingdom of Great Britain and Northern Ireland, and Ms Lisa Von Colln of the United States of America. In January two French experts also visited the Secretariat, and made a number of useful suggestions with regard to further improvements in access control. All of the above-mentioned experts will revisit the Secretariat later this month.
74. Approximately 30 standard operating procedures and six sections of the Manual of Confidentiality Procedure (MCP) have been reviewed and revised where this was deemed necessary. Tighter control of physical access to the security-critical area (SCA) is being implemented now. Improved procedures for handling and monitoring the output of the SCN are also being implemented. In addition measures to ensure the following will, inter alia, be finalised and implemented in the near future: the additional protection of removable media, the removal or control of access to drives of terminals on the security non-critical network within the SCA, the banning of the use of personal mobile telephones in the SCA, and the introduction of an anti-passback badge system.
75. One critical lesson to be learnt from the failed audit is that information systems must be accorded the prominence and attention which they deserve. This area must also be adequately staffed and funded. As I intimated in my opening statement to the Council at its Seventeenth Session, I have proceeded with my proposal to request the Conference to approve an additional D-1 post with responsibility for information systems. I trust that this serious proposal will meet with the approval of States Parties.

ABAF

76. Finally I must draw the Council's attention to what I can only term as glaring deficiencies in the work of the Advisory Body on Administrative and Financial Matters. I urge the Council to revisit ABAF's terms of reference, and to make appropriate changes to its composition and mandate.
77. Let me state from the outset that both the Secretariat and the Council need a truly competent and professional Advisory Body to assist the Organisation with the efficient management of its financial resources, as well as by offering expert advice of a technical nature on administrative issues.
78. Let me also express my personal gratitude to the current chairman of ABAF, Mr Arnold Cals, who has been trying against all odds to ensure the high quality of ABAF's end product. I hope that he will find time to address the Council later in the week on this issue.
79. The Council's decision on the establishment of ABAF clearly stipulates that its sole function will be to "advise it on administrative and financial matters" and that it will be composed of experts of "recognised standing in the financial and administrative fields".
80. Notwithstanding the many useful suggestions made by ABAF in its most recent report, it is regrettable that it has become increasingly involved in judgements of a political, rather than of a financial and administrative nature. By doing so a group of experts nominated by a limited number of governments is, in fact, usurping responsibilities of the Executive Council, which represents 41 States Parties. What is even more disturbing is the nature of some statements made by some members of ABAF in the course of its discussions - statements which are tantamount to attacks on the Secretariat's intentions and integrity.
81. It is equally regrettable that the requirement for "recognised standing in the financial and administrative fields", with some exceptions, hardly fits many of the current members of ABAF. It comes as no surprise that there is little enthusiasm from some of them for my proposal to have their CVs circulated to a wider audience. It is primarily for this reason that a number of recommendations of the most recent ABAF report are confused, inconsistent, and, quite frankly, border on incompetence. A Note by the Secretariat on this subject will be issued now, following my statement. This Note outlines the Secretariat's specific concerns with regard to some of the statements and recommendations contained in the report of the seventh session of the ABAF. It is not coincidental that some delegates have also started to express concerns about the quality of the recommendations provided by this Advisory Body.
82. I suggest that the terms of reference of ABAF be changed in such a way that the members of this body will be appointed by you, the Council, on the basis of their professional qualifications, from a list of candidates submitted by States Parties. I also suggest that the composition of ABAF be made more compact and more permanent. Its current composition hampers productive work, and encourages the politicising of technical issues on its agenda. ABAF's mandate, in my view, must be even more stringently defined, to prevent it from straying into the Council's terrain of policy issues. Finally, funding for ABAF's activities should be included in the Organisation's programme of work and budget.

83. The restructuring of ABAF is, of course, only one of the many challenges which the Organisation must confront if it is to stay abreast of the ever increasing requirements for greater efficiency.
84. In conclusion, I would like to refer back to the four policy areas mentioned at the beginning of my statement, and to emphasise that, in my view, they are key elements in a broad strategy which has to be implemented if we fully intend to come to the First CWC Review Conference with a meaningful record of achievement.
85. I thank you for your attention.

Annex

UPDATE OF DECLARATION-RELATED INFORMATION RECEIVED BY THE SECRETARIAT BETWEEN 1 JANUARY AND 14 FEBRUARY 2000

1. Introduction

This update of declaration-related information submitted to the Secretariat since 31 December 1999, the cut-off date for the Part I status of implementation report submitted to the Council at this session (EC-XVIII/HP/DG.1, dated 31 January 2000, and Corr.1, dated 9 February 2000), is drawn to the attention of the Council with a view to facilitating its deliberations on the status of implementation of the Convention. This report complements and updates the above-mentioned SIR by covering the period between 1 January and 14 February 2000.

2. Status of submission of initial declarations

On 9 January 2000, San Marino became a State Party to the Convention, thus bringing the number of States Parties to 129. During the period under review, the Secretariat received initial declarations from Liechtenstein (on 31 January 2000), San Marino (on 4 February 2000), and Swaziland (on 8 February 2000). As of 11 February 2000 the total number of States Parties which had submitted their initial declarations was 97. Thirty-two States Parties had yet to provide their initial declarations (see subparagraph 3.2 of EC-XVIII/HP/DG.1).

3. Declarations under Articles III, IV and V of the Convention

Chemical demilitarisation

3.1 During the period under review States Parties provided the following declaration data relating to chemical demilitarisation:

- (a) Belgium submitted an update of its detailed list of old chemical weapons stored at the OCWSF, Poelkapelle, which is based on an inventory of these weapons as of 31 October 1999;
- (b) India provided:
 - (i) information that it plans to carry out the destruction of a number of Category 3 chemical weapons at its currently operational CWDF, starting on 8 February 2000 and completing the destruction between 21 and 23 February 2000, which brings the destruction operations previously planned to an earlier period;
 - (ii) an updated list of standard/specialised buildings and standard/specialised equipment to be temporarily converted for use at its CWDF which is

currently operational, thus amending the list of buildings and equipment identified for temporary conversion contained in India's notifications and plans for the temporary conversion of CWPFs to CWDFs;

- (iii) another submission that suggested an update to the list of equipment and buildings identified for temporary conversion at its two CWPFs planned to be temporarily converted into CWDFs, as specified therein, thus amending the list contained in India's notifications and plans for the temporary conversion of CWPFs to CWDFs. India further informed the Secretariat that all items of equipment reflected in the detailed plan for destruction of one of its CWPFs, which were different from those identified for temporary conversion, had already been destroyed, and that India planned to start shifting the equipment identified for temporary conversion to its two CWPFs planned to be temporarily converted into CWDFs, as specified therein;
 - (iv) information that it plans to start the demolition of buildings at one of its CWPFs on 7 February 2000. This information further specifies the destruction period indicated in India's detailed plans for the destruction of that facility;
- (c) Italy submitted a detailed annual plan for the destruction of (old/abandoned) chemical weapons for the year 2000, covering Category 1, 2 and 3 (old) chemical weapons planned to be destroyed during the periods specified therein;
- (d) the Russian Federation submitted:
- (i) additional information supplementing the draft revised versions of its requests for conversion of two former CWPFs which produced respectively soman and DF-mixture dichlorodifluoranehydrides of methylphosphonic acid. Both of these former CWPFs are now owned by the Joint Stock Company "Khimprom", in Volgograd;
 - (ii) the general plan for the destruction of former chemical weapons production facilities in the Russian Federation;
 - (iii) the general plan for the demilitarisation of former chemical weapons production facilities within the framework of their conversion;
 - (iv) the report on the destruction of former chemical weapons production facilities and on the demilitarisation of former chemical weapons production facilities undergoing conversion located on the territory of the Russian Federation as of 31 December 1999;
- (e) a State Party provided a notification, pursuant to decision C-IV/DEC.8, dated 29 June 1999, of an addition of equipment onto the main production line installed in its CWPF, for which a conversion request was approved by the

Conference (see C-IV/DEC.14, dated 1 July 1999), and requested that the procedure specified in that decision be initiated;

- (f) the United Kingdom of Great Britain and Northern Ireland resubmitted four documents which are part of the revised versions of its two requests for the conversion of the MOS Agency Factory - ICI, Randle, and the MOS Agency Factory - ICI, Valley, in order to provide better quality images (see EC-XVIII/NAT.2 and EC-XVIII/NAT.3, both dated 25 January 2000);
- (g) the United States of America submitted:
 - (i) a memorandum declaring formally the completion of the destruction of the Pilot Plant CWPF at Aberdeen Proving Ground, Maryland, on 4 December 1999;
 - (ii) notification that the M687 Demilitarisation System CWDF at Hawthorne Army Depot, Nevada, will be used for the destruction of 1,840 Category 3 chemical weapons (M67 rocket motors and M441 shipping and firing tubes). This destruction is planned to begin on 27 March 2000 and to end in May 2000, thus modifying the US annual plan for destruction of chemical weapons for the year 2000; and
 - (iii) documents supplementing the detailed facility information for the M687 Demilitarisation System CWDF at Hawthorne Army Depot, Nevada, which, inter alia, proposes measures to verify the destruction of the M67 rocket motors and the M441 shipping and firing tubes mentioned in subparagraph 3.1(g)(ii) of this annex.

4. Declarations under Article VI of the Convention and Parts VI, VII and VIII of the Verification Annex

Industry declarations

- 4.1 During the period under review developments with respect to industry-related declarations were as follows:
 - (a) the Secretariat received four additional notifications of transfers of Schedule 1 chemicals which involved two sending States Parties (Spain and the United States of America) and three receiving States Parties (Norway, Spain and the United States of America);
 - (b) two States Parties (Japan and Hungary) submitted amendments to their initial declarations on activities involving Schedule 2 and 3 plant sites, and other chemical production facilities respectively;
 - (c) one State Party (Turkey) submitted aggregate national data on Schedule 2 and 3 chemicals pertaining to its annual declarations on past activities for 1997 and 1998;

- (d) one State Party (Japan) submitted amendments to its annual declaration on past activities for 1997, involving Schedule 2 and 3 plant sites, and other chemical production facilities;
- (e) two States Parties (Hungary, Japan) submitted amendments to their annual declarations on anticipated activities for 1999, involving Schedule 2 and/or Schedule 3 chemicals and/or other chemical production facilities;
- (f) three States Parties (Croatia, India and Japan) submitted amendments to their annual declarations on past activities for 1998, involving Schedule 2 and/or Schedule 3 chemicals and/or other chemical production facilities, and one State Party (Finland) submitted an addition to its annual declaration on past activities for 1998 regarding Schedule 1 activities;
- (g) two States Parties (India and Tunisia) submitted their annual declarations on anticipated activities for 2000 regarding Schedule 1, 2 and/or 3 chemicals, and one State Party (Hungary) submitted an addition to its annual declaration on anticipated activities for 2000 regarding a Schedule 3 plant site; and
- (h) one State Party (Tunisia) submitted its annual declaration on past activities for 1999.

5. Information provided to States Parties in accordance with subparagraph 2(b)(i) of the Confidentiality Annex

Between 1 January and 11 February 2000, one additional State Party (Argentina) submitted information on the handling of classified documents provided to it by the Secretariat, thus bringing the number of such States Parties to 42.

6. Notifications

During the period under review the Secretariat received from States Parties the following notifications required under the Convention: details on the designation of National Authority were provided by San Marino and the Republic of Moldova; the United Kingdom of Great Britain and Northern Ireland notified the new address of its National Authority; and standing diplomatic clearance numbers for non-scheduled aircraft were submitted by Greece (for the year 2000), Slovakia and Switzerland (for the year 2000).