



**OPCW**

**Conference of the States Parties**

Twelfth Session  
5 – 9 November 2007

C-12/DEC.4  
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## **DECISION**

### **PROGRAMME AND BUDGET OF THE OPCW FOR 2008**

**The Conference of the States Parties,**

**Recalling** that Article VIII, subparagraph 21(a), of the Chemical Weapons Convention (hereinafter “the Convention”) requires, *inter alia*, that the Conference of the States Parties (hereinafter “the Conference”) to consider and adopt at its regular sessions the Programme and Budget of the OPCW;

**Recalling also** that Article VIII, subparagraph 32(a), of the Convention requires the Executive Council (hereinafter “the Council”) to consider and submit to the Conference the Programme and Budget of the OPCW;

**Recalling further** the decision of the Conference at its Ninth Session that “future draft programmes and budgets of the OPCW should be presented in a results-based format in conformity with the provisions and objectives of the Convention and the Financial Regulations and Draft Financial Rules of the OPCW” (C-9/DEC.14, dated 2 December 2004);

**Bearing in mind** that the Conference at its Tenth Session requested the Council, in the context of the stress placed by the First Special Session of the Conference of the States Parties to Review the Operation of the Convention on the need to continue monitoring and improving the implementation of the OPCW’s budgetary and financial mechanisms as they have evolved (paragraph 7.127 of RC-1/5, dated 9 May 2003), to examine the possibilities of a long-term mechanism for the management of the risks associated with currency-exchange rate, with a view to making a recommendation to the Conference at its Eleventh Session (C-10/DEC.5, dated 8 November 2005);

**Considering** the recommendations relating to the Draft Programme and Budget of the OPCW for 2008 submitted to it by the Council (EC-50/DEC.7, dated 28 September 2007);

**Considering** that the core objectives of the OPCW set out in Table 2 of the Draft Programme and Budget for 2008 submitted to it by the Council, along with the associated indicators of achievement for each core objective, provide direction for 2008 for the programmes of the OPCW and the Technical Secretariat (hereinafter “the Secretariat”);



**Having reviewed** the programme objectives, which should be reviewed each year, in the Draft Programme and Budget for 2008 submitted to it by the Council, along with the information it provides on the key results planned for each objective, as well as on the major activities the Secretariat should engage in to pursue those results; and

**Recognising** that nothing in the Programme and Budget for 2008 should be interpreted in a way which is inconsistent with the Convention;

**Hereby:**

1. **Adopts** the Programme and Budget of the OPCW for 2008, annexed hereto;
2. **Reaffirms** the core objectives of the OPCW and the indicators of achievement set out in Table 2 of the Programme and Budget for 2008;
3. **Appropriates** total expenditure for 2008 of EUR 75,025,734, of which EUR 37,670,986 is for the chapter related to verification costs and EUR 37,354,748 for that related to administrative and other costs;
4. **Decides** that the expenditure appropriated for 2008 shall be financed from:
  - (a) assessed annual contributions by all States Parties in the amount of EUR 68,331,324, payable in accordance with a scale of assessment to be determined by the Conference in accordance with Article VIII, paragraph 7, of the Convention;
  - (b) contributions from States Parties, estimated to amount to EUR 5,944,410, to reimburse the costs of inspections carried out in 2008 in accordance with Articles IV and V of the Convention; and
  - (c) interest and other income earned in 2008 by the OPCW, and estimated to amount to EUR 750,000;
5. **Decides** also to request the Director-General to internally establish efficiencies and priorities within the aforementioned appropriations for 2008, but without varying the appropriations for each chapter, to provide for up to EUR 30,000 for additional laboratory internships to be funded in 2008 through the International Cooperation and Assistance Programme;
6. **Decides** further to authorise and fund 523 fixed-terms posts for 2008, as set out in Appendix 5 to the Programme and Budget for 2008;
7. **Notes** the key outcomes identified for 2008, which are set out in Table 2 of the Programme and Budget, and which the Secretariat has established as targets for each core objective of the OPCW;
8. **Decides further** that consultants shall be engaged during 2008 by the Secretariat only for specific, short-term projects to augment the Secretariat's technical expertise;

9. **Reaffirms** the need for the Council to examine the possibilities of a long-term mechanism for the management of currency-exchange-rate risks, with a view to making a recommendation to the Conference at its Thirteenth Session;
10. **Strongly urges** each State Party to pay in full its contribution to the OPCW for 2008 within 30 days of receiving the communication from the Director-General requesting such payment;
11. **Also strongly urges** States Parties that are in arrears in the payment of their contributions to the OPCW to immediately pay those arrears or submit a proposal for a multi-year payment plan to eliminate those arrears, in accordance with the mechanism approved by the Conference (C-11/DEC.5, dated 7 December 2006);
12. **Further strongly urges** States Parties that are in arrears in the reimbursement of the costs of inspections carried out under Articles IV and V of the Convention, to pay those arrears to the OPCW immediately; and
13. **Also requests** the Director-General to report, through the Council, to the Conference at its Thirteenth Session on the details of transfers from and the replenishment of the Working Capital Fund in 2008.

Annex:

Programme and Budget of the OPCW for 2008

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**LIST OF ACRONYMS AND ABBREVIATIONS**

ABAF	Advisory Body on Administrative and Financial Matters
ACW	abandoned chemical weapon(s)
ADM	Administration Division
BPFB	Budget, Planning and Finance Branch (Administration Division)
BWCP	Biological Weapons Convention Panel
CDF	chemical destruction facility
CMS	correspondence management system
CSP	Conference of the States Parties
CW	chemical weapon(s)
CWC	The Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction
CWDF	chemical weapons destruction facility
CWPF	chemical weapons production facility
CWSF	chemical weapons storage facility
DG	Director-General
EC	Executive Council
ERD	External Relations Division
EUR	euro(s)
EUR'000	thousands of euros
GS-MS	gas chromatography-mass spectrometry
GS(-grade)	general service (grade)
HRB	Human Resources Branch (Administration Division)
IAU	investigation of alleged use
ICA	International Cooperation and Assistance Division
ILOAT	International Labour Organization Administrative Tribunal
IMF	International Monetary Fund
INS	Inspectorate
IPSAS	International Public Sector Accounting Standards
ISB	Information Services Branch (Administration Division)
LAO	Office of the Legal Adviser
NGO	non-governmental organisation
na	not applicable
OCPF	other chemical production facility
OCS	Office of Confidentiality and Security
OCW	old chemical weapon(s)
ODG	Office of the Director-General
OIO	Office of Internal Oversight
OPCW	Organisation for the Prohibition of Chemical Weapons
P(-grade)	professional (grade)
PC	personal computer
PMO	Secretariat for the Policy-Making Organs
PSB	Procurement and Support Services Branch (Administration Division)
QMS	quality management system
SAB	Scientific Advisory Board
SCN	Security-Critical Network
SNCN	Security Non-Critical Network
SSA	special service agreement
TAC	temporary assistance contract
TDB	Training and Staff Development Branch (Administration Division)
TSB	Technical Support Branch (VER)
UN	United Nations
USA	United States of America
USD	United States dollar
var	variance
VIS	Verification Information System
WCF	Working Capital Fund
ZNG	zero nominal growth

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**PART I**

**EXECUTIVE SUMMARY**

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## 1. SUMMARY OF THE PROGRAMME AND BUDGET FOR 2008

- 1.1 The OPCW's 2008 regular budget expenditure is presented at the level of EUR 75.0m, reflecting zero-nominal growth in comparison to the 2007 approved budget. Authorised fixed-term staff levels are proposed at a total of 523 posts, reflecting an increase of two new fixed-term posts.
- 1.2 The Programme and Budget of the OPCW for 2008 has been developed with a focus on clear programme priorities to respond to growing demands of the OPCW and issues emerging within the Technical Secretariat (hereinafter "the Secretariat").
- 1.3 At the outset of formulating the Programme and Budget for 2008 emphasis was placed on a priorities-review exercise, which aimed at establishing a clear strategy of spending priorities. These priorities for 2008 are closely aligned with the established "core objectives" of the OPCW and its programmes.
- 1.4 Expenditure of EUR 75.0m budgeted for the year addresses a number of new programme priorities for 2008, and allows for forecast increases in statutory costs and other prices. In this context, it is savings and efficiencies compared to existing budget estimates that will allow this to occur in 2008 without exceeding expenditure levels appropriated for 2007.
- 1.5 The balance between Chapter 1 and Chapter 2 resources will continue in the Programme and Budget for 2008 whereby resources allocated to Chapter 1 represent 50.21% of the total budget (50.04% in 2007) while resources allocated to Chapter 2 represent 49.79% of the total 2008 budget (49.96% in 2007).
- 1.6 Overall industry inspections are sustained at 2007 levels.
- 1.7 Major points contained within the Programme and Budget for 2008 include the following:
  - (a) Specific budget initiatives totalling almost EUR 1.9m, to be implemented in 2008, target a number of programme priorities to:
    - (i) verify increasing levels of chemical weapons destruction (EUR 0.180m);
    - (ii) implement national obligations under Article VII of the Convention (EUR 0.140m);
    - (iii) develop Inspectorate staff skills and competencies (EUR 0.360m);
    - (iv) support the Second Review Conference (EUR 0.772m);
    - (v) continue implementation of the tenure policy (EUR 0.117m); and
    - (vi) procurement of inspection equipment (EUR 0.400m)
  - (b) The general cost to all Member States in annual contributions will be reduced by 0.5% from 2007.

- (c) Significant operational efficiencies, including more effective use of inspection resources, savings through turnover of staff on higher salary increments, and other specific reductions have been applied to budgeted expenditure levels.
- (d) Fixed-term staffing positions for the Secretariat will increase by two posts in comparison with the 2007 approved budget, thus reaching a total of 523 posts; however there is a decrease in the number of the temporary-assistance (TAC) positions under the 2008 budget.

1.8 The following table summarises budgeted expenditure and income levels for the OPCW for 2008.

**TABLE 1: REGULAR BUDGET FOR 2008 BY FUNDING PROGRAMME**

2006 Result	2007 Budget		2008			2009 Forward Estimate
			Previous Estimate	Budget	% Var	
8,733,441	8,496,857	<i>Chapter 1 expenditure:</i>	8,496,857	8,377,590	-1.4%	8,152,245
27,589,712	29,048,819	Programme 1: Verification	29,048,819	29,293,396	0.8%	29,714,258
		Programme 2: Inspections				
<b>36,323,153</b>	<b>37,545,676</b>	<b>Total Chapter 1</b>	<b>37,545,676</b>	<b>37,670,986</b>	<b>0.3%</b>	<b>37,866,503</b>
		<i>Chapter 2 expenditure:</i>				
5,093,349	5,184,448	Programme 3: ICA	5,209,733	5,399,001	3.6%	5,359,001
4,393,507	4,510,172	Programme 4: Support for PMOs	4,510,172	5,240,426	16.2%	4,548,980
1,804,920	1,905,060	Programme 5: External Relations	1,905,060	1,830,980	-3.9%	1,830,980
		Programme 6: Executive				
7,008,563	7,392,946	Management	7,392,946	7,541,145	2.0%	7,518,181
17,911,413	18,487,448	Programme 7: Administration	18,487,448	17,343,196	-6.2%	18,020,624
<b>36,211,752</b>	<b>37,480,075</b>	<b>Total Chapter 2</b>	<b>37,505,360</b>	<b>37,354,748</b>	<b>-0.4%</b>	<b>37,277,766</b>
<b>72,534,905</b>	<b>75,025,751</b>	<b>Total expenditure</b>	<b>75,051,036</b>	<b>75,025,734</b>	<b>0.0%</b>	<b>75,144,269</b>
		<i>Less direct income:</i>				
3,345,992	5,635,648	Verification contributions	5,635,648	5,944,410	5.5%	5,944,410
1,143,905	750,000	Interest and other earnings	750,000	750,000	0%	750,000
<b>4,489,897</b>	<b>6,385,648</b>	<b>Total direct income</b>	<b>6,385,648</b>	<b>6,694,410</b>	<b>4.8%</b>	<b>6,694,410</b>
<b>64,420,601</b>	<b>68,640,103</b>	<b>Annual contributions</b>	<b>68,665,388</b>	<b>68,331,324</b>	<b>-0.5%</b>	<b>68,449,859</b>

1.9 Key estimation parameters applied in the Programme and Budget for 2008 include:

- (a) general validation of the assumptions of prices and statutory costs for 2007 incorporated in the 2007 Programme and Budget (with a flow-on impact for 2008 budget estimates);
- (b) an average currency exchange rate across 2008 of 73.2 eurocents for USD 1;
- (c) increased salary-rates in 2008 for P-grade and GS-grade staff with a full-year effect of 1.0%;
- (d) increased pensionable remuneration rates in 2008 for P-grade staff with a full-year impact of 1.25%; and
- (e) inflationary price rises for international programmes and other non-staffing costs with an impact for 2008 of 4.75% and 2.0% respectively.

# **PART II**

## **OVERVIEW**

## 2. INTRODUCTION

- 2.1 The Programme and Budget of the OPCW for 2008 outlines in detail the objectives of the OPCW, the associated results targeted for the year, and the programmes of activity to be resourced for 2008 through the OPCW's regular budget.
- 2.2 In providing the basis for Member States to appropriate expenditure required for the year, the Programme and Budget includes detailed estimates of budgeted income and expenditure for the programmes of activity to be pursued during 2008.
- 2.3 As part of the OPCW's commitment to planning and budgeting for results, the Programme and Budget for 2008 focuses on:
- (a) new programme priorities for the year and associated spending initiatives;
  - (b) identified results to be achieved during 2008 in relation to the core objectives of the organisation and existing programmes of activity; and
  - (c) financial resourcing levels which are sustainable to Member States and are also aligned with priority activities for the year.
- 2.4 The Programme and Budget for 2007 agreed at the Eleventh Session of the Conference of the States Parties (hereinafter "the Conference") (C-11/DEC.11, dated 8 December 2006) provided indicative "forward" estimates, at that time, of expenditure and income of the OPCW for 2008.
- 2.5 The Programme and Budget for 2008 has been prepared by way of an exhaustive process of re-costing previous forward estimates for 2008 with adjustments for price and statutory cost levels expected for the year. Adjustments were then identified for both spending initiatives and savings measures to meet emerging programme priorities for 2008 and to maintain financial efficiency.
- 2.6 The Programme and Budget for 2008 continues the OPCW's commitment to improving programme formulation and funding development in the following key areas:
- (a) transparency of priority spending initiatives and other adjustments, including major programme changes affecting resourcing levels;
  - (b) ensuring financial estimates are robust and achievable; and
  - (c) fully articulating performance results and activities planned for the year.
- 2.7 The resulting Programme and Budget for 2008 continues the fiscal discipline of the previous year, while still ensuring that new programme priorities are addressed. Although this provides a sound base for the OPCW to move forward during 2008, active monitoring and management during the year will be essential if programme results are to be delivered with the agreed funding levels.
- 2.8 An electronic version of the Programme and Budget for 2008 may be found on the OPCW's website at [www.opcw.org](http://www.opcw.org). Requests for further information can be directed to the OPCW's Budget, Planning and Finance Branch by telephoning +31 (0)70 416 3511 or by e-mailing [budget@opcw.org](mailto:budget@opcw.org).

### 3. STRATEGIC OVERVIEW

- 3.1 The Programme and Budget for 2008 establishes the OPCW's key objectives for the year and provides for the associated activities of the Secretariat necessary to support mandated requirements and other priorities.
- 3.2 In this context, a budget strategy has been defined for the year to support critical programme delivery, while underlining the need for effective and efficient use of resources.

#### 2008 BUDGET STRATEGY

- 3.3 The Programme and Budget for 2008 again aims to ensure that the OPCW meets mandated and critical programme delivery for the year, while providing Member States with assurances of cost-effectiveness in the Secretariat's operations.
- 3.4 Accordingly, the Programme and Budget for 2008 reaffirms a number of defined financial principles:
- (a) carefully targeted enhancements in programme levels to meet major emerging priorities;
  - (b) full provision for expected price growth for the year (including for staff entitlements); and
  - (c) budgeted expenditure maintained at overall appropriation levels for 2007 through efficiencies and prioritisation of existing resources.
- 3.5 Resourcing provided for 2008 in the Programme and Budget has also been consciously considered in the context of benefits delivered with potential funding through voluntary contributions from Member States and other parties.

#### OBJECTIVES OF THE OPCW

- 3.6 The activities undertaken by the OPCW reflect the agreed programmes to be delivered each year in pursuit of the key objectives mandated by Member States.

#### Core objectives

- 3.7 The OPCW's programmes and resourcing planned for 2008 are directed towards its "core objectives" (and specific outcomes targeted for the year).
- 3.8 These core objectives reflect the mandates for the OPCW established by the Convention and key enabling strategies adopted by Member States. The objectives of the OPCW's individual programmes and the underlying activities of the Secretariat have been developed in the context of their contribution (indirectly in some cases) to one or more of these core objectives. As key mandates of the OPCW, core objectives largely remain constant over a period of time.
- 3.9 The OPCW's core objectives, agreed indicators of their achievement, and key outcomes set for each for 2008 are summarised in the following table.

**TABLE 2: CORE OBJECTIVES OF THE OPCW**

Objective	Indicators of achievement	Key outcomes identified by the Secretariat for 2008
<i>Core objectives</i>		
1. Elimination of chemical weapons stockpiles and chemical weapons production facilities subject to the verification measures provided for in the Convention.	<p>(a) Results of all destruction activities related to elimination of chemical weapons and their production facilities as confirmed by systematic verification in accordance with the Convention.</p> <p>(b) Results of conversion of CW production facilities for purposes not prohibited under the Convention as confirmed by verification in accordance with the Convention.</p> <p>(c) Results of systematic verification of chemical weapons storage facilities to ensure no undetected removal of chemical weapons.</p>	<ul style="list-style-type: none"> <li>• 100% of the destruction of approximately 7,800 metric tonnes of chemical-warfare agents verified during the year in 4 Member States; approximately 32,000 metric tonnes (or 45% of total declared stockpiles) of chemical-warfare agents verified as destroyed by the end of 2008 since entry into force of the Convention.</li> <li>• Approximately 39,330 metric tonnes of declared chemical-warfare agent at year-end yet to be destroyed.</li> <li>• Compliance with the CWC requirements verified during the year by inspections at 5 CWPFs remaining to be destroyed or converted, and at 2 converted facilities.</li> <li>• Storage of chemical-warfare agents verified during the year by inspections at each of the 17 remaining CWSFs.</li> </ul>
2. Non-proliferation of chemical weapons, through the application of the verification and implementation measures provided for in the Convention which also serve to build confidence between States Parties.	<p>Assessment of the extent to which the relevant verification and implementation provisions of the Convention are met, and in particular:</p> <p>(a) assessment of the extent to which the inspection aims of systematic inspections of Schedule 1 facilities stipulated in the Convention were attained, taking into account the factors provided for in Part VI(E) of the Verification Annex;</p> <p>(b) assessment of the extent to which the inspection aims of inspections of Schedule 2 facilities stipulated in the Convention were attained, taking into account the factors provided for in Part VII(B) of the Verification Annex;</p> <p>(c) assessment of the extent to which the inspection aims of inspections of Schedule 3 facilities stipulated in the Convention were attained, taking into account the factors provided for in Part VIII(B) of the Verification Annex; and</p> <p>(d) assessment of the extent to which the inspection aims of inspections of other chemical production facilities (OCPF) stipulated in the Convention were attained, taking into account the factors provided for in Part IX(B) of the Verification Annex.</p>	<ul style="list-style-type: none"> <li>• Correctness of declarations in relation to Schedule 1 chemicals verified during the year, in accordance with Part VI(E) of the Verification Annex, by inspections at 11 (41%) of 27 inspectable facilities.</li> <li>• Activities in relation to Schedule 2 chemicals verified during the year in accordance with Part VII(B) of the Verification Annex, for compliance with the Convention and consistency with declared information, by inspections at 42 (27%) of 154 inspectable facilities.</li> <li>• Consistency of activities in relation to Schedule 3 chemicals with declared information verified during the year, in accordance with Part VIII(B) of the Verification Annex, by inspections at 29 (7%) of 420 inspectable facilities.</li> <li>• Consistency of activities with the information declared in relation to production of non-schedule discrete organic chemicals verified during the year, in accordance with Part IX(B) of the Verification Annex, by inspections at 118 (2.4%) of 5,021 inspectable facilities.</li> </ul>
3. Assistance and protection against chemical weapons, their use, or threat of use, in accordance with the provisions of Article X of the Convention.	<p>(a) Amount, nature and results of responses to requests for expert advice and/or assistance under Article X, paragraph 5.</p> <p>(b) Effective functioning of the data bank of protection-related information established pursuant to Article X, paragraph 5.</p> <p>(c) The OPCW's capacity to coordinate and deliver assistance against chemical weapons in response to a request.</p> <p>(d) The OPCW's capacity to conduct an immediate investigation and to take emergency measures of assistance against chemical weapons in response to a request.</p> <p>(e) Percentage of States Parties providing information annually pursuant to Article X, paragraph 4.</p>	<ul style="list-style-type: none"> <li>• 80 Member States will have declared the assistance they could provide in response to a request by the OPCW for assistance for a Member State.</li> <li>• Funding currently held in the Voluntary Fund for Assistance will be increased by further contributions by year-end from Member States.</li> <li>• Provision of annual information during the year by 95 Member States (more than 52%) in relation to national programmes for protection.</li> <li>• Development and maintenance of a state of readiness to provide timely, adequate, and efficient assistance within 24 hours to a Member State requesting assistance.</li> <li>• Effective functioning and accessibility of a database of protection-related information in accordance with the CWC</li> </ul>

Objective	Indicators of achievement	Key outcomes identified by the Secretariat for 2008
4. Economic and technological development through international cooperation in the field of chemical activities for purposes not prohibited under the Convention in accordance with the provisions of Article XI.	(a) Volume, quality and results of cooperation relating to peaceful uses of chemistry. (b) Rate and quality of response to requests in accordance with the approved programme for international cooperation relating to peaceful uses of chemistry.	<ul style="list-style-type: none"> <li>• At least 80 specialised personnel, from more than 40 Member States, will benefit during the year from OPCW programmes aimed at directly supporting skills and capabilities development.</li> <li>• Support for research and skills development facilitated during the year through at least 7 internships and 20 research projects.</li> <li>• Participants/resource persons from at least 60 Member States (almost 30%) will participate during the year in programmes for the exchange of scientific and technical information to support economic and technological development.</li> <li>• At least 5 Member States will receive support for improvement of the technical competence of their laboratories during the year.</li> </ul>
<i>Supporting objectives</i>		
5. Universal adherence to the Convention.	(a) The number of States who are Members. (b) The percentage of States not Party that have reached each of two stages of interest/participation; the first level indicated by requests for information and participation, the second by requests for assistance and/or active consideration of membership by national bodies.	<ul style="list-style-type: none"> <li>• The total number of States Parties to reach 188</li> <li>• All the remaining States not Party to reach level 2 participation.</li> </ul>
6. Full and effective implementation by States Parties of the provisions of Article VII of the Convention.	(a) The percentage of States Parties reaching each of three defined levels of implementation, based on an assessment of each State Party's compliance with a small number of key aspects of national implementation.	<ul style="list-style-type: none"> <li>• 182 Member States will have established a National Authority by year-end; more than 65% of Member States (approximately 124) will have enacted national legislation/administrative measures to implement the Convention.</li> <li>• 173 existing Member States will by year-end have provided at least an initial declaration in accordance with Article VI of the Convention.</li> <li>• Up to 92 Member States (approximately 48%) will by year-end have introduced measures to control transfers of scheduled chemicals, and up to 66 (more than 35%) will have confirmed that their trade regulations comply with the Convention.</li> </ul>
<i>Operational objective</i>		
7. Full, effective and non-discriminatory implementation of all provisions of the Convention by the OPCW.	(a) Efficient and effective operation of the policy-making organs and the Technical Secretariat in accordance with Article VIII, including through: <ul style="list-style-type: none"> <li>• delivery of programme outputs on time and within the agreed budget; and</li> <li>• timely and efficient preparation and conduct of meetings.</li> </ul>	<ul style="list-style-type: none"> <li>• Any critical findings of the external auditor and the OIO satisfactorily addressed during the year.</li> <li>• Budgeted expenditure for 2008 has been contained, in nominal terms, within the appropriation levels agreed for the previous year.</li> <li>• Funding for 2008 targets programme priorities for the year, and reflects efficient and effective operations throughout the Secretariat.</li> <li>• 100% of income due for 2008 from Member States is received by the due date.</li> <li>• Effective and efficient management of replacement of 45 (15%) of total internationally-recruited staff during the year (in accordance with the staff tenure policy).</li> <li>• 85% of authorised fixed-term positions across the Secretariat are, on average across the year, staffed by fixed-term appointments.</li> <li>• Three sessions of the Executive Council and one Conference of the States Parties are effectively attended and supported during the year.</li> <li>• Positive verification during the year of the security/confidentiality of all designated systems.</li> </ul>

### **Programmes funded by the OPCW from the Secretariat**

- 3.10 Programme objectives established by the Programme and Budget for 2008 reflect an alignment of related activities and obligations to be achieved, administered, or both, by the OPCW and Member States collectively in pursuit of the established core objectives.
- 3.11 Programme objectives contained in the Programme and Budget for 2008, and associated results planned for the year, provide focus and direction to the activities of the Secretariat.
- 3.12 In this context, funds are provided by Member States to enable the OPCW's Secretariat to deliver a number of services (or "outputs") to the OPCW and other stakeholders. These include:
- (a) inspections to confirm destruction of chemical weapons and production facilities;
  - (b) assessments and inspections to ensure chemical facilities are used for purposes not prohibited under the Convention;
  - (c) workshops, seminars, and other projects to promote the peaceful uses of chemistry;
  - (d) support to Member States in implementing the requirements of the Convention;
  - (e) capability to coordinate and deliver a response to the use or threat of use of chemical weapons; and
  - (f) support to the OPCW's policy-making organs.
- 3.13 The Secretariat's delivery of these outputs to, or on behalf of, the OPCW is also supported by other key programmes of activity within its own governance and administrative support framework.

### **PROGRAMME OUTLOOK FOR 2008**

- 3.14 The Programme and Budget of the OPCW for 2008 has been developed with a focus on clear programme priorities to respond to growing demands of the OPCW and issues emerging within the Secretariat. These priorities for 2008 are closely aligned with the established "core objectives" of the OPCW and the programmes it funds from the Secretariat.
- 3.15 Inspections under Article VI of the Convention, to assure the non-proliferation of dangerous chemicals and weapons production across the world's industrial facilities, increased by more than one-third, from 132 in 2003 to 200 in 2007. In 2008, Article VI inspections will be sustained at the same level as in 2007.
- 3.16 The increase in 2007 of inspections in accordance with Article VI of the Convention combined with the implementation and development of additional capabilities provided, added assurances of non-proliferation. This included implementation of on-site sampling and analysis at declared Schedule 2 chemical sites, and consideration of,

and planning for, the need for the OPCW to develop a biomedical laboratory facility. The industry elements of the Secretariat's new Verification Information System (VIS) will be in production by the end of 2007 and the CW elements of VIS will be in production by the end of 2008.

- 3.17 In relation to verification of chemical weapons destruction by Member States, 2008 will see an increase in recent activity. New facilities in the Russian Federation should commence destruction operations during the year, and the facilities in the United States of America are expected to be in operation for 2008.
- 3.18 The implementation by Member States of their national obligations under Article VII of the Convention also remains a priority for 2008. With a clear need for the OPCW to provide direct technical support to Member States and to continue to facilitate cooperation and liaison in this area, this requirement is a priority for the international cooperation-related endeavours of the Secretariat.

### **PROGRAMME SPENDING INITIATIVES FOR 2008**

- 3.19 A number of key priorities have been identified for 2008 in order for the OPCW to ensure that its programmes continue to allow for the achievement of significant progress in meeting the challenges underlying its core objectives. These identified priorities for 2008 provide a clear strategy for the OPCW to respond, in the context of its existing programmes, to changing demands and challenges in pursuing its core objectives.
- 3.20 The following table summarises the spending initiatives to be implemented in 2008 to address the OPCW's priority areas for the year.

**TABLE 3: 2008 PROGRAMME SPENDING INITIATIVES (EUR '000)**

<b>Spending initiative</b>	<b>2008</b>	<b>2009</b>
<i><b>Verify the destruction of chemical weapons</b></i>		
Increased costs associated with inspections of weapons destruction	180	680
<i><b>Development of Inspectorate staff skills and competencies</b></i>		
Additional funds to train newly recruited inspectors	360	190
<i><b>Implementation of national obligations (Article VII)</b></i>		
Provision of technical support for Member States' implementation of national obligations	140	-
<i><b>Support for the Second Review Conference</b></i>		
Provision of funds to meet the requirement of the Convention in convening the Review Conference	772	-
<i><b>Continued implementation of the tenure policy</b></i>		
Increased funds to meet the costs associated with staff turnover	117	117
<i><b>Support for the destruction of chemical weapons</b></i>		
Procurement of inspection equipment	400	-
<b>Total cost for 2008 spending initiatives</b>	<b>1,969</b>	<b>987</b>

### **2008 spending initiatives**

- 3.21 The following spending initiatives to be implemented for 2008 are aligned with each of the OPCW's identified priorities to meet growing demands in the coming year. These specific measures reflect all of the programme enhancements being implemented for 2008 that have implications for existing expenditure levels.

#### Verify the destruction of chemical weapons

*Initiative: Increased costs associated with inspections of weapons destruction (EUR 0.180m in 2008)*

- 3.22 Based on consultations with Member States possessing chemical weapons, overall inspections to verify the destruction of chemical weapons are expected to increase for 2008 from the level funded for 2007.
- 3.23 The Programme and Budget for 2008 provides for an increase of 7% in the number of inspector-days at chemical weapons destruction facilities (CWDFs). The basis of the above-stated increase for 2008 is a result of information from Member States possessing chemical weapons.
- 3.24 With this increase in destruction activity, costs of inspections (particularly costs related to travel) will vary according to the regions where inspections are conducted. In 2008, it is foreseen that the cost of the Inspectorate's travel for these inspections under Articles IV and V of the Convention will increase, due to the anticipated increase in the number of inspector-days at CWDFs, particularly in the Russian Federation with the start-up of two new facilities. The savings resulting from optimisation of Article VI inspections will help off-set the costs of the increased travel for Article IV and V inspections.
- 3.25 Other additional costs of this budget initiative include interpretation services, general operating costs, and contractual services (SSA inspectors).
- 3.26 The Secretariat's ability to cope with the increased inspection activity is dependent upon the continued and enhanced use of the SSA inspector scheme. In 2007 the Secretariat employed 15 SSA inspectors for CWDF activity (EUR 0.900m). In 2008, funds for an additional five one-year equivalent SSA inspectors (EUR 0.263m) are required to deal with the proposed increase in inspection activity.
- 3.27 The use of the SSA inspector scheme is a key mechanism for coping with the increased inspection activity, as the new facilities are expected to become operational in the latter part of 2008. With the funds for an equivalent of 20 SSA inspectors, the Secretariat will begin the year with 15 SSA inspectors, and as inspection demand increases in the second half of the year, the additional funds can provide for further SSA inspectors depending upon workload. The average number of SSA inspectors for the year will not exceed the equivalent of 20 employed for one-year's time or the total cost of EUR 1.163m. Without the use of the SSA inspectors, the cost of meeting the increased requirement to confirm chemical weapons destruction would be much higher.

- 3.28 The accuracy and achievement of destruction plans developed by Member States is critical if the OPCW is to fulfil its expectation for verification activity during the year. The Inspectorate will carefully manage its workforce and other resourcing during the year against any adjustments made by relevant Member States to their chemical weapons destruction plans for 2008. This challenge will include ensuring that the capability of inspectors is maintained through skills training during the year.

#### Development of Inspectorate staff skills and competencies

*Initiative: Increased funding for training of newly recruited inspectors (EUR 0.360m in 2008)*

- 3.29 In 2008 the OPCW expects to recruit at least 30 new inspectors (the final number of new hires is dependent on turnover and tenure). It is important that newly hired inspectors are properly trained to ensure that they are able to contribute to keeping the quality of OPCW inspections up to standard.
- 3.30 The new group of inspectors is expected to join the OPCW on 14 January 2008. The training programme for these new inspectors will take place during the first quarter of 2008, and is expected to last for eleven weeks.
- 3.31 The training programme designed by the Inspectorate requires an additional EUR 0.360m, and will provide training to the newly recruited inspectors to ensure they meet the mandatory training requirements for all inspectors and are able to conduct inspections.
- 3.32 In addition to training for new inspectors, the OPCW will continue to implement a training programme for inspectors in order to maintain the Secretariat's preparedness for conducting routine inspections, challenge inspections and investigation of alleged use, as well as to provide assistance against use or threat of use of chemical weapons, in accordance with Article X of the Convention.

#### Implementation of national obligations (Article VII)

*Initiative: Continuation of the provision of technical support to Member States' implementation of national obligations (EUR 0.140m in 2008)*

- 3.33 Implementation of national obligations under Article VII of the Convention (by those Member States which have yet to do so) will continue to be a priority for 2008. Challenges for the OPCW will continue during the year in meeting requests from Member States for technical assistance from the Secretariat in this regard.
- 3.34 The OPCW will continue to assist Member States, as a matter of priority, in implementing their Article VII obligations. Following the adoption of implementing legislation, emphasis will shift from the initial requirements to the more complex challenges for Member States. These include improvements in legislative and administrative measures to fully meet the requirements of the Convention, effective enforcement of these measures, and the development of best practices in national implementing legislation. The development of necessary subsidiary regulations

associated with these requirements is often a more difficult task for Member States than the primary legislation that many Member States will have completed.

- 3.35 Implementation of Article VII obligations will therefore be a specific priority for the OPCW's spending during the year on international cooperation and assistance activities. Additional funding will be provided during 2008 (EUR 0.140m) for temporary staffing for the International Cooperation and Assistance Division (ICA) to provide legal and other technical assistance directly to Member States (these staff members will operate under the general guidance of the Legal Adviser in support of Article VII activities which are provided by the ICA Division).
- 3.36 This initiative was originally funded in 2007; however, as Article VII activities continue to be a priority, funding will again be provided in 2008 for two temporary professional officers (P-2) with legal and technical expertise in this field.

#### Support for the Second Review Conference

*Initiative: Provision of funds to meet the requirement of the Convention in convening the Second Review Conference (EUR 0.772m in 2008)*

- 3.37 The Second Review Conference, mandated by the Convention, is scheduled to be convened over a two-week period in 2008. Resourcing directly required to support this event will include rental of the World Forum Convention Center and equipment, as well as staffing support in the form of interpreters, translators, clerical staff, and security guards.
- 3.38 The majority of the resourcing for this event will be under the budget of the Secretariat for the Policy-Making Organs (EUR 0.715m). The inclusion of these costs associated with the Second Review Conference in the budget of the PMO has resulted in an increase of 16% over its programme funding in the 2007 Programme and Budget.
- 3.39 Additional funds have also been provided to the Office of Confidentiality and Security (OCS) for the provision of additional physical security for the Second Review Conference (EUR 0.056m). It is important to note, that the above mentioned costs for both PMO and OCS are a one-time requirement, and will not be included in the forward estimates for 2009.

#### Continued implementation of the tenure policy

*Initiative: Additional funds requested to meet the costs associated with staff turnover (EUR 0.117m in 2008)*

- 3.40 Implementation of the tenure policy requires "a managed turnover of one-seventh of the OPCW's internationally recruited staff members each year" and is an essential element of the work of the Human Resources Branch (HRB).
- 3.41 In order to implement the tenure policy in accordance with the principles and timelines set by the Conference, additional funds are required to cope with the increased number of departures.

- 3.42 In 2007 thus far, the number of separations has been higher than that of previous years, and as a result additional funds are being requested for staff turnover (EUR 0.117m) for 2008. The number of separations for 2008 is expected to be approximately 50.

#### 4. PLANNED PROGRAMME LEVELS FOR 2008

##### MAJOR PROGRAMME OBJECTIVES

- 4.1 “Programmes” reflect the alignment of similar objectives to be achieved, and obligations to be met, by the OPCW in pursuing its core objectives.
- 4.2 The OPCW’s “programme objectives” outline the purpose and direction of its obligations and efforts to be undertaken during the year. Programmes of “activity” are those actions and endeavours to be undertaken by the Secretariat during the year to support the OPCW in achieving its programme objectives.
- 4.3 The Programme and Budget for 2008 builds upon a number of established programme objectives that will be supported by underlying activities of the OPCW’s Secretariat during the year. The associated key results targeted for 2008 are summarised in the following table.

**TABLE 4: MAJOR PROGRAMME OBJECTIVES OF THE OPCW**

<b>Objective</b>	<b>Key result areas for 2008</b>
Support of VERIFICATION inspections through planning and other services.	<ul style="list-style-type: none"> <li>• 85% of declarations during the year processed and evaluated within 30 days of receipt.</li> <li>• Planning and support during the year for 100% of weapons-related inspections and 100% of industry-related inspections undertaken in a timely and effective manner.</li> </ul>
Conduct of INSPECTIONS to verify compliance with the Convention.	<ul style="list-style-type: none"> <li>• 200 rotations (19,807 inspector days) inspecting destruction and other weapons sites.</li> <li>• 200 rotations inspecting industry sites, with an increased focus on “other chemical production facilities”.</li> </ul>
Support to Member States through INTERNATIONAL COOPERATION AND ASSISTANCE.	<ul style="list-style-type: none"> <li>• Support to Member States in implementing national requirements of the Convention.</li> <li>• Improved capability to provide protection and assistance in the event of use or threat of use of chemical weapons.</li> <li>• Building of skills and capabilities for the peaceful use of chemistry.</li> </ul>
Support for the POLICY-MAKING ORGANS.	<ul style="list-style-type: none"> <li>• Support for one session of the Conference and three sessions and two meetings of the Executive Council (hereinafter “the Council”) and the Second Review Conference.</li> </ul>
Promotion of EXTERNAL RELATIONS with States and other international bodies.	<ul style="list-style-type: none"> <li>• Increased membership in the Convention.</li> <li>• Involvement by Member States in OPCW activities.</li> </ul>
EXECUTIVE MANAGEMENT through governance and other services to support the Secretariat’s activities.	<ul style="list-style-type: none"> <li>• Achievement by the Secretariat of the OPCW’s priorities for 2008.</li> <li>• Security of delegates, staff, assets, and information.</li> <li>• Health and safety of the Secretariat’s workforce.</li> </ul>
Provision of ADMINISTRATION services in support of the Secretariat’s activities.	<ul style="list-style-type: none"> <li>• Support for recruitment (approximately 65 recruitment actions to offset staff turnover).</li> <li>• Improved budget and programme planning and financial efficiency in support of effective operations across the Secretariat.</li> <li>• Implementation of a targeted training and development strategy for the Secretariat.</li> <li>• Implementation of new technologies to improve information management and sharing across the OPCW.</li> </ul>

- 4.4 The OPCW will continue to provide effective programmes of activity in pursuit of established mandates recognised in the Convention. In this context, the Programme and Budget for 2008 provides an achievable balance of the programme enhancements required for the OPCW to continue to respond to its operating environment and realise efficiencies in service delivery.

#### **PROGRAMME 1: VERIFICATION**

- 4.5 The Verification Programme primarily provides for activities relating to disarmament and non-proliferation through the application of the verification and implementation measures provided for in the Convention.
- 4.6 The key priorities in 2008 for the OPCW in relation to the verification programme of activity will be the continued planning and support for chemical weapons inspections carried out under Articles IV and V of the Convention, as well as for inspections under Article VI to verify that other sites are not being used for purposes prohibited under the Convention.
- 4.7 These activities to support inspections are reinforced by continued efforts to ensure timely and accurate provision of relevant information to be submitted by Member States in compliance with the Convention.
- 4.8 The number of chemical weapons inspection missions to be supported during 2008 will consolidate recent activity levels.
- 4.9 In 2008 the number and distribution of inspections under Article VI of the Convention will be sustained at the same level as 2007. The total number of these inspections each year has increased significantly since 2002, and the increase in 2007 realised a realignment of the spread of these inspections across differing types of declared facilities. In particular, inspections at OCPFs have increased by almost one-third since 2006.
- 4.10 It is expected that all modules of the “industry” elements of the VIS will be in production by the end of 2007 and for CW the end of 2008. These efforts have been both critical and challenging in improving the OPCW’s efforts to provide assurances of non-proliferation of activities for purposes prohibited under the Convention. As the VIS is integrated within the Verification Division’s processes, a qualitative improvement to its work will be realised and resource savings will be identified when the VIS is fully operational.
- 4.11 The OPCW Laboratory expects to maintain its accreditation again in 2008. The recent appointment of a new Head of Laboratory, along with other staff of the Technical Support Branch (TSB) will ensure continuity of knowledge and skills at the Laboratory.
- 4.12 Separately, the OPCW is continuing to determine an appropriate capability for bio-medical analysis. The Secretariat realises the importance of strengthening its ability to carry out an investigation of alleged use (IAU) and is committed to working to develop a possible approach to establishing a bio-medical laboratory capability, identify the necessary logistical requirements, and address the inevitable risks

inherent in possibly implementing this new activity. However, this endeavour will require the assistance and advice of Member States and the Scientific Advisory Board (SAB). The Secretariat will seek their guidance for further consideration of this issue in developing the Programme and Budget for 2009.

4.13 The following table outlines the principal activities (including objectives and key results) planned for 2008 in relation to the OPCW's programme of activity supporting verification.

**TABLE 5: VERIFICATION - SUMMARY OF PROGRAMME OBJECTIVES AND ACTIVITIES**

<i>OPCW programme objectives</i>	<i>Key results planned for 2008</i>
Processing and evaluation of declarations required under the Convention.	<ul style="list-style-type: none"> <li>• 85% of declarations during the year processed and evaluated within 30 days of receipt.</li> <li>• All sites identified during the year as inspectable prove to be so.</li> <li>• Provision of an electronic declaration tool to Member States. 70% of Article VI declarations submitted in electronic form and finalisation of the CW components of the VIS.</li> </ul>
Planning and support of inspections, including provision of technical expertise and equipment.	<ul style="list-style-type: none"> <li>• Planning and support during the year for 100% of weapons-related inspections/rotations and 100% of industry-related inspections undertaken in a timely and effective manner.</li> <li>• OPCW Laboratory accredited throughout the year by Dutch Accreditation Authority.</li> <li>• 23<sup>rd</sup> and 24<sup>th</sup> proficiency tests to be successfully conducted during the year by the OPCW Laboratory.</li> <li>• 100% of requests for inspection and training equipment provided successfully during the year.</li> </ul>
Ensuring excellent technical basis for inspections, allowing execution of inspections in accordance with the Convention.	<ul style="list-style-type: none"> <li>• 100% of requests from up to 35 Member States for declarations-related information to be met during the year.</li> <li>• 7 facility agreements to be concluded during the year (124 in total to be in effect by year-end).</li> </ul>
<b>Primary alignment to core objectives:</b>	
Objective Number 1	
Objective Number 2	

<i>Major activities of the Secretariat for 2008</i>
Processing, archiving, monitoring, and evaluation of declarations and related information: <ul style="list-style-type: none"> <li>• 85% of declarations during the year processed and evaluated within 30 days of receipt.</li> <li>• Approximately 900 verification-related documents to be received (in six official languages), processed, evaluated and archived.</li> <li>• Approximately 1,500 verification-related documents to be transmitted to Member States.</li> <li>• 95% of declarations to be made available to users within 3 days of receipt; 85% of declarations input into databases within 2 weeks of receipt (and validated within 3 weeks of receipt).</li> <li>• Evaluation of all amendments to initial declarations and amendments to general or detailed destruction plans (CW, OCW, ACW, CWPF) processed within one week of receipt.</li> </ul>
Preparation of inspection plans: <ul style="list-style-type: none"> <li>• The annual inspection plan and quarterly inspection plans prepared on time, updated if so required, and fully implemented.</li> <li>• Selection of Schedule 3 and OCPF sites for inspection to be undertaken in accordance with designated and auditable control procedures.</li> </ul>

<b>Major activities of the Secretariat for 2008</b>	
Provision of support to verification activity: <ul style="list-style-type: none"> <li>• Planning and support during the year for 100% of weapons-related inspections/rotations and 100% of industry-related inspections undertaken in a timely and effective manner.</li> <li>• Continuous maintenance and upgrade of inspection and laboratory equipment; 100% of requests for inspection and training equipment provided successfully during the year.</li> <li>• Provision of an electronic declaration tool to Member States. 70% of Article IV declarations submitted in electronic form and finalisation of the CW components of the VIS.</li> <li>• Analysis and development of requirements for establishment of a bio-medical analysis capability.</li> </ul>	
Preparation of information for policy-making organs and Member States: <ul style="list-style-type: none"> <li>• Timely and accurate provision of key documents, including the 2007 verification implementation report and reports on submission of declarations, progress of destruction and conversion of CWPFs, progress in optimising the resourcing of the CWDF verification regimes, and preparedness to conduct a challenge inspection</li> <li>• Update on verification activities during the informal consultations preceding each of four scheduled sessions of the Council.</li> <li>• Approximately 150,000 items of declarations-related information disseminated to Member States.</li> </ul>	
Provision of technical support to Member States and within the OPCW Secretariat: <ul style="list-style-type: none"> <li>• Support for ICA and ERD activities (approximately 600 staffing days), including Member States' implementation of national obligations.</li> </ul>	
<b>Estimated cost of programme activities in 2008:</b>	<b>EUR 8,377,590</b>

- 4.14 Activities in relation to this programme are led by the Verification Division. The Verification Division's Budget Statement, providing detailed financial estimates, is included in Part III of the Programme and Budget for 2008.

## **PROGRAMME 2: INSPECTIONS**

- 4.15 The Inspections Programme primarily provides for inspections to verify the destruction and storage of chemical weapons by Member States (in accordance with Articles IV and V of the Convention), and non-proliferation of chemical weapons in compliance with the Convention (Article VI).
- 4.16 The OPCW's top priority in relation to the programme of inspection activity continues to be the conduct of inspections in accordance with the Convention to verify the destruction of chemical weapons and production facilities and non-proliferation of prohibited activities at other declared sites.
- 4.17 Another important priority for the Inspections Programme is to maintain the Secretariat's preparedness for conducting routine inspections, challenge inspections and IAU's, as well as to provide assistance against use or threat of use of chemical weapons, in accordance with Article X of the Convention. The implementation of the Inspectorate training programme is in line with operational procedures, health and safety regulations, and the lessons learned from a number of exercises conducted by the Secretariat, including the "Joint Assistance 2005" exercise.
- 4.18 The OPCW's inspections at CWDFs are conducted according to a destruction plan prepared and implemented by Member States possessing chemical weapons. In 2008, the total number of inspector-days to be deployed at CW sites (Articles IV and V) is expected to increase by 1,074 (from 18,733 to 19,807), or by 6% over 2007 levels. This is mainly due to the planned start-up of two new CWDFs in the Russian Federation. This will result in an increase in costs related to travel (allowances and

transport), contractual services (SSA inspectors), miscellaneous general operating costs, and translations and interpretation.

- 4.19 Inspections to be carried out by the Secretariat under Article VI of the Convention are expected to remain the same (200) in 2008 as 2007 levels. As an additional enhancement of these inspections, the Secretariat will continue with on-site sampling and analysis during inspections of declared Schedule 2 chemical sites.
- 4.20 The Article VI inspections in 2008 will continue with the focus on OCPFs. The distribution of Article VI inspections is shown in the following table.

**TABLE 6: INSPECTIONS OF INDUSTRY FACILITIES PLANNED FOR 2008**

Facilities	2003 Result	2004 Result	2005 Result	2006 Result	2007 Plan	2008 Plan
Schedule 1 chemical facilities	16	16	16	16	11	11
Schedule 2 chemical facilities	35	42	42	46	42	42
Schedule 3 chemical facilities	15	22	24	28	29	29
Other chemical production facilities	66	70	80	90	118	118
<b>TOTAL INSPECTIONS</b>	<b>132</b>	<b>150</b>	<b>162</b>	<b>180</b>	<b>200</b>	<b>200</b>

- 4.21 The following table details the estimated resourcing included in the Programme and Budget for 2008 for Article VI inspections, by type of facility.

**TABLE 7: ESTIMATED ARTICLE VI INSPECTION COSTS BY TYPE OF FACILITY**

	Schedule 1	Schedule 2	Schedule 3	OCPF	Total
<i>Inspectors:</i>					
Inspections	11	42	29	118	200
<b>Inspector days</b>	194	838	483	1,140	2,655
<i>Variable costs (EUR):</i>					
Travel/allowances	116,890	442,354	311,530	724,063	1,594,837
Equipment shipment	3,861	133,558	4,611	24,662	166,692
Interpretation services	13,233	104,412	88,189	152,574	358,408
Other amenities	3,300	12,600	8,700	35,400	60,000
<b>TOTAL (EUR)</b>	<b>137,284</b>	<b>692,924</b>	<b>413,030</b>	<b>936,699</b>	<b>2,179,937</b>

- 4.22 Analysis has shown that the average number of days per Article VI inspection, as well as the average number of inspectors per inspection, has been reduced in recent years. This is due to initiatives undertaken by the Secretariat to optimise the resourcing of these types of inspections. The number of sequential inspections has been increased, and the team sizes have been reduced for an increasing number of inspections. It is anticipated that these efforts and others to optimise resourcing for industry inspections will continue during 2008, and that savings resulting from this optimisation will off-set the increase in travel for Articles IV and V.
- 4.23 The following table outlines the principal activities (including objectives and key results) planned for 2008 in relation to the OPCW's programme of activity supporting inspections.

**TABLE 8: INSPECTIONS - SUMMARY OF PROGRAMME OBJECTIVES AND ACTIVITIES**

<i>OPCW programme objectives</i>	<i>Key results planned for 2008</i>
Inspections to verify the destruction and storage of chemical weapons stockpiles and the status of production facilities (Articles IV and V of the Convention).	<ul style="list-style-type: none"> <li>All destruction of chemical-warfare agents during the year (7,800 metric tonnes) verified by inspections in four Member States.</li> <li>Compliance with CWC requirements verified during the year by inspections at each of 5 CWPFs remaining to be destroyed or converted, and at 2 converted facilities.</li> <li>Storage of chemical-warfare agents verified during the year by inspections at each of the 17 remaining CWSFs.</li> </ul>
Inspections to assure the non-proliferation of chemical weapons (Article VI of the Convention).	<ul style="list-style-type: none"> <li>200 inspections of sites in relation to Schedule 1 chemicals (11), Schedule 2 chemicals (42), Schedule 3 chemicals (29), and other chemical facilities (118).</li> <li>On-site analysis and sampling conducted at ten selected Schedule 2 chemical sites.</li> </ul>
Capability and readiness to conduct a “challenge inspection” or an “investigation of alleged use” in accordance with the Convention.	<ul style="list-style-type: none"> <li>Preparedness maintained in accordance with designated procedures and timelines.</li> </ul>
<b>Primary alignment to core objectives:</b>	
Objective Number 1	
Objective Number 2	
<b>Major activities of the Secretariat for 2008</b>	
Inspection of CW destruction activity and CW storage and production facilities: <ul style="list-style-type: none"> <li>152 inspection rotations/missions across CWDFs in the USA (81 missions/rotations), the Russian Federation (53), India (13) and other Member States (5).</li> <li>11 inspection missions across CWPFs; 24 inspection missions across CWSFs; and 13 inspection missions across old and abandoned chemical weapons sites.</li> <li>Provision of a total of 18,380 inspector days on-site for the verification of destruction of CW stockpiles and 1,456 inspector days for other CW-related inspections.</li> <li>Further detail of chemical weapons inspection activity is provided at Appendix 1 of the Programme and Budget for 2008.</li> </ul>	
Inspection of industry and other sites for non-proliferation of chemical weapons: <ul style="list-style-type: none"> <li>200 inspections of sites in relation to Schedule 1 chemicals (11), Schedule 2 chemicals (42), Schedule 3 chemicals (29), and other chemical facilities (118).</li> <li>On-site sampling and analysis conducted at 8 to 10 selected Schedule 2 chemical sites.</li> </ul>	
Training to achieve and maintain the capability and readiness to support each of the OPCW programme objectives for inspections: <ul style="list-style-type: none"> <li>5,000 inspector days of training.</li> </ul>	
Provision of technical support to Member States and within the OPCW Secretariat: <ul style="list-style-type: none"> <li>Support to VER, ICA, and ERD activities (approximately 3,000 staffing days).</li> </ul>	
<b>Spending initiatives to be implemented during 2008</b>	
Increased costs associated with inspection of weapons destruction (EUR 0.180m)	
Training for new inspectors (EUR 0.360m)	
<b>Estimated cost of programme activities in 2008:</b>	<b>EUR 29,293,396</b>

4.24 The Secretariat’s activities in relation to this programme are led by the Inspectorate. The Inspectorate’s Budget Statement, providing detailed financial estimates, is included in Part III of the Programme and Budget for 2008.

### **PROGRAMME 3: INTERNATIONAL COOPERATION AND ASSISTANCE**

- 4.25 The International Cooperation and Assistance Programme primarily provides for activities to promote the peaceful use of chemistry, facilitate implementation by Member States of their national obligations under the Convention, and assist Member States to develop capabilities to deal with any situation arising out of the use or threat of use of chemical weapons.
- 4.26 During 2008, the OPCW will continue to implement a number of programmes and activities to pursue its objectives related to assistance and protection, economic and technological development, and national implementation.
- 4.27 In the area of assistance and protection, the Secretariat will continue to develop and refine training modules for emergency responses in different OPCW official languages, and also follow up on the lessons learned from Joint Assistance 2005 to improve the Secretariat's capacity to coordinate an international response.
- 4.28 Further, efforts will continue in 2008 to encourage and analyse submissions from Member States on national-protection programmes. A number of workshops, other exercises, training courses, and assessment visits will also be conducted during the year to assist Member States in establishing protection regimes.
- 4.29 In the area of international cooperation programmes, requests from Member States for support under the various programmes have been continuously increasing.
- 4.30 Activities to support economic and technological development through international cooperation will continue to be important activities for the OPCW during the year. A number of programmes will continue to be implemented during 2008 to provide both direct and indirect support for skills development and exchange of relevant scientific knowledge. Programmes during the year will also support research projects, internships, laboratory assistance, and exchange of equipment in Member States.
- 4.31 Continuing support from the Secretariat for full and effective implementation by Member States of the national obligations set out in Article VII of the Convention will remain a priority for the OPCW in 2008. In this regard, 2008 will see activities to support specific implementation issues, including training, national legislation, declarations, identification of declarable Article VI activities, export-import data collection and monitoring, and training inspection escorts.
- 4.32 The Secretariat's activities will continue to focus on technical assistance for individual Member States, training for National Authority personnel, and facilitating interaction amongst National Authorities. Regional and sub-regional workshops, training courses, and specialised exercises will be conducted with National Authorities, as well as relevant industry and professional associations.

- 4.33 The Secretariat's international cooperation and assistance efforts during 2008 will continue to ensure an appropriate alignment of its activities and funding with voluntary contributions from Member States. The Secretariat will actively manage funding available in 2008 across its international cooperation and assistance activities to ensure that the regular budget and voluntary contributions are optimally applied without an adverse impact on important programme delivery.
- 4.34 The following table outlines the principal activities (including objectives and key results) planned for 2008 in relation to the OPCW's programme of activity supporting international cooperation and assistance.

**TABLE 9: INTERNATIONAL COOPERATION AND ASSISTANCE - SUMMARY OF PROGRAMME OBJECTIVES AND ACTIVITIES**

<i>OPCW programme objectives</i>	<i>Key results planned for 2008</i>
Assistance and protection against chemical weapons, or their use or threat of use.	<ul style="list-style-type: none"> <li>• Responses provided to 100% of requests received from Member States during the year for information and/or assistance for strengthening national protective capability.</li> <li>• Readiness to provide assistance to a Member State within 24 hours maintained throughout the year.</li> <li>• Bilateral agreements for assistance completed with, or commitment of assistance received from, one to two Member States.</li> <li>• One to two additional contributions received for the Voluntary Fund for Assistance.</li> </ul>
Support to Member States in implementing the Convention.	<ul style="list-style-type: none"> <li>• Active engagement during the year between the OPCW and the 5% of Member States that have yet to designate or establish a National Authority.</li> <li>• Active engagement during the year between the OPCW and 59% of Member States that do not have comprehensive legislation in order to implement the Convention.</li> <li>• Active engagement during the year between the OPCW and the 36% of Member States that have yet to inform the OPCW of the legislative and administrative measures to implement the Convention.</li> </ul>
Building of skills and capabilities for the peaceful use of chemicals.	<ul style="list-style-type: none"> <li>• At least 21 courses, workshops and seminars facilitated during the year to foster international cooperation in peaceful chemistry activities.</li> <li>• More than 80 persons are expected to directly participate and benefit during the year from various skills-development programmes conducted and/or supported by the OPCW.</li> <li>• More than 20 relevant research projects, 7 internships, and 5 laboratories are to be supported during the year.</li> </ul>
<b>Primary alignment to core objectives:</b>	
Objective Number 3	
Objective Number 4	
Objective Number 6	

<b><i>Major activities of the Secretariat for 2008</i></b>
<p>Capability to coordinate and deliver assistance to a Member State in the event of use, or threat of use, of chemical weapons:</p> <ul style="list-style-type: none"> <li>• Further improvement and updating of existing Standard Operating Procedures (SOPs), and Working Instructions (WIs) based on lessons learned during the different field exercises, and workshops.</li> <li>• One follow-up workshop in cooperation with other international organisations in order to reach a common approach to delivery of assistance.</li> <li>• Increase cooperation with other international organisations such as UN-OCHA during the field/table top exercises, to test, and assess the coordination of delivery of assistance.</li> <li>• Participation in the TRIPLEX 2008 exercise.</li> <li>• Two to four ACAT trainings will be organised in order to maintain the Secretariat readiness to respond to a request for assistance from a State Party.</li> <li>• Three to six inspection visits relating to equipment offered by the States Parties under Article X, and negotiations will continue to conclude one to two bilateral agreements.</li> </ul>
<p>Provision of information and training to Member States improving their capability to respond in the event of use, or threat of use, of chemical weapons:</p> <ul style="list-style-type: none"> <li>• Continuation of the development and refinement of training modules for emergency response in the case of use or threat of use of chemical weapons, in remaining OPCW official languages, with a completion goal set for 2010.</li> <li>• Continuous analysis and study of submissions on national protection programmes submitted to the Secretariat based on the format adopted by the Ninth Conference in 2004.</li> <li>• Two to four assessment visits to be carried out in view of requests from the States Parties to provide expert advice on improvement of national response capacity and identification of the protection needs.</li> <li>• 10 to 12 national courses in emergency response training for first responders at the request of the States Parties.</li> <li>• Based on offers made by States Parties, the Secretariat will jointly organise 9 to 11 international assistance and protection courses.</li> <li>• Other programmes, training packages, and information for development and improvement of protection capability.</li> </ul>
<p>Provision of international cooperation programmes to directly develop skills and capabilities in areas relating to the peaceful use of chemistry:</p> <ul style="list-style-type: none"> <li>• An Associate Programme for 24 participants over 10 weeks aimed at building capacity building in industry-related aspects of the Convention, including chemical manufacturing and safety.</li> <li>• Organisation of three Analytical Skills Development Courses for 20 participants each, aimed at facilitating the development of skills relating to analysis of chemicals.</li> <li>• Organisation of two courses on enhancement of laboratory skills (more advanced than the Analytical Skills Development Course) for four participants each during the year.</li> <li>• Providing support to at least seven interns under the Internship Support Programme to facilitate exchange of scientific and technical information and skills development in areas relating to the peaceful use of chemistry.</li> <li>• Facilitating the strengthening of technical capabilities of laboratories in five Member States.</li> </ul>
<p>Provision of programmes to support the exchange of scientific and technical information and the peaceful application of chemistry:</p> <ul style="list-style-type: none"> <li>• Implementation of the Conference Support Programme to facilitate the exchange of scientific and technical information (at least 15 events are to be supported).</li> <li>• The Programme for Support of Research Projects will support at least 20 projects in areas relating to the development and application of chemistry for purposes not prohibited under the Convention.</li> <li>• Two institutions in Member States will be supported under the Equipment Exchange Programme.</li> <li>• At least one joint technical seminar/workshop will be conducted during the year in cooperation with other organisations on topics relevant to the Convention.</li> </ul>

<i>Major activities of the Secretariat for 2008</i>	
Provision of support for the implementation by Member States of national responsibilities:	
<ul style="list-style-type: none"> <li>• Bilateral technical assistance with the national implementation of the CWC will be provided to at least 20 National Authorities.</li> <li>• Annual meeting of National Authorities and two regional and four sub-regional meetings of National Authorities to be organised.</li> <li>• Two sub-regional or regional legal drafting workshops to be offered.</li> <li>• Four sub-regional or regional workshops for customs officials to be organised.</li> <li>• Two regional seminars on chemical industry issues to be offered.</li> <li>• Six specialised training courses for National Authorities to be co-organised with interested States Parties.</li> <li>• Three thematic workshops involving National Authorities and Parliamentarians on the approval of national implementing legislation required under Article VII of the Convention to be carried out.</li> <li>• The National Implementation Profile System (NIPS) to be maintained and its data updated, in order to keep it as a management information system of relevance.</li> <li>• A programme to respond to the particular needs of Africa to be launched.</li> </ul>	
<i>Spending initiatives to be continued during 2008</i>	
Provision of technical support to Member States' implementation of national obligations (EUR 0.140m)	
<i>Estimated cost of programme activities in 2008:</i>	<b>EUR 5,399,001</b>

- 4.35 The Secretariat's activities in relation to this programme are led by the ICA. The ICA's Budget Statement, providing detailed financial estimates, is included in Part III of the Programme and Budget for 2008.

#### **PROGRAMME 4: SUPPORT FOR POLICY-MAKING ORGANS**

- 4.36 The programme for the support of the OPCW's policy-making organs facilitates meetings and wider consultations between Member States and with the OPCW's Secretariat, including translation and coordination of the preparation of formal documents and interpretation of meetings.
- 4.37 The programme of activity of the OPCW to support its policy-making organs is determined by the requirements for substantive and formal support. In addition, the Secretariat provides ad-hoc and resource-dependent language, document reproduction, and meeting-room support to the OPCW as a whole.
- 4.38 In 2008, the OPCW is mandated by the Convention to hold a Second Review Conference. The Second Review Conference will be a major priority for the OPCW and the Secretariat for the Policy-Making Organs. It will be held at the World Forum Convention Center over a two-week period, the estimated cost being approximately EUR 0.715m.
- 4.39 In addition to the Second Review Conference, the Secretariat will continue to facilitate effective meetings of the policy-making organs to be held during 2008, including one session of the Conference, three sessions of the Council, two Council meetings, one session of the SAB, and one session of the Commission for the Settlement of Disputes Related to Confidentiality (hereinafter "the Confidentiality Commission").

4.40 The Secretariat will also continue in 2008 to provide internal guidance on dealings with the policy-making organs, including language and document-processing support. This support is critical in the circulation of documentation in accordance with established timelines and standards.

4.41 The following table outlines the principal activities (including objectives and key results) planned for 2008 in relation to the programme of activity supporting the OPCW's policy-making organs.

**TABLE 10: SUPPORT FOR POLICY-MAKING ORGANS - SUMMARY OF PROGRAMME OBJECTIVES AND ACTIVITIES**

<i>OPCW programme objectives</i>	<i>Key results planned for 2008</i>
Facilitation of effective meetings of policy-making organs.	<ul style="list-style-type: none"> <li>Continuation of the provision of first class interpretation, editorial, and translation services within the Secretariat and for Member States.</li> <li>95% meetings adhere to "starting" schedule.</li> <li>No significant lack of action in support of meetings of the policy-making organs.</li> <li>Satisfaction with services, including convenience to delegates of venues that are fit for the purpose, timely distribution of relevant quality documentation, and continued effective language and conference-support services.</li> </ul>
Cooperation between representatives to the OPCW.	<ul style="list-style-type: none"> <li>Ensuring continuous positive feedback from delegates on the proceedings of meetings.</li> <li>Timely and accurate provision and dissemination of information to support meetings and record decisions of Member States.</li> </ul>
Effective reprographic support for OPCW activities.	<ul style="list-style-type: none"> <li>Maintain a limited downtime of photocopiers located across the Secretariat of four hours per incident.</li> <li>High level of satisfaction from users.</li> </ul>
<b>Primary alignment to core objectives:</b>	
Objective Number 7	
<b>Major activities of the Secretariat for 2008</b>	
Secretariat support to three sessions and two meetings of the Council and, one regular session of the Conference, and language support to one session each of the SAB and the Confidentiality Commission, as well as the Second Review Conference (scheduled to take place in 2008): <ul style="list-style-type: none"> <li>Facilitate and support the setting of agendas for meetings of the policy-making organs.</li> <li>Coordination and preparation of venues for all scheduled and unscheduled meetings of the policy-making organs and their subsidiary bodies, ensuring all equipment and related services are fit for the purpose.</li> <li>Distribution of all documents related to core objectives of the OPCW within the statutory deadlines, whilst ensuring the follow-up and monitoring of implementation of the decisions of the policy-making organs by tracking the progress in the preparation of documents required from other parts of the Organisation, the editing and translation of these documents, and their subsequent distribution.</li> <li>Interpretation and translation support for formal meetings.</li> <li>Provision of guidance to delegates on the formal procedures of meetings.</li> </ul>	
Provision of advice and services across the Secretariat in relation to dealings with Member States: <ul style="list-style-type: none"> <li>Editorial, translation and interpretation services in the processing of documentation for the policy-making organs.</li> <li>Translation of other relevant documents across the Secretariat.</li> </ul>	

<b>Major activities of the Secretariat for 2008</b>	
Provision of prompt and effective reprographic services to the Secretariat and within the OPCW: <ul style="list-style-type: none"> <li>• Full range of reprographic services in black and white, as well as in colour, in standard document format.</li> <li>• An adequate number of well-located and -maintained black and white photocopiers available at all times throughout the OPCW premises.</li> </ul>	
<b>Estimated cost of programme activities in 2008:</b>	<b>EUR 5,240,426</b>

- 4.42 The OPCW Secretariat's activities in relation to this programme are led by the Secretariat for the Policy-Making Organs. The Secretariat for the Policy-Making Organs's Budget Statement, providing detailed financial estimates, is included in Part III of the Programme and Budget for 2008.

### **PROGRAMME 5: EXTERNAL RELATIONS**

- 4.43 The External Relations Programme provides for enhanced support for, and cooperation with, the OPCW and between Member States in implementing the Convention and increasing the international level of involvement in OPCW activities and events.
- 4.44 This includes strengthening cooperation between the Secretariat, Member States, and other international and regional organisations, as well as enhancing cooperative relationships with States not Party to the Convention, and interaction with the media, civil-society organisations, and academic and research institutions.
- 4.45 To this end, in 2008, the Secretariat will continue its outreach activities and seek to enhance the level of participation of States in the activities of the OPCW including the implementation of the Universality Action Plan and any related decisions adopted by the States Parties. This includes encouragement of financial contributions from Member States (including voluntary contributions) and diplomatic and bilateral activities with States not Party to the Convention.
- 4.46 There are now 182 States Parties to the Convention and only 13 States not yet members of the OPCW. Considering the action plan calls for complete universality by 2007, or 10 years after entry into force of the Convention, the objective for 2008 will be to increase the number of States Parties to the Convention and to strengthen cooperation through bilateral and regional activities with all 13 States not Party in order to encourage them to join.
- 4.47 In addition to bilateral events with States not Party, and activities carried out jointly with regional organisations, the Secretariat also aims to conduct at least two universality-related workshops in 2008, targeting States not Party. Bilateral efforts, including assistance visits to States not Party, will continue.
- 4.48 The Secretariat will continue to monitor closely developments in arms control, non-proliferation and disarmament and carry out regular assessments of how these matters bear on efforts to ensure effective implementation of the Convention.
- 4.49 External relations activities in 2008 will also cater to the preparation and the holding of the Second Review Conference and the Thirteenth Session of the Conference.

- 4.50 The Secretariat will reinforce activities (including effective implementation of relevant cooperative agreements) to enhance cooperation with the UN and its relevant agencies, and with regional and international organisations. These activities will include OPCW representation in meetings, and mutual support as may be needed.
- 4.51 The Secretariat will also carry out activities to maintain a positive international profile and image of the OPCW, including adequate representation of the OPCW at pertinent events organised by others and at events organised by the OPCW during 2008. In addition, the OPCW's internet web site will be overhauled.
- 4.52 One priority for 2008 will be to ensure smooth administration of the Headquarters Agreement, taking into consideration the recent developments on this issue – the Committee on Relations with the Host Country established by the Conference at its Eleventh Session.
- 4.53 The following table outlines the principal activities (including objectives and key results) planned for 2008 in relation to the OPCW's programme of activity supporting external relations.

**TABLE 11: EXTERNAL RELATIONS - SUMMARY OF PROGRAMME OBJECTIVES AND ACTIVITIES**

<i>OPCW programme objective:</i>	<i>Key results planned for 2008</i>
Involvement and cooperation of States in the Convention and activities of the OPCW.	<ul style="list-style-type: none"> <li>• Increased number of States Parties to the Convention.</li> <li>• 100% of all remaining States not Party to reach level 2 participation in OPCW activities.</li> <li>• Increased number of States not Party actively considering adherence to the Convention.</li> <li>• Enhanced synergies with States Parties and support for the OPCW.</li> <li>• Regular voluntary contribution to OPCW programmes by States Parties.</li> <li>• Regular visits by States Parties to the OPCW and by the Director-General to States Parties.</li> </ul>
Partnership and cooperation with the UN, regional and international organisations including disarmament and non-proliferation bodies.	<ul style="list-style-type: none"> <li>• Enhanced implementation of the agreements signed between the OPCW and the UN, the European Union, the African Union, as well as improved relations with other relevant regional and international organisations.</li> <li>• Sustained contacts and promotion of activities with UN organs in support of the CWC and the work of the OPCW.</li> <li>• Increased activities by regional and international organisations in support of the CWC and the OPCW.</li> <li>• Regular contacts and liaison between the OPCW and other disarmament and non-proliferation bodies such as CTBTO, IAEA, UNIDIR, the BWCP, etc.</li> </ul>
A positive international profile and image for the OPCW and the Convention	<ul style="list-style-type: none"> <li>• The number and the geographical spread of the requests for information, web site visitors; media/NGO positive references to the OPCW/CWC will continue to rise.</li> </ul>
<i>Primary alignment to core objectives:</i>	
Objective Number 5	
Objective Number 7	

<b>Major activities of the Secretariat for 2008</b>	
Organisation of meetings, seminars, and workshops: <ul style="list-style-type: none"> <li>• Support for at least two universality-related workshops, targeting States not Party.</li> <li>• Continued implementation of the action plan on universality.</li> <li>• Conduct of six bilateral assistance missions during the year.</li> </ul>	
Management of relationships with other international organisations: <ul style="list-style-type: none"> <li>• Maintain and strengthen cooperation with the European Union, the African Union and the OAS, as well as with other relevant international and regional organisations.</li> </ul>	
Production and distribution of public information: <ul style="list-style-type: none"> <li>• Management and development of the OPCW's website.</li> <li>• Preparation of quarterly newsletters, issue-/region-specific publications, and educational videos.</li> <li>• Preparation of media releases.</li> </ul>	
Provision of protocol and visa services for the OPCW: <ul style="list-style-type: none"> <li>• Organisation of protocol events, including visits by delegates and dignitaries.</li> <li>• Provision of visa and other travel documents for staff members and delegates, including for inspection missions.</li> <li>• Provision of advice on privileges and immunities to staff and delegates.</li> </ul>	
<b>Estimated cost of programme activities in 2008:</b>	<b>EUR 1,830,980</b>

- 4.54 The Secretariat's activities in relation to this programme are led by the External Relations Division. The External Relations Division's Budget Statement, providing detailed financial estimates, is included in Part III of the Programme and Budget for 2008.

## **PROGRAMME 6: EXECUTIVE MANAGEMENT**

- 4.55 The Executive Management Programme provides for strategic guidance and direction, effective governance and accountability, and organisational management and leadership within the OPCW's Secretariat, as well as a number of specialised services to support the Secretariat's wider activities.

### Internal oversight

- 4.56 The Office of Internal Oversight (OIO) will continue, as it has in the past, to provide high standards of audit recommendations in order to support management in identifying opportunities to improve the functioning and "value-for-money" of programmes and operations.
- 4.57 Major priorities identified for 2008 by the OIO include targeted reviews of programme management and of internal financial, confidentiality, information, staffing, procurement, and security-control systems and processes to ensure probity in the activities of the Secretariat.
- 4.58 Also, support for the maintenance of the accredited quality management system (QMS) in both the OPCW Laboratory and the OIO continue, among other matters, to be major priorities for the OIO in 2008. Accreditation was granted for the first time in 2001, and has had positive results in enhancing the confidence of Member States in the OPCW's analytical database, the proficiency testing scheme, and the handling of GC-MS inspection equipment.
- 4.59 Emphasis on training for OIO staff members remains a priority during the year. This training, combined with an improved approach to application of risk assessment in

preparing the annual audit programme, will ensure that the skills and professional expertise of OIO staff members are maintained.

#### Legal advice

- 4.60 The OPCW's continuing efforts to support Member States in implementing national obligations under Article VII of the Convention, as well as strategies to establish bilateral agreements in accordance with Article X of the Convention, will place an additional burden during the year on the Secretariat.
- 4.61 The Secretariat assumes there will be a continuing need to provide legal assistance to Member States during 2008, but expectations are that there will also be an increased demand related to more complex implementation issues. The Secretariat will also continue to negotiate agreements related to the delivery of assistance under Article X of the Convention. It is foreseen in 2008 that there will be an increase in the number and scope of these agreements.
- 4.62 The Secretariat will also continue on a daily basis to identify the legal position on individual issues and on policy and procedural matters.

#### Special projects

- 4.63 The OPCW's planned programme of activity in relation to special projects has significantly expanded from its former activities, especially during the OPCW's tenth anniversary year.
- 4.64 The Secretariat will continue with its aim to develop and enhance policies relating to the OPCW's involvement in global efforts aimed at fighting terrorism and to maintain contacts and exchanges with relevant international, regional and sub-regional organisations. These activities will be conducted in accordance with the objectives defined by the Convention and relevant decisions of the policy-making organs, as well as in compliance with the OPCW's confidentiality policy.
- 4.65 The Secretariat also continues to support Member States in their implementation of the Conference's decision in relation to the establishment of an office in Africa.

#### Confidentiality and security

- 4.66 In 2007, the OPCW set in motion a practical equipment replacement programme to ensure that the Secretariat's physical security equipment infrastructure, which was updated and revitalised in 2005 and 2006, would continue to remain viable for many years without placing an excessively large burden on any one annual budget in the future. With most major security equipment-related projects now completed, the related budget submission for 2008 reflects decreased funding requirements in this area, but also reflects the need to now properly maintain the newly installed systems, to keep adequate replacement parts on hand, and to continue to train those staff members tasked with their use.
- 4.67 Also related to physical security, there is an additional funding requirement of the Secretariat which is related to the provision of physical security for the Second

Review Conference. An additional EUR 55,000 is required for the provision of security during the 12 day period covering the Second Review Conference.

- 4.68 With regard to information security and confidentiality, the Secretariat's efforts to implement an information-security-management system based on ISO 27001 (formerly ISO 17799) , to include initiatives tied to Business Continuity Planning and new security auditing/logging capabilities, will continue in 2008 and will, to the extent possible, include the direct testing of implemented information security control measures. Efforts in this area will allow the Secretariat to ensure information technology systems are well defended against unauthorised access and will continue to protect the confidentiality, integrity, and availability of OPCW information.

#### Health and safety

- 4.69 For 2008, the Secretariat will continue to maintain existing levels and quality of health-and-safety support in an environment of increasing demand.
- 4.70 Due to increasing inspection activity, tenure-related turnover, and consequent increasing training demands, overall workload in this area during the year will continue to increase. Nevertheless, the Secretariat continues to implement efficiency measures without impacting on programme outcomes and with no increase in non-staff related costs.
- 4.71 The following table outlines the principal activities (including objectives and key results) planned for 2008 in relation to the OPCW's programme of activity supporting executive management.

**TABLE 12: EXECUTIVE MANAGEMENT - SUMMARY OF PROGRAMME OBJECTIVES AND ACTIVITIES**

<i>OPCW programme objective</i>	<i>Key results planned for 2008</i>
Effective governance and leadership of the Secretariat in support of the OPCW.	<ul style="list-style-type: none"> <li>• Achievement by the Secretariat of established programme levels and budget targets.</li> <li>• Effective stewardship of resources and relationships.</li> <li>• Transparent and accountable reporting to Member States.</li> </ul>
Ensure soundness of administrative, confidentiality, and security-control systems and processes.	<ul style="list-style-type: none"> <li>• A satisfactory external audit report on the internal control environment and on the work of the OIO.</li> <li>• Analysis and preparation of 12 internal reports during the year on the Secretariat's policies and programmes.</li> <li>• 95% acceptance or approval during the year by the Secretariat's management of the recommendations made by the OIO in its reports.</li> </ul>
Analysis of legal requirements and management of legal action involving the Secretariat.	<ul style="list-style-type: none"> <li>• 100% of responses to legal questions during the year are successful.</li> <li>• Implementation of regulatory requirements that recognise the statutory framework of the Convention and the OPCW.</li> </ul>
Development of projects to support the OPCW's global role, including efforts to fight terrorism, and other special projects.	<ul style="list-style-type: none"> <li>• Establishment of cooperative policies with other organisations.</li> <li>• Coordination of activities relating to the OPCW's involvement in efforts aimed at fighting terrorism.</li> </ul>

<i>OPCW programme objective</i>	<i>Key results planned for 2008</i>
Security of OPCW delegates and staff, assets, and information.	<ul style="list-style-type: none"> <li>No breaches of physical or information security-related procedures resulting in a breach of confidentiality.</li> <li>No security incidents involving physical harm to staff members, delegates or visitors during the year.</li> </ul>
Health and safety of the Secretariat's workforce and operations.	<ul style="list-style-type: none"> <li>No incidents with health and safety implications that could reasonably have been prevented during inspections.</li> <li>No incidents of staff not meeting job requirements for medical reasons could reasonably have been prevented.</li> </ul>
<b>Primary alignment to core objectives:</b>	
All objectives	

<i>Major activities of the Secretariat for 2008</i>	
Internal oversight of OPCW systems and processes: <ul style="list-style-type: none"> <li>Targeted review of internal financial, confidentiality, information, procurement and security control systems and processes to ensure probity in the Secretariat's activities.</li> <li>Monitoring of corrective action in response to reported issues and other areas of concern.</li> <li>Maintenance and development of the implementation of the quality management system in accordance with ISO standards.</li> </ul>	
Provision of legal advice in relation to identified issues: <ul style="list-style-type: none"> <li>Consideration of the legal aspects of Secretariat activities.</li> <li>Defence of the OPCW in actions taken in the ILOAT.</li> </ul>	
Provision of a framework for confidentiality of information: <ul style="list-style-type: none"> <li>Secure receipt, handling, storage and processing of confidential and sensitive information.</li> <li>Training of and support to Secretariat staff.</li> </ul>	
Provision of physical security: <ul style="list-style-type: none"> <li>24-hour security guard force and control centre 365 days per year at OPCW premises.</li> <li>Procedures and instruction for emergency evacuation.</li> </ul>	
Safety input into inspection operations: <ul style="list-style-type: none"> <li>Briefing for all inspection teams.</li> <li>Support services during inspections.</li> </ul>	
Assurances as to the health of the Secretariat's workforce: <ul style="list-style-type: none"> <li>Pre-employment, periodic, and special medical examinations of individual staff members.</li> <li>Promotion of the health and fitness of staff members.</li> <li>Occupational health and safety audits and investigations.</li> </ul>	
<b>Estimated cost of programme activities in 2008:</b>	<b>EUR 7,541,145</b>

4.72 The Secretariat's activities associated with this programme are led by a range of separate Offices and Branches. The separate Budget Statements (providing detailed financial estimates) of the Office of the Director-General, the Office of the Deputy Director-General, the Office of Internal Oversight, the Office of the Legal Adviser, the Office of Special Projects, the Office of Confidentiality and Security, and the Health and Safety Branch are included in Part III of the Programme and Budget for 2008. A consolidated statement of budgeted expenditure for the Executive Management Programme is located at Appendix 6.

4.73 Individual tables summarising programme objectives and activities in relation to each of these Offices and Branches are located at Appendix 7.

## **PROGRAMME 7: ADMINISTRATION**

4.74 The Administration Programme provides for a diverse range of specialised services to support the Secretariat's wider governance and operational activities. Important areas of responsibility across the Secretariat supported by the Administration Division include financial management and programme formulation, human resources

requirements, procurement, staff development, information services, and other essential support services.

- 4.75 The OPCW's programme of administration activity aims to facilitate efficiency and effectiveness across the Secretariat in the management of financial, human and information resources, to provide support services to various Divisions and Offices, and to provide services to maintain the OPCW's premises and equipment.
- 4.76 The various components of this programme of activity will focus on a number of important areas during 2008.

#### Budget, planning and finance

- 4.77 For 2008, the Secretariat intends to continue the progress that has been made towards improving support to the development and management of the OPCW's budget and financial reporting framework. In this context, the OPCW's commitment to results-based budgeting has seen an increased focus on alignment of financial management with programme formulation, and on enhanced specialised accounting information to support decision-making across the OPCW. This is a trend that will continue in 2008.
- 4.78 The Secretariat will also focus considerable attention on a number of financial management challenges facing the OPCW with regard to annual financial resources, as well as wider improvements to the OPCW's financial-management and accounting framework. Included in these challenges will be the timely implementation of the International Public Sector Accounting Standards (IPSAS) and the associated audit requirements.

#### Human resources

- 4.79 The Secretariat continues to face significant challenges as an outcome of the continuing implementation of the limited tenure policy, including the need for a revision of existing policies and procedures, an increased volume of recruitment, a higher level of transactions related to staff entitlements and benefits, a greater number of appeals and grievance cases, and the need to ensure more effective induction and integration of new staff members and their families, as well as to assist staff members in their transition to outside employment.
- 4.80 The Secretariat has developed a human-resources-planning system to assist line managers to identify ways in which to ensure continued programme delivery in the face of high turnover of staff throughout the Secretariat. Similarly, the Secretariat has designed a comprehensive human-resources-management strategy to maintain an effective management system. In 2008, the Secretariat will place priority on improved recruitment and take further steps to improve human resource processes, including recruitment, performance management, and post management.

#### Procurement and support services

- 4.81 Progress has been made in rendering the procurement process more streamlined and transparent, and in addressing the concerns of both internal and external auditors. Through the use of the competitive bidding process, commercial evaluations of bids

illustrate that the OPCW is receiving the best value for money. Other progress made includes the implementation of a *SmartStream* procurement module for in-house use and the launch of a procurement web page on the internet to include a bid board indicating upcoming tenders.

- 4.82 Work will continue in 2008 on two major projects in Procurement Branch, the Travel Automation System and the BITS Inventory Management System. The completion of these projects will provide greater efficiency, control, and accountability in travel and support services at the OPCW.

#### Training and staff development

- 4.83 In 2007 the devolution of responsibility and funding for staff training was given to managers across the Secretariat. In 2008, the Training and Development Branch will continue to provide administrative support for the Secretariat's internal and external training requirements, advice to managers and staff on training opportunities, coordination of cross-Secretariat training solutions, and monitoring of the application and effectiveness of the Secretariat's training strategies.
- 4.84 During 2008, the Secretariat will focus on core organisational development requirements, as well as skills training for individuals. Key areas that the Secretariat will focus on in 2008 include maintenance and improvement of technical competence and proficiency, enhancement of management capacity, and assistance with personal growth and re-employability.
- 4.85 The OPCW's tenure policy for staff and results-focused management underlines the importance that the Secretariat fill performance gaps through training and education.

#### Information services

- 4.86 The information-systems strategy for 2006 to 2008 focuses on initiatives that fit directly with the OPCW's core objectives, and on the support of the information technology systems of the OPCW.
- 4.87 A variety of projects will be undertaken by the Secretariat to improve its business efficiency, knowledge management, and institutional efficiency. These projects range from further development of *SmartStream* (including the procurement module), through to an improved correspondence management system and more effective electronic record-keeping and databases.
- 4.88 The following table outlines the principal activities (including objectives and key results) planned for 2008 in relation to the OPCW's programme of activity supporting administration.

**TABLE 13: ADMINISTRATION – SUMMARY OF PROGRAMME OBJECTIVES AND ACTIVITIES**

<i>OPCW programme objective</i>	<i>Key results planned for 2008</i>
Financial management and operations to effectively and efficiently support the Secretariat's wider activities.	<ul style="list-style-type: none"> <li>• Efficient financial performance, including preparation of the 2009 Programme and Budget in effective support of OPCW operations.</li> <li>• Sustainable stewardship of financial resources.</li> <li>• Transparent and timely external accountability, including continued introduction of results-focused budgeting.</li> </ul>
Human resources services to effectively and efficiently support the Secretariat's wider activities.	<ul style="list-style-type: none"> <li>• Support for the continued implementation of the staffing tenure policy.</li> <li>• Recruitment of skilled staff to support the Secretariat's turnover and programme priorities.</li> <li>• Development and review of workforce policies and entitlements to ensure a competitive and productive working environment for skilled staff.</li> <li>• Development and implementation of improved workforce management policies and practices to encourage staff performance.</li> </ul>
Procurement and support services to effectively and efficiently support the Secretariat's wider activities.	<ul style="list-style-type: none"> <li>• Value-for-money acquisition of equipment and supplies required across the Secretariat, including travel arrangements.</li> <li>• Maintenance of OPCW premises, facilities and equipment adequately to support OPCW activities.</li> </ul>
Training and staff development to effectively and efficiently support the Secretariat's wider activities.	<ul style="list-style-type: none"> <li>• Preparation and implementation of an Organisational Training and Development Strategy to support continuing improvement within the Secretariat's workforce and targeted development priorities.</li> <li>• Provision of administrative support and advice to managers across the Secretariat in developing staff.</li> </ul>
Information services to effectively and efficiently support the Secretariat's wider activities.	<ul style="list-style-type: none"> <li>• Sharing of knowledge and information within the Secretariat and with Member States.</li> <li>• Development and implementation of new technology to support OPCW operations and other activities.</li> <li>• Data and information protected to appropriate levels.</li> </ul>
<b>Primary alignment to core objectives:</b>	
Objective Number 7	

<i>Major activities of the Secretariat for 2008</i>
Provision of budget, planning and finance support to Member States and across the Secretariat: <ul style="list-style-type: none"> <li>• Financial reporting to Member States, including preparation of 2009 Programme and Budget in accordance with results-based budgeting principles.</li> <li>• Support to the Director-General and programme managers for management of financial resources (provision of detailed quarterly reports and monthly budget-status reports).</li> <li>• Financial operations, including disbursements (approximately 19,000 transactions), collection of income (EUR 75m in payments), and banking (cash management of average balance of EUR 30m).</li> </ul>
Provision of human resources services across the Secretariat: <ul style="list-style-type: none"> <li>• Support for workforce planning and recruitment of personnel (approximately 65) to meet requirements.</li> <li>• Provision of integrated human resources services to managers and staff members in relation to performance management, conflict and dispute resolution, grievances, and disciplinary cases.</li> <li>• Administration of entitlements and benefits payable to the Secretariat's workforce.</li> </ul>

<b><i>Major activities of the Secretariat for 2008</i></b>	
Provision of procurement and other support services across the Secretariat: <ul style="list-style-type: none"> <li>• Effective administration of procurement requirements (including provision of support to the Committee on Contracts).</li> <li>• Building maintenance and support for utilities.</li> <li>• Provision of infrastructure services, equipment, and supplies across the Secretariat.</li> <li>• Provision of mail (approximately 120,000 items) and courier services.</li> </ul>	
Provision of training and development services across the Secretariat: <ul style="list-style-type: none"> <li>• Support to VER/INS to maintain and increase the number of certified personnel to conduct inspection-related activities.</li> <li>• Operation of the OPCW library to provide reference and media resources to Member States and staff.</li> <li>• Provision of services to develop skills of the Secretariat staff in accordance with the OPCW's Training and Development Strategy.</li> </ul>	
Provision of information services across the Secretariat: <ul style="list-style-type: none"> <li>• Provision of information networks (core networks operating 99% of the time).</li> <li>• Development and management of projects to implement new technology and enhance information support across the Secretariat (75% of projects completed successfully and on time).</li> <li>• Support to specialised management information systems, including SMARTStream and continued implementation of the VIS.</li> </ul>	
<b><i>Estimated cost of programme activities in 2008:</i></b>	<b>EUR 17,343,196</b>

4.89 The Secretariat's activities in relation to this programme are led by the Administration Division. The Administration Division's Budget Statements, providing detailed financial estimates, are included in Part III of the Programme and Budget for 2008.

4.90 Tables summarising programme objectives and activities in relation to each of the Branches in the Administration Division are located at Appendix 8.

## 5. BUDGETED FINANCIAL PERFORMANCE FOR 2008

### MAJOR FINANCIAL OBJECTIVES

- 5.1 The Programme and Budget for 2008 has been shaped around a number of identified financial objectives of the OPCW.

**TABLE 14: MAJOR FINANCIAL OBJECTIVES OF THE OPCW**

Objective	Key result areas for 2008
Efficient financial performance in effective support of OPCW operations.	<ul style="list-style-type: none"> <li>Budgeted expenditure for 2008 maintained at 2007 levels.</li> <li>General costs to Member States reduced by 0.5% (EUR 0.309m) from annual contributions assessed for 2007.</li> </ul>
Robust and sustainable stewardship of financial resources.	<ul style="list-style-type: none"> <li>Increased payment of financial obligations by Member States in the year in which they are due.</li> <li>Use of cash-management mechanisms to ensure temporary income shortfalls do not unnecessarily impact on programme delivery.</li> </ul>
Transparent and timely external accountability.	<ul style="list-style-type: none"> <li>Continued implementation of results-focused budget development and programme formulation.</li> <li>Transparent, timely, and comprehensive periodical reporting of financial results to the Council and the Conference.</li> <li>Completion of annual financial statements endorsed by the independent external auditor.</li> </ul>

### SUMMARY OF BUDGET ESTIMATES FOR 2008

- 5.2 The OPCW's regular budget expenditure for 2008 is expected to be EUR 75,025,734. The following table summarises budgeted expenditure and income levels for the OPCW for 2008.

**TABLE 15: FINANCIAL RESOURCING FOR 2008**

2006 Result	2007 Budget		2008			2009
			Previous Estimate	Budget	% Var	Forward Estimate
36,323,153	37,545,676	<i>Appropriated expenditure:</i>				
36,211,752	37,480,075	Chapter 1 programmes	37,545,676	37,670,986	0.3%	37,866,503
		Chapter 2 programmes	37,505,360	37,354,748	-0.4%	37,277,766
<b>72,534,905</b>	<b>75,025,751</b>	<b>Total expenditure</b>	<b>75,051,036</b>	<b>75,025,734</b>	0.0%	<b>75,144,269</b>
		<i>Less direct income:</i>				
3,345,992	5,635,648	Verification contributions	5,635,648	5,944,410	5.5%	5,944,410
1,143,905	750,000	Interest and other earnings	750,000	750,000	0%	750,000
<b>4,489,897</b>	<b>6,385,648</b>	<b>Total direct income</b>	<b>6,385,648</b>	<b>6,694,410</b>	4.8%	<b>6,694,410</b>
<b>64,420,601</b>	<b>68,640,103</b>	<b>Annual contributions</b>	<b>68,665,388</b>	<b>68,331,324</b>	-0.5%	<b>68,449,859</b>

- 5.3 The increased income levels in 2008, from direct sources, result in a 0.5% (EUR 0.309m) reduction from 2007 in general costs to Member States assessed as annual contributions to fund the annual programme and budget of the OPCW.
- 5.4 Continuing the financial discipline applied in recent years to developing the OPCW's annual programme and budget, annual contributions assessed for 2008 will in fact be 3.3% (EUR 2.3m) lower than the amount assessed to fund the 2005 Programme and

Budget. This reduction underlines improved financial strategies over that period to address significant new programme priorities and price growth.

- 5.5 Although expenditure expected in 2008 is virtually the same as the amount appropriated for 2007, the Programme and Budget for 2008 provides fully for growth in prices expected for the year. In addition, existing funding has been carefully prioritised to meet emerging programme initiatives and to ensure savings measures can be implemented with minimal impact on existing activities of the OPCW. Expenditure for 2008 has been initially estimated using a currency exchange rate of 73.2 eurocents per 1 USD (the official UN exchange rate for May).
- 5.6 Resourcing of specific spending initiatives for 2008 to meet individual programme priorities includes:
- (a) verification of the destruction of chemical weapons (EUR 0.180m);
  - (b) development of Inspectorate staff skills and competencies (EUR 0.360m);
  - (c) implementation of national obligations under Article VII of the Convention (EUR 0.140m);
  - (d) support for the Second Review Conference (EUR 0.772m);
  - (e) continued implementation of the tenure policy (EUR 0.117m); and
  - (f) procurement of inspection equipment (EUR 0.400).
- 5.7 The specific spending initiatives contained within the Programme and Budget for 2008 in response to identified new programme priorities, as well as expected growth in base costs, will be funded by improving operational efficiency and reprioritising existing resources.
- 5.8 As a result of this reprioritisation of existing resources, the direct cost of verification activities to be funded in 2008 from Chapter 1 appropriations is expected to exceed other costs of the OPCW for the year (that is, Chapter 2).
- 5.9 The detailed statement of the OPCW's budgeted expenditure and income for 2008 is at Appendix 2, outlining budget estimates by detailed funding object.

#### **Funding of the Programme and Budget for 2008 by Member States**

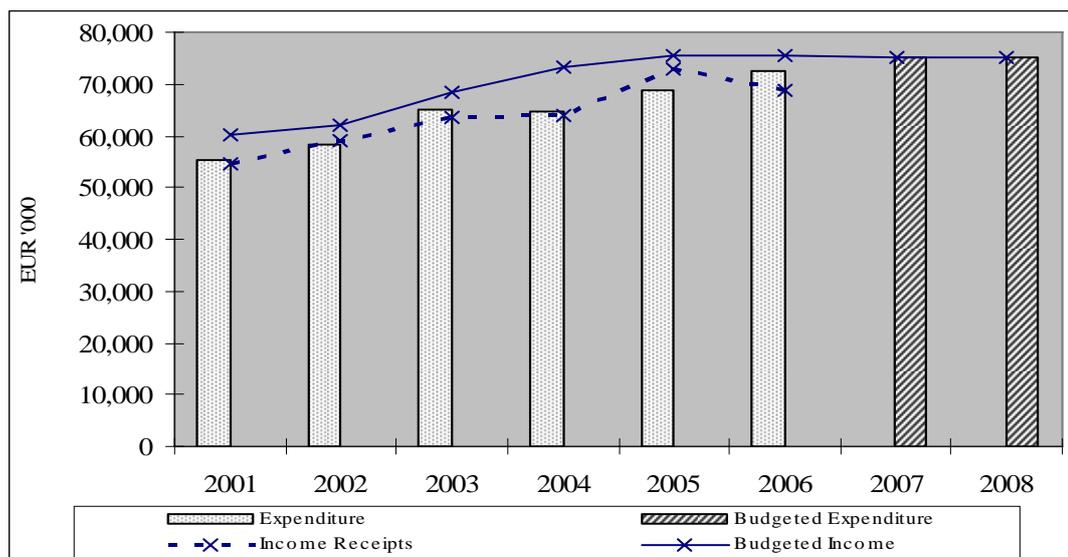
- 5.10 Overall expenditure levels appropriated in the OPCW's annual Programme and Budget are funded through annual contributions assessed against each Member State, after allowing for income that the OPCW expects to earn during the year from direct sources (including direct recovery of chemical weapons verification-related costs).
- 5.11 Annual contributions totalling EUR 68,331,324 will be assessed for 2008 against existing Member States (0.5% lower than contributions assessed for 2007). The assessment scale applied for 2008 will be consistent with the UN scale of assessment for the year, adjusted to take into account differences in membership between the UN and the OPCW.

- 5.12 Annual contributions payable for 2008 by most Member States will also largely be offset by the one-off application of the OPCW's final cash surplus of EUR 8.8m from 2005. The 2005 cash surplus was finalised at the end of 2006, and is largely made up of the OPCW's receipt of income in 2006 payable in previous years by Member States.
- 5.13 It is important to note that this one-off distribution of the 2005 cash surplus, equivalent to 13% of annual contributions assessed for 2008, is not itself a reduction in annual contributions. It will be largely applied, however, as an offset against annual contributions due for 2008 from most Member States, and thereby reduce the new funds required from these Member States to pay their contributions for 2008.
- 5.14 Budgeted expenditure levels included in the Programme and Budget for 2008 assume timely receipt by the OPCW of all amounts payable to it by Member States.

### BUDGETED EXPENDITURE FOR 2008

- 5.15 Total expenditure for the OPCW budgeted for 2008 is EUR 75,025,734. This level of expenditure for 2008 is 0.03% lower than the previous forward estimate for 2008.
- 5.16 These budget estimates for 2008 reflect efforts (including efforts from 2006 and 2007) to ensure that expenditure levels are contained within previous appropriations, despite the inclusion of significant increases in programme activity and growth in prices.
- 5.17 The following chart shows the OPCW's historical expenditure levels, including the impact in recent years on expenditure levels of funding actually provided for the regular budget (that is, income received by the end of the year for which it was due). Estimates for 2007 and 2008 are based on the agreed budget appropriated for each year respectively.

**CHART 1: REGULAR BUDGET EXPENDITURE LEVELS - 2001 TO 2008**



- 5.18 The level of income actually received for 2006 by the OPCW again restricted expenditure for the year (similar to the result experienced in recent years). In this context, steps were taken to contain expenditure for 2006 within projected income levels (and available short-term contingency resources), and to ensure that real gains from any lower-than-expected cost levels that emerged for the OPCW in 2006 were available to be returned to Member States when the financial result for the year is finalised.
- 5.19 Key estimation parameters applied in the Programme and Budget for 2008 provide for:
- general validation of the assumptions of prices and statutory costs for 2007 incorporated in the 2007 Programme and Budget (with a flow-on impact for 2008 budget estimates);
  - a currency exchange rate for 2008 of 73.2 eurocents for USD 1;
  - increased salary-rates in 2008 for P-grade and GS-grade staff, with a full-year effect of 1.0%;
  - increased pensionable remuneration rates in 2008 for P-grade staff, with a full-year impact of 1.25%; and
  - inflationary price rises for international programmes and other non-staffing costs, with an impact for 2008 of 4.75% and 2.0% respectively.
- 5.20 The following table shows the OPCW's budgeted expenditure for 2008 by major funding object.

**TABLE 16: REGULAR BUDGET EXPENDITURE FOR 2008  
BY MAJOR FUNDING OBJECT**

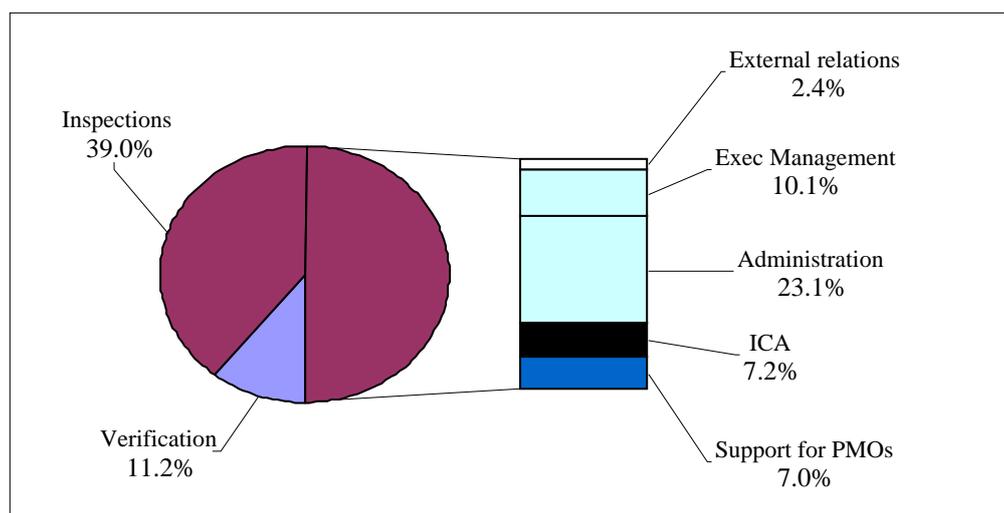
2006 Result	2007 Budget		2008			2009 Forward Estimate
			Previous Estimate	Budget	% Var	
51,978,422	54,712,725	Staffing costs	54,453,175	54,045,835	-0.7%	53,893,389
4,423,856	4,836,991	Travel costs	4,836,991	4,357,647	-9.9%	4,727,647
3,920,902	4,244,892	Contractual services costs	4,346,642	4,982,688	14.6%	4,996,395
3,259,915	3,046,887	Workshops, seminars, and meetings costs	3,046,887	3,166,257	3.9%	3,166,257
550,066	562,173	Furniture and equipment operating costs	562,173	460,132	-18.2%	562,390
6,541,449	6,745,754	General operating costs	6,745,754	7,030,065	4.2%	6,731,329
1,860,295	876,327	Capital costs	1,059,412	983,110	-7.2%	1,066,863
<b>72,534,905</b>	<b>75,025,751</b>	<b>Total expenditure</b>	<b>75,051,036</b>	<b>75,025,734</b>	<b>0.0%</b>	<b>75,144,269</b>

- 5.21 All variations in the OPCW's overall expenditure estimates for 2008, compared to the previous forward estimates for the year, are outlined in the Programme and Budget for 2008 as spending initiatives, savings measures, or price growth expected for 2008.
- 5.22 Staffing costs for 2008 are estimated to account for almost three-quarters of the OPCW's budgeted expenditure. Two new fixed-term staffing positions have been requested for 2008, while there is a decrease in the number of TACs for 2008.
- 5.23 Non-staffing operating costs for 2008 have increased by 3.3% from the budget for the previous year.

### Appropriation structure

- 5.24 Expenditure across the OPCW's Secretariat is divided amongst seven broad funding-lines of programmes of activity. The following chart illustrates the division of expenditure for 2008 based on budget estimates for each funding programme.

**CHART 2: REGULAR BUDGET EXPENDITURE FOR 2008 BY FUNDING PROGRAMME (PROPORTION OF TOTAL)**



- 5.25 Annual appropriations for expenditure from the OPCW's regular budget are divided into two "chapters" in accordance with the Convention.
- 5.26 The Chapter 1 appropriation provides for the direct costs of verification activities undertaken by the Secretariat, including inspection operations. Chapter 2 provides funding for all other important programmes of activities delivered each year by the Secretariat for the OPCW, including international programmes, support to Member States' decision-making forums, and administration and governance activities in support of all of the Secretariat's activities.
- 5.27 The following table details the budget estimates for the OPCW's regular budget expenditure for 2008 by funding programme.

**TABLE 17: REGULAR BUDGET EXPENDITURE FOR 2008 BY FUNDING PROGRAMME**

2006 Result	2007 Budget		2008			2009
			Previous Estimate	Budget	% Var	Forward Estimate
8,733,441	8,496,857	<i>Chapter 1 expenditure:</i>				
27,589,712	29,048,819	Programme 1: Verification	8,496,857	8,377,590	-1.4%	8,152,245
		Programme 2: Inspections	29,048,819	29,293,396	0.8%	29,714,258
<b>36,323,153</b>	<b>37,545,676</b>	<b>Total Chapter 1</b>	<b>37,545,676</b>	<b>37,670,986</b>	<b>0.3%</b>	<b>37,866,503</b>
		<i>Chapter 2 expenditure:</i>				
5,093,349	5,184,448	Programme 3: ICA	5,209,733	5,399,001	3.6%	5,359,001
4,393,507	4,510,172	Programme 4: Support for PMOs	4,510,172	5,240,426	16.2%	4,548,980
1,804,920	1,905,060	Programme 5: External Relations	1,905,060	1,830,980	-3.9%	1,830,980
7,008,563	7,392,946	Programme 6: Executive Management	7,392,946	7,541,145	2.0%	7,518,181
17,911,413	18,487,448	Programme 7: Administration	18,487,448	17,343,196	-6.2%	18,020,624
<b>36,211,752</b>	<b>37,480,075</b>	<b>Total Chapter 2</b>	<b>37,505,360</b>	<b>37,354,748</b>	<b>-0.4%</b>	<b>37,277,766</b>
<b>72,534,905</b>	<b>75,025,751</b>	<b>Total expenditure</b>	<b>75,051,036</b>	<b>75,025,734</b>	<b>0.0%</b>	<b>75,144,269</b>

**Savings and efficiencies**

- 5.28 The OPCW's Programme and Budget for 2008 focuses significantly on savings and efficiencies in costs across the Secretariat in order to ensure both that operations are cost-effective and that existing funding is allocated to priority activities for the year.
- 5.29 In this context, the underlying budget strategy incorporated in the Programme and Budget for 2008 provides for funding to ensure that new programme priorities are addressed, and to fully meet growth expected in prices and statutory costs. It is savings and efficiencies compared to existing budget estimates that will allow this to occur in 2008 without exceeding expenditure levels appropriated for 2007.
- 5.30 The Programme and Budget for 2008 has therefore been prepared to reflect a number of significant savings measures compared to the previous forward estimates established for 2008 in the 2007 Programme and Budget.

Replenishment of the special account for equipment acquisitions (savings of EUR 0.080m in 2008)

- 5.31 The Special Account for the OPCW Equipment Store was established by Member States to provide for the significant lead-time required by the OPCW to acquire specialised inspection and other verification equipment. Funding of EUR 0.250m per year has been provided through the regular budget in past years to replenish funds from this account.
- 5.32 The previous forward estimates for 2008 include EUR 0.250m to be paid by the Verification Division from the regular budget to this special account to maintain funding for purchases of specialised verification equipment. Partial funding was provided for this purpose in 2007 (as a savings measure) because accumulated balances of the special account were sufficient.

- 5.33 Savings in 2008 (EUR 0.080m) compared to the previous estimate for the year will help offset the costs of increased verification and inspection activity for the year.

Reduced estimate of contributions to the ILOAT (savings of EUR 0.045m in 2008)

- 5.34 In 2006, a budget initiative was implemented to provide specific funding each year for the OPCW to meet contributions required for the Secretariat to access the International Labour Organisation Administrative Tribunal (ILOAT).
- 5.35 Initial estimates for the costs of the ILOAT were EUR 0.150m; however, in light of expenditure incurred in recent years, this amount has now been reduced accordingly.

Reduced remuneration costs related to turnover of staff

- 5.36 Turnover of staff comes at some disruption to productivity and requires adequate human resources services and planning in response, as well as appropriate development training. There are, however, some cost reductions to the OPCW in that staff separating from the Secretariat are on average at the sixth step-increment of applicable remuneration scales.
- 5.37 Up to 50 staff affected by the staff tenure policy depart the Secretariat each year, and newly appointed staff are paid lower entitlements levels (usually at the lowest salary step) than the staff they replace.
- 5.38 In addition, this staff turnover inevitably results in some reduced costs to the OPCW from vacancies in authorised positions (in other words, the OPCW does not incur the cost of remuneration entitlements if no officer is undertaking the role). The Secretariat has achieved an average rate of approximately 90% of authorised fixed-term positions, at any one time, being occupied by a fixed-term staff member. Nevertheless, these are all staffing positions which are critical for the OPCW's Secretariat to achieve the performance across the full year outlined in the Programme and Budget for 2008.
- 5.39 In this context, the Secretariat has adopted a number of measures to minimise this "lag" in recruitment of necessary personnel, and will often fill vacancies with temporary support where this is necessary. This "backfilling" of vacant fixed-term positions with temporary staff largely offsets any reductions in cost to the OPCW from vacant positions. A number of non-salary remuneration entitlements payable to fixed-term staff, however, are not payable to the temporary staff that may replace them in this manner.
- 5.40 The Programme and Budget for 2008 reflects cost reductions totalling more than EUR 1.180m in relation to the turnover of staff. This includes:
- (a) lower remuneration levels of newly appointed staff compared to previous budget estimates (additional savings of approximately EUR 0.200m);
  - (b) lower remuneration levels of new staff expected during 2008 (savings of approximately EUR 0.500m); and
  - (c) reduced remuneration costs associated with residual vacancies that may in fact occur for a period of time during the year (savings of approximately

EUR 0.180m for the Inspectorate and EUR 0.300m within the Administration Division).

- 5.41 These reductions for 2008 have been recognised for estimated remuneration costs associated with P-grade staff, but have not been applied against staffing costs associated with GS-grades (for which annual turnover rates are much lower than for professional grades).

Prioritisation of existing resources

- 5.42 Development of the Programme and Budget for 2008 included measures to ensure that existing funding levels for the OPCW are focused on priority areas of activity for the year. This includes reductions in some areas across the Secretariat to the previous forward estimates for 2008.
- 5.43 Proven efficiency in delivering programme objectives, as well as options to divert existing resources to essential priorities, has been a key focus in recent years for the OPCW and its Secretariat. In this context, the Programme and Budget for 2006 and 2007 provided for significant new programme priorities without requiring any growth in expenditure (in nominal terms).
- 5.44 The continuing efforts in the Secretariat to identify and realise genuine efficiency savings and lower-priority areas of spending provide additional opportunities for the OPCW to divert existing funding to priority spending areas. In this regard, the Secretariat's spending performance for 2006 (while maintaining expected programme delivery) provided a sound base to identify a number of areas for which reductions in previous funding levels have for 2008 been diverted to priority areas.
- 5.45 In addition, careful attention has been given to areas of the OPCW's spending which typically have been supported in recent years by voluntary contributions, rather than funding also provided through the regular budget. Funding for 2008 for consultancy costs has also been reduced to meet general spending requirements (savings of EUR 0.182m).
- 5.46 This overall approach to savings against the previous forward estimates for 2008 has been essential in ensuring that the OPCW's underlying budget strategy incorporated in the Programme and Budget for 2008 can be achieved. These savings have provided funding for spending initiatives to meet new programme priorities for 2008, as well as growth in existing prices and statutory costs, without increasing overall costs compared to the expenditure appropriations for 2007.
- 5.47 Funding objects for a number of essential core activities of the Secretariat have, however, been exempted from reductions to align budget estimates for 2008 with actual levels of spending (that is, spending performance for 2006). This includes funding for all authorised fixed-term positions, CW-related and industry inspections, international workshops and assistance (capacity building, support for National Authorities, and protective capacity), and staff turnover costs.
- 5.48 All funding amounts that have been aligned with actual spending levels have also been adjusted to provide fully for price growth forecast through to the end of 2008.

Ongoing savings

- 5.49 The OPCW continues to benefit from real savings measures implemented in recent years within the Secretariat.
- 5.50 The Programme and Budget for 2007 provided for significant spending initiatives (EUR 0.920m) to meet new programme priorities, as well as increased expenditure due to routine growth in existing prices and statutory costs, without exceeding previous expenditure appropriation levels in nominal terms.
- 5.51 This was possible due in part to a number of savings measures implemented for 2006 and continued in 2007. The reductions of recent years in the size of inspection teams visiting CWDFs in the USA have alone reduced the number of inspectors which would have otherwise been required over a full year by the Secretariat by approximately 40. In addition, the use of “home-based” inspectors employed on special services agreements (compared to normal fixed-term employment arrangements within the Secretariat) saves the OPCW approximately EUR 0.6m for 15 inspectors.
- 5.52 The Secretariat will consider – starting in 2007 - the possibility of merging the Equipment Store, currently under the Verification Division, with the Operations and Planning Branch of the Inspectorate Division. Depending on the outcome of this consideration, efficiencies may be realised in 2008.
- 5.53 Savings measures in 2008 to divert existing funding to priority spending areas, particularly in the Verification and Administration Divisions, will also continue efforts in recent years to recognise actual spending requirements across the Secretariat.

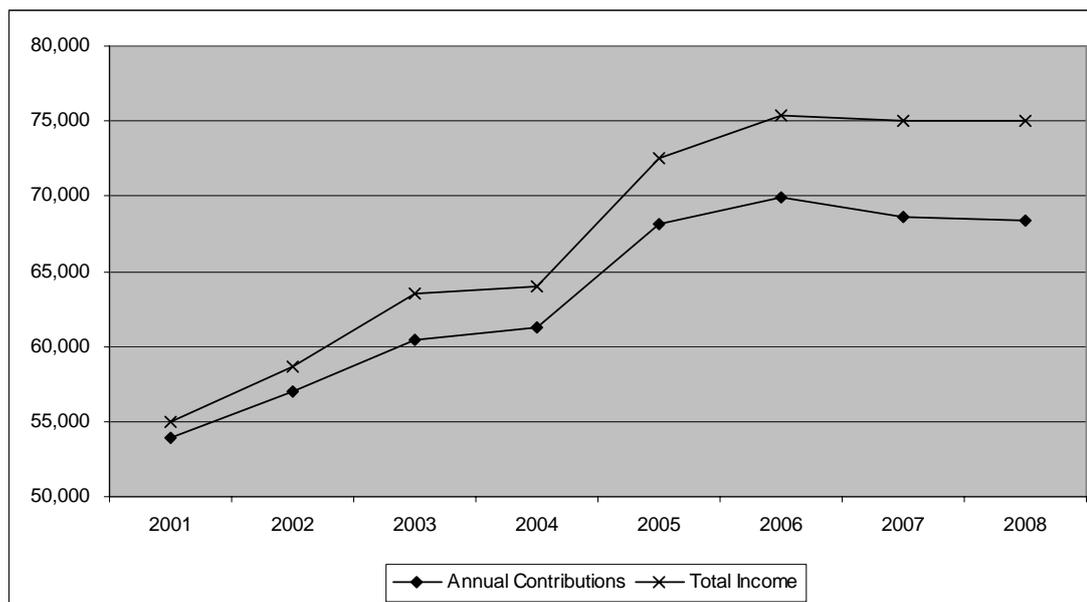
**EXPECTED INCOME FOR 2008**

- 5.54 Total income of EUR 75.0m is required in 2008 for the OPCW to fund its expenditure budgeted for the year. This includes receipts across the OPCW’s three primary sources of annual funding – annual contributions (91.1% of total income), direct reimbursement of the cost of verifying the destruction and maintenance by Member States of weapons and chemical weapons facilities (7.9%), and interest earned on holdings in bank accounts (1.0%).
- 5.55 The following table details income expected to be earned by the OPCW for 2008 by each major source.

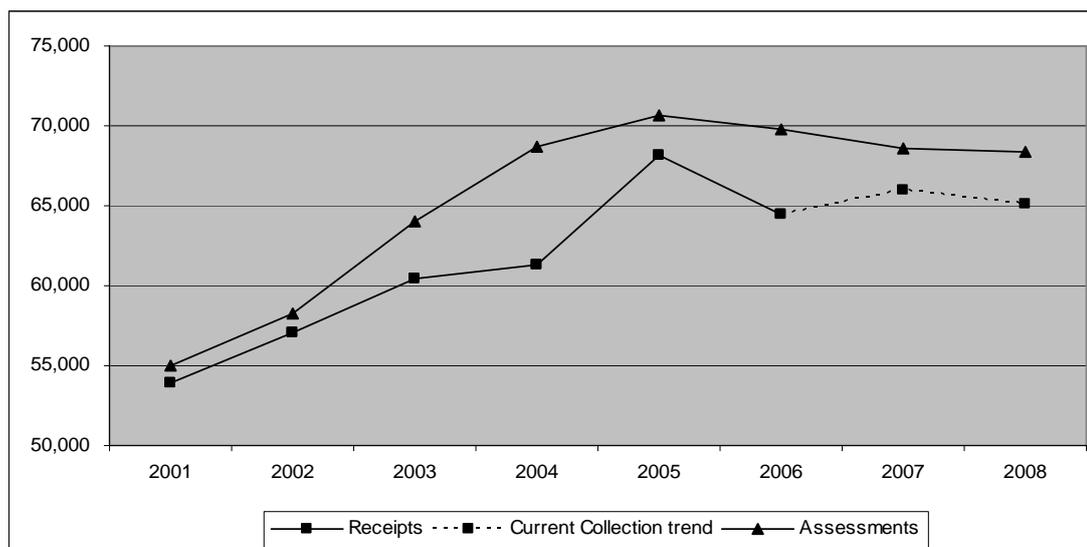
**TABLE 18: REGULAR BUDGET INCOME FOR 2008**

2006 Result	2007 Budget		2008			2009
			Previous Estimate	Budget	% Var	Forward Estimate
64,420,601	68,640,103	Annual contributions	68,665,388	68,331,324	-0.5%	68,449,859
3,345,992	5,635,648	Verification contributions	5,635,648	5,944,410	5.5%	5,944,410
1,143,905	750,000	Interest and other earnings	750,000	750,000	0.0%	750,000
<b>68,910,498</b>	<b>75,025,751</b>	<b>Total income</b>	<b>75,051,036</b>	<b>75,025,734</b>	0.0%	<b>75,144,269</b>

- 5.56 The income estimates for 2008 do not provide for any funding contingency to offset substantial delays in receipt of income payable to the OPCW during the year from Member States.
- 5.57 Although the annual expenditure appropriation approved each year by the Conference provides a maximum limit to expenditure that may be incurred by the OPCW during the year, spending levels are in practice capped by the amount of funding that is in fact received for the budget year from Member States (within a timeframe in which the funding can be utilised by the OPCW).
- 5.58 For 2006, the OPCW collected income of approximately EUR 68.7m (91%) by the end of the year against its approved budget of EUR 75.6m (this compares to 96% during 2005). A decrease in income collections of this nature can have an adverse impact on the Secretariat's planned resourcing of programmes.
- 5.59 The following chart illustrates the OPCW's historical level of income actually received by the end of the year for which it was due, including the proportional relationship between annual contributions and income from direct sources that make up the OPCW's total income for the year. Projections for 2007 and 2008 are based on agreed budget levels.

**CHART 3: REGULAR BUDGET RECEIPTS - 2001 TO 2008****Annual contributions by Member States**

- 5.60 Budget estimates for the OPCW for 2008 require annual contributions of EUR 68,331,324 assessed by the OPCW against Member States to fund estimated expenditure for the year. This is a reduction of EUR 0.309m (0.5%) from 2007.
- 5.61 The following chart illustrates historical levels of annual contributions assessed each year by the OPCW, as well as income actually collected by the end of the year in which it was due. An indication of collection levels is provided for 2007 and 2008 if the proportional performance achieved during 2006 is continued.

**CHART 4: ANNUAL CONTRIBUTIONS LEVELS - 2001 TO 2008**

- 5.62 The OPCW assesses contributions in euros and adopts its assessment scale for annual contributions from that applied by the UN (adjusted marginally for the differences in membership between the UN and the OPCW).
- 5.63 The UN's triennial update of its scale of assessment was implemented by the UN (and therefore by the OPCW) for 2007 annual contributions. The changes to the scale of assessment did not directly impact the overall level of annual contributions to be assessed by the OPCW, but had implications for the distribution of contributions assessed against individual Member States.
- 5.64 On a similar basis, any increase in membership in the OPCW since implementation of the scale of assessment for 2007 will result in a marginal reduction in annual contributions assessed for 2008 against individual Member States.

### Direct income

- 5.65 Income from direct sources for the regular budget is important annual funding for the OPCW. Each year, this revenue consists largely of interest earned on cash holdings, as well as verification contributions charged to relevant Member States to directly recover costs of the OPCW associated with verifying the destruction and maintenance of Member States' CW stockpiles and facilities.
- 5.66 The OPCW expects to earn EUR 5.944m in 2008 from verification contributions. These contributions are based on recovery of costs by the OPCW, and have accordingly been increased by 5.5% for 2008 to provide for estimated costs in 2008 (including for price increases in associated salary and travel costs).
- 5.67 The baseline estimate for interest earnings for 2008 is the same as 2007, EUR 0.750m. This amount results from average cash balances expected to be held by the OPCW across 2008 (including cash surpluses held from previous years) and increased interest rates.

### **Collection of arrears**

- 5.68 At the end of 2006, 71 of the then 175 States Parties to the Convention were in arrears with their annual contributions to the OPCW for at least that year. A total of EUR 9.3m was payable in total to the OPCW by Member States in arrears for annual contributions, whereas only EUR 5.6m was owed a year earlier.
- 5.69 The OPCW's annual cash surpluses for recent years have been funded largely through late receipt of amounts from Member States as income for previous years (annual contributions and recovery of inspection costs). All receipts from a Member State must first be applied to meet the oldest of any debts of that type of income from a previous year.
- 5.70 One effect of arrears levels is that EUR 1.6m of payments received by the OPCW during 2006 for contributions was in fact attributable to past arrears, and was therefore allocated to the 2005 cash surplus rather than used directly to fund budgeted expenditure during 2006.
- 5.71 For 2007, more than EUR 1.2m in annual contributions assessed for the year relates to 52 Member States currently with arrears to an amount and of an age that payment by them of annual levels of contributions may not be useable by the OPCW for that year's operations (but would be returned to other Member States as part of a cash surplus).
- 5.72 At its Eleventh Session, the Conference approved "the use of multi-year payment plans as a mechanism to encourage States Parties that are in arrears to regularise the payment of their outstanding advances to the Working Capital Fund or annual contributions, and to eliminate those arrears" (C-11/5, dated 07 December 2006).
- 5.73 Regardless of the rate of collection by the end of the year in which payments were due, the lateness of payment of annual contributions within the relevant year can also impact the Secretariat's planned resourcing of important programmes during the year.
- 5.74 During 2005, approximately one-third of the value of annual contributions collected by the OPCW for the year was not received until the last calendar quarter. For 2006, approximately two-thirds of the value of annual contributions due for the year was received by the OPCW by the end of the first half of the year (this included approximately EUR 4.5m "distributed" to Member States from the final cash surplus for 2003). As of the end of May 2007, slightly more than one-half of the assessed contributions for 2007 have been received.

**BUDGET ESTIMATION PARAMETERS FOR 2008**

- 5.75 Assumptions for budget estimation parameters are applied to ensure that the Programme and Budget accurately reflects “prices” likely to be incurred by the OPCW in the budget year. The OPCW would face a reduction in the “purchasing power” of its funded expenditure levels, or a savings target in “real terms”, if its annual expenditure estimates did not provide fully for expected changes in existing price levels (including in salaries and other employee entitlements).
- 5.76 The forward estimates for 2008 incorporated in the 2007 Programme and Budget were based on 2007 price assumptions to retain comparability with agreed 2007 budget estimates.
- 5.77 General price indexation parameters have been applied broadly to the previous forward estimate for 2008 for each funding object in developing the budget estimates contained in the Programme and Budget for 2008. The OPCW manages reasonable, individual price rises which may occur during the year within these broad, indexed amounts.
- 5.78 Appendix 3 to this document lists the basis for calculating each of the OPCW’s major financial estimates and expected growth in underlying prices for 2008. Each of these cost indexation parameters has been cast to the nearest one-quarter of one percent.

**Expected growth in prices for 2008**

- 5.79 Consumer prices in the European Union are currently expected to increase by 2.0% across 2008. With a cost-of-living increase provided in 2006 to salary levels for P-grade staff based on prices in The Hague in April 2006, and a subsequent salary increase expected half way through 2007, the full-year impact on these salary rates for 2007 (compared to the levels used in calculating 2006 estimates) is projected to be 1.0% above the rates presently assumed to be in place by the end of 2006.
- 5.80 On a similar basis (with an increase from September 2007), salary levels for GS-grades can reasonably be expected to increase with a full-year impact of 1.0% above the levels currently assumed in the existing budget estimates to be achieved by the end of 2006.
- 5.81 “Real” salary increases awarded by the UN (that is, increases above these more-routine cost-of-living increases) also could impact on the OPCW’s salary levels in 2008 for P-grade staff. The OPCW’s Programme and Budget for 2008 currently assumes no real increase in these salary rates for 2008.
- 5.82 The OPCW’s budget estimates for 2008 apply the aforementioned assumptions for individual salary rates to individual positions in the OPCW for 2008 (using authorised fixed-term staffing levels). This approach incorporates the individual profile of each existing staff member and its effect on entitlements that are specifically payable to that staff member.
- 5.83 In relation to the OPCW’s estimated non-staffing costs, the IMF’s forecast for average price increases across 2008 in the euro-zone is 2.0%. This use of euro-zone

inflation approximates the effect of the OPCW's commitment to international tendering for acquisition of goods and services (that is, the OPCW's experience of price growth at levels outside that experienced in the Netherlands only).

- 5.84 The IMF's recent projection of inflation for 2008 in "emerging markets and developing countries", 4.75%, has been recognised in updating expenditure estimates for the year for international programmes. As was the case for the 2007 Programme and Budget, this approach recognises that in this regard the OPCW largely incurs costs related to developing nations when it conducts these targeted workshops, conferences, and other meetings.

### **Currency exchange rates for 2008**

- 5.85 Although salary levels for all Secretariat staff are largely standardised each month for application in The Hague, including for exchange rate differences between the euro and the USD, social security entitlements (paid in euros into the Provident Fund) and death and disability benefits earned by P-grade staff in the OPCW's Secretariat are calculated by direct reference to the UN's pensionable remuneration rates set in USD (no adjustment to these entitlement rates is applied for currency exchange differences).
- 5.86 In this context, the OPCW is directly exposed to currency exchange rate movements for the equivalent of approximately USD 8.4m of staffing entitlements paid each year (approximately EUR 6.2m, or approximately 8% of the overall budget at the currency exchange rates assumed in the 2008 Programme and Budget).
- 5.87 The most recent official currency exchange rates issued by the UN provide an indicator of average exchange rates likely for the coming budget year. (The UN's official currency exchange rate for May 2007 was 0.732 euros for USD 1.)
- 5.88 Financial estimates in the Programme and Budget for 2008 were prepared using the UN's May currency exchange rate stated above. The exchange rate will be reviewed again before the Programme and Budget for 2008 is agreed by Member States.
- 5.89 In 2007, the Secretariat will closely monitor and manage its exposure to movements in cost levels due to currency exchange rates (compared to the rate applied to estimated costs in the 2007 Programme and Budget). The average exchange rate for the first half of the year was 75.2 eurocents, compared to 79.7 applied in the 2007 budget estimates.
- 5.90 Also in this context, the Conference at its Tenth Session requested "the Council, in the context of the stress placed by the First Special Session of the Conference of the States Parties to Review the Operation of the Chemical Weapons Convention on the need to continue monitoring and improving the implementation of the OPCW's budgetary and financial mechanisms as they have evolved, to examine the possibilities of a long-term mechanism for the management of currency-exchange-rate risks, with a view to making a recommendation to the Conference at its Eleventh Session" (C-10/DEC.5, dated 8 November 2005).

**STATEMENT OF FINANCIAL RISK**

5.91 As with any budget planning framework, risk remains within the Programme and Budget for 2008 that may emerge during the financial year and which may impact on the resourcing of the OPCW's programme delivery.

5.92 The following table outlines the principal financial risks to be monitored closely during 2008.

**TABLE 19: STATEMENT OF FINANCIAL RISK FOR 2008**

<b>Risk</b>	<b>Issue</b>
Higher than expected growth in prices, including statutory costs.	<ul style="list-style-type: none"> <li>• A full-year increase for 2008 1.0 percentage point higher than the 1.0% growth provided for P-grade salaries would increase costs by approximately EUR 0.3m.</li> <li>• A full-year increase 1.0 percentage point higher than the 2.0% price growth expected across 2008 in most cases for non-staffing costs would increase costs by approximately EUR 0.2m.</li> </ul>
Currency exchange rate.	<ul style="list-style-type: none"> <li>• Equivalent of USD 8.4m of staff entitlements provided for at a rate of 73.2 eurocents per USD 1.</li> <li>• A 10% increase in the rate for the USD for the full year (to 80.5 eurocents) would cost the OPCW approximately EUR 0.6m.</li> </ul>
Delayed receipt of payments from Member States.	<ul style="list-style-type: none"> <li>• Member States owed the OPCW EUR 11.8m at the end of 2006, including EUR 9.3m in annual contributions and EUR 2.5m in verification contributions.</li> <li>• Contributions received in arrears for a year more than one completed calendar year preceding the year in which they are received (Member States representing EUR 1.2m in annual contributions were in this position at the start of 2007) must be distributed to Member States when received and cannot be used to fund OPCW operations.</li> <li>• Amounts received from Member States in the year after the year for which they were assessed can be applied to fund OPCW operations only to the extent that limited cash-management mechanisms were confidently applied to address a temporary shortfall during the year for which the arrears were assessed.</li> </ul>
2006 cash surplus.	<ul style="list-style-type: none"> <li>• The cash surplus for 2006 is currently EUR 3.6m and is expected to accumulate over 2007, including late receipt from Member States of amounts payable before 2007.</li> </ul>
Verification contributions.	<ul style="list-style-type: none"> <li>• Levels of verification contributions are dependent upon planned inspection activity occurring for the year.</li> <li>• A number of "fixed" costs may still be borne by the OPCW based on originally-projected inspection levels.</li> </ul>
Unfunded liabilities.	<ul style="list-style-type: none"> <li>• Staff entitlements of EUR 12.3m payable to existing staff members had accumulated by the end of 2006.</li> <li>• Annual funding levels and accumulated financial reserves of the OPCW have not provided for all staff entitlement expenses accruing each year.</li> </ul>

## 6. PEOPLE AND ORGANISATION

### MAJOR ORGANISATIONAL OBJECTIVES

- 6.1 The OPCW's Programme and Budget for 2008 has been shaped around a number of identified organisational objectives.

**TABLE 20: MAJOR ORGANISATIONAL OBJECTIVES OF THE OPCW**

Objective	Key result areas for 2008
Development of human resources planning.	<ul style="list-style-type: none"> <li>• Implementation of a human resources planning framework across the Secretariat.</li> </ul>
Improvement of recruitment, deployment, and performance management processes.	<ul style="list-style-type: none"> <li>• Support for organisational renewal and programme initiatives through workforce development and recruitment of skilled individuals (more than 65 to support staff turnover).</li> <li>• Implementation of an improved performance management and appraisal scheme.</li> </ul>
Review and update staff regulations, rules, and directives for personnel administration.	<ul style="list-style-type: none"> <li>• Comparability of terms and conditions of employment with the UN Common System.</li> </ul>
Effective implementation of staffing tenure policy.	<ul style="list-style-type: none"> <li>• Turnover of one-seventh of the Secretariat's internationally-recruited staff members.</li> <li>• Increased human resources services to address organisational concerns.</li> </ul>

- 6.2 The Secretariat has put in place a number of measures in recent years to ensure that staff resources are focused effectively and efficiently on the OPCW's programme priorities. Improvements in efficiency in this area have included measures to optimise the resourcing of inspection activity, including reduced inspection team sizes where possible.
- 6.3 The continued implementation of the limited tenure policy for staff members of the Secretariat also provides both opportunities and challenges for the OPCW. Although this initiative provides for the balanced renewal of the Secretariat's workforce, efforts must continue during 2008 to ensure that the implementation of this policy allows for an optimal balance between benefits and the impact on maintaining existing capability.
- 6.4 In the context of these requirements and the mandated turnover of staff, the OPCW must have the ability to attract and retain a highly qualified workforce if its Secretariat is to succeed in carrying out the mandates entrusted to it. A number of significant measures were put in place within the Secretariat in 2006 to enhance recruitment outcomes and to improve workforce policy and development. These will continue in 2008 and be complemented by other initiatives where possible.

## ORGANISATION OF THE OPCW'S SECRETARIAT

- 6.5 The responsibilities of the OPCW's Secretariat are divided organisationally into six Divisions and a number of key Offices. The current organisational structure is illustrated in the chart at Appendix 4. There has been no significant change in structure during 2007.

### 2008 STAFFING LEVELS

- 6.6 The Secretariat's workforce of staff is employed under a number of arrangements appropriate to the role to be staffed and the relevant regulatory framework.
- 6.7 "Fixed-term" staff are employed in accordance with authorised positions for the Secretariat. In addition, the Secretariat employs temporary staff according to a number of differing arrangements, including "temporary assistance" contracts, "short-term" contracts, and "special service agreements".

### Regularisation of long-term temporary staffing roles

- 6.8 A number of existing roles within the Secretariat have been undertaken by staff employed on temporary assistance contracts. Each role has been reviewed against its importance in programme delivery and whether the need is likely to remain for at least the next three years.
- 6.9 Three of these long-standing roles have been "regularised" in the Programme and Budget for 2008 by recognising them as authorised fixed-term posts. While these three roles are being regularised, there is only a net effect of 2 additional fixed-term posts in the 2008 Programme and Budget, as there has been an internal rearrangement within the Administration Division to accommodate one of these posts (Information Processing Clerk).

**TABLE 21: REGULARISED STAFFING REQUIREMENTS**

Role	Position Classification	Division/Office
Project Officer	P-3	ICA Division
Asset Management Clerk	GS-4	Administration Division
Information Processing Clerk	GS-4	Administration Division

- 6.10 The funding for two of the above mentioned posts (Project Officer and Asset Management Clerk) will be transferred from its previous funding object, "temporary assistance", to "salaries" and "common staff costs". Funding for the Information Processing Clerk will come from the existing "salaries" and "common staff costs" budget of the Administration Division.
- 6.11 Staffing for these newly regularised posts will be recruited in accordance with the usual recruitment practices of the OPCW and contracted for an initial three-year period.

### Fixed-term staffing

- 6.12 A detailed outline of the authorised fixed-term staffing positions for the OPCW's Secretariat is at Appendix 5. This appendix outlines authorised fixed-term staffing

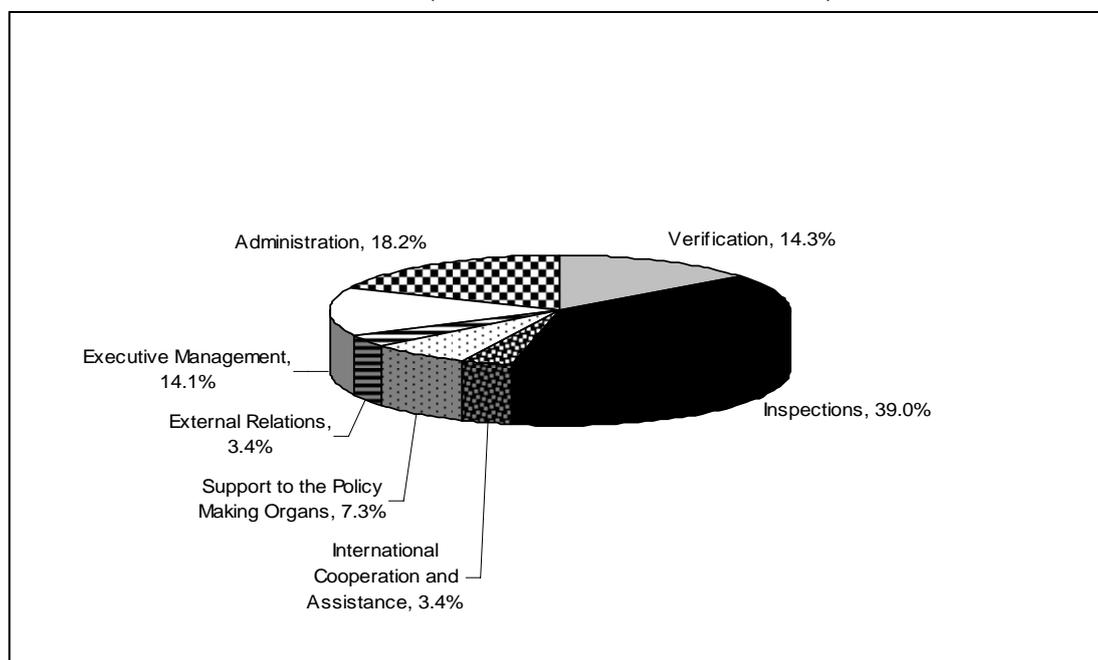
positions for each Division and key Office of the Secretariat summarised in the following table.

**TABLE 22: SUMMARY OF FIXED-TERM STAFFING LEVELS OF THE SECRETARIAT**

Position grade	2007 level	2008 level	Percentage of total
D-2 and above	11	11	2%
D-1	14	14	3%
P-5	47	47	9%
P-4	146	146	28%
P-3	105	106	20%
P-2	21	21	4%
GS-7	9	9	2%
GS-6	29	29	5%
GS-5	83	83	16%
GS-4	24	25	5%
GS-3	32	32	6%
<b>Total staffing</b>	<b>521</b>	<b>523</b>	<b>100%</b>

- 6.13 As shown in the following chart, approximately 53% (279) of overall fixed-term staff are funded through the OPCW's Chapter 1 appropriations, including 173 fixed-term positions for inspectors.

**CHART 5: FIXED-TERM STAFFING FOR 2008 BY FUNDING PROGRAMME (PROPORTION OF TOTAL)**



- 6.14 These authorised positions are reflected in expenditure levels contained in the Programme and Budget for 2008 (noting that a small number of fixed-term staff are paid at higher salary levels than the associated authorised position).

### Temporary staffing

- 6.15 A number of roles within the Secretariat are undertaken by staff consciously employed on temporary contracts.
- 6.16 Following a comprehensive review of temporary staffing across the Secretariat and the regularisation mentioned above, a number of roles previously undertaken by temporary staff have been reduced across the Organisation.
- 6.17 The Programme and Budget for 2008 provides EUR 1,062,239 for temporary staffing, a decrease of 4.2% from funding provided for 2007 for this purpose. In addition, the temporary staffing requirement has decreased by 3 posts compared to the level of 2007.
- 6.18 Estimates of the cost of temporary staffing shown in the Programme and Budget for 2008 were prepared through an exhaustive process of examining specific allocations provided in 2007, as well as temporary staffing requirements associated with specific spending initiatives (that is, new funding measures) to meet new programme priorities for 2008.

**TABLE 23: SUMMARY OF TEMPORARY STAFFING REQUIREMENTS OF THE SECRETARIAT - 2008**

Role	Position Grade	Division/Office
Project assistants	GS-4 (x3)	ICA Division
Legal officers	P-2 (x2)	ICA Division
Reprographic operators	GS-3 (x2)	Secretariat for the PMO
Conference support (general allocation)	n.a.	Secretariat for the PMO
Administrative assistant	GS-4	Office of the DG
Administrative assistant	GS-5	Office of the DG
Special projects officer	P-3	Office of Special Projects
Legal assistant	GS-6	Office of the Legal Adviser
Recruitment officer	P-3	Administration Division
Recruitment clerk	GS-4	Administration Division
Associate budget officer	P-2	Administration Division
Business analyst	P-3	Administration Division
Support services clerks	GS-4 (x2)	Administration Division

- 6.19 These allocations of funding for 2008 across the Secretariat are based as far as possible on specific structured and identifiable roles to be temporarily staffed during the year, rather than general provisions for contingency purposes. Some of these roles are staffed on a temporary basis not because of a short-term nature of the role, but because of a potential for a change over time in skills or projects related to the role.
- 6.20 In calculating funding required for this temporary staffing, the salaries of temporary staff appointed in the Secretariat under a “temporary assistance contract” are based on salary scales similar to those used for fixed-term staff. These temporary staff also receive similar non-salary remuneration entitlements, except dependency allowances, rental subsidies, education grants, and travel for home leave (fixed-term general services staff are also not entitled to the three latter benefits).

- 6.21 The Secretariat separately incurs costs in “back-filling”, where necessary, fixed-term positions with temporary staff between the separation and recruitment of new fixed-term staff. This cost of temporarily back-filling fixed-term positions has historically been met in the Secretariat with existing funding for the fixed-term positions for which temporary staff are used to back-fill.
- 6.22 The OPCW has also implemented an arrangement to staff CWDF inspections with “home-based” inspectors. The use of these inspectors employed temporarily under a “special services agreement” allows the OPCW to harness significant savings in salaries and other entitlements associated with fixed-term staff based in The Hague.
- 6.23 EUR 1.163m has been provided in 2008 for the Inspectorate to employ approximately 20 of these contracted inspectors on average across the year.

#### **Staff remuneration entitlements**

- 6.24 The OPCW adopts its staff entitlements regime, including applicable rates, from the framework applied (in The Hague) by the UN. In this context, “ordinary” remuneration entitlements for fixed-term staff of the Secretariat consist of a number of core elements.
- 6.25 Estimated staffing costs are based on the total number of fixed-term positions planned for the year. The level of each position is taken into account, having regard to the actual grade of the occupant of each authorised position.
- 6.26 The following table shows the expected costs of different elements of ordinary remuneration for fixed-term staff that have been included in the Programme and Budget for 2008.

**TABLE 24: COST TO THE OPCW OF FIXED-TERM STAFF REMUNERATION ENTITLEMENTS (EUR '000)**

<b>Entitlement</b>	<b>2007 Budget</b>	<b>2008 Budget</b>
Salaries	35,447	35,635
Social security benefits (paid into the Provident Fund)	7,466	7,301
Medical care benefits	1,066	1,010
Death and disability benefits	964	945
Dependency allowance	1,144	946
Rental subsidy	235	191
Education grant	2,278	2,183
Home leave	637	526
<b>Total staff remuneration entitlements</b>	<b>49,237</b>	<b>48,737</b>
Number of nominal fixed-term positions	521	523
<b>Average per fixed-term staff member</b>	<b>94.5</b>	<b>93.2</b>

- 6.27 These costs are shown as “salaries” and “common staff costs” in detailed statements of budgeted expenditure for 2008 included in the Programme and Budget for 2008.

**PART III**

**DIVISIONAL BUDGET STATEMENTS**

## **7. INTRODUCTION**

- 7.1 Part III of the Programme and Budget for 2008 presents the detailed statements of budgeted expenditure for each established organisational unit of the Secretariat (that is, each Division or Office).
- 7.2 Each of these organisational units contributes to the programmes of activities expected of the wider Secretariat during 2008. Details of the OPCW's relevant programme objectives and results planned for 2008, as well as the associated activities planned by the Secretariat, are provided in Part II of this document.

## VERIFICATION DIVISION

**Key points:**

- Planning and support for 200 chemical-weapons inspections under Articles IV and V of the Convention.
- Site selection and planning will be carried out during 2008 to support 200 inspections under Article VI of the Convention.
- The CW capability of the Verification Information System is expected to become operational by the end of 2008.
- The OPCW Laboratory will maintain its accreditation throughout the year and conduct two proficiency tests.
- Analysis and planning will continue to be conducted during 2008 for the possible establishment of a new bio-medical laboratory capability.
- Division Budget for 2008: EUR 8,377,590 (compared to EUR 8,496,857 budgeted in 2007 and EUR 8,733,441 spent in 2006).
- Staff: authorised fixed-term staffing for the Division will remain constant at 75 positions.

**Objective**

- 7.3 The Verification Division has primary responsibility within the Secretariat for providing activities in support of the verification of disarmament and non-proliferation through the application of the measures provided for in the Convention.

**Planned levels of activity for 2008**

- 7.4 The Verification Division leads the Secretariat's activities in relation to the OPCW's Verification Programme. An explanation and details of objectives and activities for this programme are provided in Part II of the Programme and Budget for 2008.
- 7.5 The Verification Division will also continue to support the activities of the International Cooperation and Assistance Division and the External Relations Division during 2008 at the same rate as in recent years (600 person days).

**2008 financial resourcing**

- 7.6 All real variations in budgeted 2008 expenditure for the OPCW, compared to previous forward estimates, are outlined in the Programme and Budget for 2008 as spending initiatives or identified savings measures.
- 7.7 Other variations indicated in the following table are a result of revised estimates for costs of existing staff, indexation of all funding objects for price growth projected for 2008 (outlined in Part II of the Programme and Budget for 2008), and/or budget-neutral reallocations within existing resources across the OPCW to reflect the changing spending profile associated with the OPCW's activities.

**TABLE 25: VERIFICATION DIVISION - BUDGETED EXPENDITURE  
FOR 2008 BY FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009
			Previous Estimate	Budget	% Var	Forward Estimate
		<u>Staffing costs:</u>				
4,897,611	5,164,743	Salaries	5,164,743	5,219,384	1.1%	5,219,384
1,593,293	1,854,887	Common staff costs	1,854,887	1,744,779	-5.9%	1,744,779
-	8,343	Overtime	8,343	-	-100.0%	-
75,407	80,800	Consultants	80,800	-	-100.0%	-
140,054	125,000	Temporary staffing	-	-		-
<b>6,706,365</b>	<b>7,233,773</b>	<b>Total staff costs</b>	<b>7,108,773</b>	<b>6,964,163</b>	<b>-2.0%</b>	<b>6,964,163</b>
		<u>Travel costs:</u>				
118,922	103,495	Travel - official meetings	103,495	95,009	-8.2%	95,009
<b>118,922</b>	<b>103,495</b>	<b>Total travel costs</b>	<b>103,495</b>	<b>95,009</b>	<b>-8.2%</b>	<b>95,009</b>
		<u>Contractual services costs:</u>				
-	77,471	Training	77,471	69,724	-10.0%	69,724
392,556	392,570	Other contractual services	392,570	202,541	-48.4%	202,541
<b>392,556</b>	<b>470,041</b>	<b>Total contractual services costs</b>	<b>470,041</b>	<b>272,265</b>	<b>-42.1%</b>	<b>272,265</b>
		<u>General operating expenses:</u>				
555	1,364	Hospitality and other functions	1,364	1,391	2.0%	1,391
<b>555</b>	<b>1,364</b>	<b>Total general operating expenses</b>	<b>1,364</b>	<b>1,391</b>	<b>2.0%</b>	<b>1,391</b>
		<u>Inspection equipment, maintenance, and supplies – operating costs:</u>				
495,870	351,470	Inspection equipment maintenance	351,470	326,815	-7.0%	351,470
<b>495,870</b>	<b>351,470</b>	<b>Total inspection equipment, maintenance and supplies - operating costs</b>	<b>351,470</b>	<b>326,815</b>	<b>-7.0%</b>	<b>351,470</b>
<b>7,714,268</b>	<b>8,160,144</b>	<b>TOTAL RUNNING COSTS</b>	<b>8,035,144</b>	<b>7,659,643</b>	<b>-4.7%</b>	<b>7,684,299</b>
		<u>Inspection equipment, maintenance, and supplies - capital costs:</u>				
1,019,173	336,713	Inspection equipment acquisition	461,713	717,947	55.5%	467,947
<b>1,019,173</b>	<b>336,713</b>	<b>Total inspection equipment, maintenance, and supplies - capital costs</b>	<b>461,713</b>	<b>717,947</b>	<b>55.5%</b>	<b>467,947</b>
<b>1,019,173</b>	<b>336,713</b>	<b>TOTAL CAPITAL COSTS</b>	<b>461,713</b>	<b>717,947</b>	<b>55.5%</b>	<b>467,947</b>
<b>8,733,441</b>	<b>8,496,857</b>	<b>TOTAL COSTS</b>	<b>8,496,857</b>	<b>8,377,590</b>	<b>-1.4%</b>	<b>8,152,245</b>

## INSPECTORATE

**Key points:**

- The Inspectorate will carry out 200 inspections during the year under Article VI of the Convention, with a particular focus on increased inspections of OCPFs.
- Sampling and analysis will continue during 2008 at 8 to 10 Schedule 2 facilities.
- In 2008 the number of inspector-days at CWDFs is expected to increase by 7% based on consultations with CW possessor States.
- Continued efforts to optimise the resourcing of individual inspection missions will help to minimise the financial impact of spending initiatives to meet programme priorities for 2008.
- Division Budget for 2008: EUR 29,293,396 (compared to EUR 29,048,819 budgeted in 2007 and EUR 27,589,712 spent in 2006).
- Staff: authorised fixed-term staffing for the Inspectorate will remain constant at 204 positions.

**Objective**

- 7.8 The Inspectorate primarily provides for inspections to verify disarmament by Member States (of chemical weapons and associated facilities) and to ensure that other chemical sites are not being used for purposes prohibited by the Convention.

**Planned levels of activity for 2008**

- 7.9 The Inspectorate leads the Secretariat's activities in relation to the OPCW's Inspections Programme. An explanation and details of objectives and activities for this programme are provided in Part II of the Programme and Budget for 2008.

**2008 financial resourcing**

- 7.10 All real variations in budgeted 2008 expenditure for the OPCW, compared to previous forward estimates, are outlined in the Programme and Budget for 2008 as spending initiatives or identified savings measures.
- 7.11 Other variations indicated in the following table are a result of revised estimates for costs of existing staff, indexation of all funding objects for price growth projected for 2008 (outlined in Part II of the Programme and Budget for 2008), and/or budget-neutral reallocations within existing resources across the OPCW to reflect the changing spending profile associated with the OPCW's activities.

**TABLE 26: INSPECTORATE - BUDGETED EXPENDITURE FOR 2008  
BY FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009 Forward Estimate
			Previous Estimate	Budget	% Var	
14,963,364	15,507,234	<u>Staffing costs:</u>				
6,322,341	6,436,940	Salaries	15,507,234	15,507,625	0.0%	15,507,625
86,122	60,484	Common staff costs	6,436,940	6,272,625	-2.6%	6,272,625
		Overtime	60,484	61,089	1.0%	61,089
<b>21,371,827</b>	<b>22,004,659</b>	<b>Total staffing costs</b>	<b>22,004,659</b>	<b>21,841,339</b>	-0.7%	<b>21,841,339</b>
		<u>Travel costs:</u>				
3,756,435	4,274,621	Travel - inspections	4,274,621	3,850,759	-9.9%	4,220,759
38,415	10,540	Travel - official meetings	10,540	9,676	-8.2%	9,676
<b>3,794,850</b>	<b>4,285,161</b>	<b>Total travel costs</b>	<b>4,285,161</b>	<b>3,860,435</b>	-9.9%	<b>4,230,435</b>
		<u>Contractual service costs:</u>				
315,448	310,145	Training	310,145	634,283	>100%	485,145
846,438	1,046,263	Translation/interpretation	1,046,263	1,274,294	21.8%	1,274,294
866,910	900,126	Inspectors	900,126	1,163,390	29.2%	1,363,390
<b>2,028,796</b>	<b>2,256,533</b>	<b>Total contractual services costs</b>	<b>2,256,533</b>	<b>3,071,967</b>	36.1%	<b>3,122,828</b>
		<u>General operating expenses:</u>				
157	2,086	Hospitality and other functions	2,086	2,128	2.0%	2,128
336,450	466,397	Cargo and shipment	466,397	450,224	-3.5%	450,224
53,429	28,160	Other general operating expenses	28,160	61,363	>100%	61,363
<b>390,036</b>	<b>496,642</b>	<b>Total general operating expenses</b>	<b>496,642</b>	<b>513,715</b>	3.4%	<b>513,715</b>
		<u>Inspection equipment, maintenance, and supplies - operating costs:</u>				
4,203	5,824	Supplies and materials	5,824	5,940	2.0%	5,940
<b>4,203</b>	<b>5,824</b>	<b>Total inspection equipment, maintenance, and supplies - operating costs</b>	<b>5,824</b>	<b>5,940</b>	2.0%	<b>5,940</b>
<b>27,589,712</b>	<b>29,048,819</b>	<b>TOTAL RUNNING COSTS</b>	<b>29,048,819</b>	<b>29,293,396</b>	0.8%	<b>29,714,258</b>
<b>27,589,712</b>	<b>29,048,819</b>	<b>TOTAL COSTS</b>	<b>29,048,819</b>	<b>29,293,396</b>	0.8%	<b>29,714,258</b>

## INTERNATIONAL COOPERATION AND ASSISTANCE DIVISION

**Key points:**

- Assistance to Member States yet to implement their national obligations under Article VII of the Convention is a major, and immediate, priority for international cooperation in 2008.
- A diverse range of programmes will be conducted during the year to provide support for capacity building, exchange of scientific and technical information, and application of chemistry in areas which are not prohibited under the Convention.
- 2008 will see the completion and implementation of a number of measures to improve assistance and protection for Member States faced with the use, or threat of use, of chemical weapons, including action to implement the outcomes from Joint Assistance 2005.
- Division Budget for 2008: EUR 5,399,001 (compared to EUR 5,184,448 budgeted in 2007 and EUR 5,093,349 spent in 2006).
- Staff: authorised fixed-term staffing for the Division will increase by one post, bringing it to a total of 18 positions.

**Objective**

- 7.12 The International Cooperation and Assistance Division provides for activities to promote the peaceful use of chemistry and facilitate national implementation measures by Member States, and to develop capacities to coordinate and deliver assistance to a Member State in the event of the use or threat of use of chemical weapons.

**Planned levels of activity for 2008**

- 7.13 The International Cooperation and Assistance Division leads the Secretariat's activities in relation to the OPCW's International Cooperation and Assistance Programme. An explanation and details of objectives and activities for this programme are provided in Part II of the Programme and Budget for 2008.

**2008 financial resourcing**

- 7.14 All real variations in budgeted 2008 expenditure for the OPCW, compared to previous forward estimates, are outlined in the Programme and Budget for 2008 as spending initiatives or identified savings measures.
- 7.15 Other variations indicated in the following table are a result of revised estimates for costs of existing staff, indexation of all funding objects for price growth projected for 2008 (outlined in Part II of the Programme and Budget for 2008), and/or budget-neutral reallocations within existing resources across the OPCW to reflect the changing spending profile associated with the OPCW's activities.

**TABLE 27: INTERNATIONAL COOPERATION AND ASSISTANCE  
DIVISION - BUDGETED EXPENDITURE FOR 2008  
BY FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009
			Previous Estimate	Budget	% Var	Forward Estimate
1,232,829	1,317,256	<u>Staffing costs:</u>				
		Salaries	1,317,256	1,395,669	6.0%	1,395,669
404,318	545,674	Common staff costs	545,674	486,263	-10.9%	486,263
10,285	6,257	Overtime	6,257	-		-
239,578	259,550	Temporary staffing	125,000	276,500	>100%	136,500
<b>1,887,010</b>	<b>2,128,737</b>	<b>Total staffing costs</b>	<b>1,994,187</b>	<b>2,158,433</b>	<b>8.2%</b>	<b>2,018,433</b>
		<u>Travel costs:</u>				
15,783	36,528	Travel - official meetings	36,528	33,533	-8.2%	33,533
<b>15,783</b>	<b>36,528</b>	<b>Total travel costs</b>	<b>36,528</b>	<b>33,533</b>	<b>-8.2%</b>	<b>33,533</b>
		<u>Contractual services costs:</u>				
7,128	19,759	Training	121,509	19,745	-83.8%	119,745
624	33,374	Translation/interpretation	33,374	34,041	2.0%	34,041
<b>7,752</b>	<b>53,133</b>	<b>Total contractual services</b>	<b>154,883</b>	<b>53,786</b>	<b>-65.3%</b>	<b>153,786</b>
		<u>Workshops, seminars, and meetings costs:</u>				
954,511	909,761	Support for National Authorities	909,761	952,975	4.8%	952,975
986,951	874,287	Capacity building	874,287	915,816	4.8%	915,816
885,100	711,655	Protective capacity	711,655	745,458	4.8%	745,458
338,431	469,322	Associate Programme	469,322	478,708	2.0%	478,708
<b>3,164,993</b>	<b>2,965,025</b>	<b>Total workshops, seminars, and meetings costs</b>	<b>2,965,025</b>	<b>3,092,958</b>	<b>4.3%</b>	<b>3,092,958</b>
		<u>General operating expenses:</u>				
3,195	1,025	Hospitality and other functions	1,025	1,046	2.0%	1,046
<b>3,195</b>	<b>1,025</b>	<b>Total general operating expenses</b>	<b>1,025</b>	<b>1,046</b>	<b>2.0%</b>	<b>1,046</b>
<b>5,078,733</b>	<b>5,184,448</b>	<b>TOTAL RUNNING COSTS</b>	<b>5,151,648</b>	<b>5,339,755</b>	<b>3.7%</b>	<b>5,299,755</b>
		<u>Furniture and equipment - capital costs:</u>				
1,880	-	Computer hardware and software	-	-		-
12,736	-	Other furniture and equipment	58,085	59,247	2.0%	59,247
<b>14,616</b>	<b>-</b>	<b>Total furniture and equipment - capital costs</b>	<b>58,085</b>	<b>59,247</b>	<b>2.0%</b>	<b>59,247</b>
<b>14,616</b>	<b>-</b>	<b>TOTAL CAPITAL COSTS</b>	<b>58,085</b>	<b>59,247</b>	<b>2.0%</b>	<b>59,247</b>
<b>5,093,349</b>	<b>5,184,448</b>	<b>TOTAL COSTS</b>	<b>5,209,733</b>	<b>5,399,001</b>	<b>3.6%</b>	<b>5,359,001</b>

## SECRETARIAT FOR THE POLICY-MAKING ORGANS

**Key points:**

- Support will be provided during 2008 to three sessions and two meetings of the Council, and one regular session of the Conference and the Second Review Conference (language support will also be provided during 2008 to one meeting of the Confidentiality Commission and one meeting of the Scientific Advisory Board).
- Support for Policy-Making Organs will include preparation of agendas, reports, and venues for meetings, and editing, translation, reproduction, and distribution of formal documents as well as the provision of interpretation for meetings.
- Division Budget for 2008: EUR 5,240,426 (compared to EUR 4,510,172 budgeted in 2007 and EUR 4,393,507 spent in 2006), but this figure includes costs associated with the Second Review Conference.
- Staff: authorised fixed-term staffing for the Division will remain constant at 38 positions.

**Objective**

- 7.16 The Secretariat for the Policy-Making Organs facilitates meetings and wider consultations between Member States and with the OPCW's Secretariat, including coordination of the preparation of formal documents and their translation, and interpretation of formal meetings.

**Planned levels of activity for 2008**

- 7.17 The Secretariat for the Policy-Making Organs leads the Secretariat's activities in relation to the OPCW's Programme to provide Support for Policy-Making Organs. An explanation and details of objectives and activities for this programme are provided in Part II of the Programme and Budget for 2008.

**2008 financial resourcing**

- 7.18 All real variations in budgeted 2008 expenditure for the OPCW, compared to previous forward estimates, are outlined in the Programme and Budget for 2008 as spending initiatives or identified savings measures.
- 7.19 Other variations indicated in the following table are a result of revised estimates for costs of existing staff, indexation of all funding objects for price growth projected for 2008 (outlined in Part II of the Programme and Budget for 2008), and/or budget-neutral reallocations within existing resources across the OPCW to reflect the changing spending profile associated with the OPCW's activities.

**TABLE 28: SECRETARIAT FOR THE POLICY-MAKING ORGANS -  
BUDGETED EXPENDITURE FOR 2008 BY FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009 Forward Estimate
			Previous Estimate	Budget	% Var	
		<u>Staffing costs:</u>				
2,334,069	2,467,738	Salaries	2,467,738	2,473,422	0.2%	2,473,422
794,743	863,523	Common staff costs	863,523	882,660	2.2%	882,660
19,200	29,199	Overtime	29,199	19,817	-32.1%	19,817
144,612	149,000	Temporary staffing	149,000	161,446	8.4%	149,000
<b>3,292,624</b>	<b>3,509,460</b>	<b>Total staffing costs</b>	<b>3,509,460</b>	<b>3,537,346</b>	<b>0.8%</b>	<b>3,524,900</b>
		<u>Travel costs:</u>				
3,651	8,026	Travel - official meetings	8,026	7,368	-8.2%	7,368
<b>3,651</b>	<b>8,026</b>	<b>Total travel costs</b>	<b>8,026</b>	<b>7,368</b>	<b>-8.2%</b>	<b>7,368</b>
		<u>Contractual services costs:</u>				
	37,016	Training	37,016	33,314	-10.0%	33,314
333,535	356,177	Translation/interpretation	356,177	645,150	81.1%	370,150
<b>333,535</b>	<b>393,193</b>	<b>Total contractual services</b>	<b>393,193</b>	<b>678,464</b>	<b>72.6%</b>	<b>403,464</b>
		<u>General operating expenses:</u>				
232,595	234,517	Rental of premises	234,517	646,191	>100%	242,191
530,412	363,952	Rental of equipment	363,952	370,012	1.7%	370,012
690	1,025	Hospitality and other functions	1,025	1,046	2.0%	1,046
<b>763,697</b>	<b>599,494</b>	<b>Total general operating expenses</b>	<b>599,494</b>	<b>1,017,249</b>	<b>69.7%</b>	<b>613,249</b>
<b>4,393,507</b>	<b>4,510,172</b>	<b>TOTAL RUNNING COSTS</b>	<b>4,510,172</b>	<b>5,240,426</b>	<b>16.2%</b>	<b>4,548,980</b>
<b>4,393,507</b>	<b>4,510,172</b>	<b>TOTAL COSTS</b>	<b>4,510,172</b>	<b>5,240,426</b>	<b>16.2%</b>	<b>4,548,980</b>

## EXTERNAL RELATIONS DIVISION

**Key points:**

- Efforts will continue during the year to pursue universal membership of the OPCW, with activities becoming increasingly targeted towards States less willing to join the Convention.
- The OPCW internet website will undergo a major overhaul to update technology and ensure accessibility by interested parties.
- Division Budget for 2008: EUR 1,830,980 (compared to EUR 1,905,060 budgeted in 2007 and EUR 1,804,920 spent in 2006).
- Staff: authorised fixed-term staffing for the Division will remain constant at 18 positions.

**Objective**

- 7.20 The External Relations Division aims to enhance support for, and cooperation with, the OPCW in implementing the Convention and to increase the international level of involvement in the OPCW's activities and events.

**Planned levels of activity for 2008**

- 7.21 The External Relations Division leads the Secretariat's activities in relation to the OPCW's External Relations Programme. An explanation and details of objectives and activities for this programme are provided in Part II of the Programme and Budget for 2008.

**2008 financial resourcing**

- 7.22 All real variations in budgeted 2008 expenditure for the OPCW, compared to previous forward estimates, are outlined in the Programme and Budget for 2008 as spending initiatives or identified savings measures.
- 7.23 Other variations indicated in the following table are a result of revised estimates for costs of existing staff, indexation of all funding objects for price growth projected for 2008 (outlined in Part II of the Programme and Budget for 2008), and/or budget-neutral reallocations within existing resources across the OPCW to reflect the changing spending profile associated with the OPCW's activities.

**TABLE 29: EXTERNAL RELATIONS DIVISION - BUDGETED EXPENDITURE FOR 2008 BY FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009
			Previous Estimate	Budget	% Var	Forward Estimate
		<u>Staffing costs:</u>				
1,139,557	1,177,919	Salaries	1,177,919	1,204,815	2.3%	1,204,815
319,066	430,188	Common staff costs	430,188	369,562	-14.1%	369,562
4,975	5,215	Overtime	5,215	-	-100.0%	-
<b>1,463,598</b>	<b>1,613,322</b>	<b>Total staffing costs</b>	<b>1,613,322</b>	<b>1,574,377</b>	<b>-2.4%</b>	<b>1,574,377</b>
		<u>Travel costs:</u>				
89,532	60,880	Travel - official meetings	60,880	55,888	-8.2%	55,888
12,638	1,502	Other travel costs	1,502	1,532	2.0%	1,532
<b>102,170</b>	<b>62,382</b>	<b>Total travel costs</b>	<b>62,382</b>	<b>57,419</b>	<b>-8.0%</b>	<b>57,419</b>
		<u>Contractual services costs:</u>				
	17,669	Training	17,669	15,902	-10.0%	15,902
85,890	72,463	Other contractual services	72,463	66,773	-7.9%	66,773
<b>85,890</b>	<b>90,132</b>	<b>Total contractual services costs</b>	<b>90,132</b>	<b>82,674</b>	<b>-8.3%</b>	<b>82,674</b>
		<u>Workshops, seminars, and meetings costs:</u>				
94,922	81,862	Other workshops, seminars, and meetings	81,862	73,299	-10.5%	73,299
<b>94,922</b>	<b>81,862</b>	<b>Total workshops, seminars, and meetings costs</b>	<b>81,862</b>	<b>73,299</b>	<b>-10.5%</b>	<b>73,299</b>
		<u>General operating expenses:</u>				
58,340	57,362	Hospitality and other functions	57,362	43,209	-24.7%	43,209
<b>58,340</b>	<b>57,362</b>	<b>Total general operating expenses</b>	<b>57,362</b>	<b>43,209</b>	<b>-24.7%</b>	<b>43,209</b>
<b>1,804,920</b>	<b>1,905,060</b>	<b>TOTAL RUNNING COSTS</b>	<b>1,905,060</b>	<b>1,830,980</b>	<b>-3.9%</b>	<b>1,830,980</b>
<b>1,804,920</b>	<b>1,905,060</b>	<b>TOTAL COSTS</b>	<b>1,905,060</b>	<b>1,830,980</b>	<b>-3.9%</b>	<b>1,830,980</b>

## OFFICE OF THE DIRECTOR-GENERAL

### Objective

- 7.24 The Director-General is responsible for the overall performance of the Secretariat, including its delivery of objectives expected of the Secretariat by the OPCW (results for programme and underlying activities of the Secretariat outlined throughout the Programme and Budget for 2008).

### 2008 financial resourcing

- 7.25 All real variations in budgeted 2008 expenditure for the OPCW, compared to previous forward estimates, are outlined in the Programme and Budget for 2008 as spending initiatives or identified savings measures.
- 7.26 Other variations indicated in the following table are a result of revised estimates for costs of existing staff, indexation of all funding objects for price growth projected for 2008 (outlined in Part II of the Programme and Budget for 2008), and/or budget-neutral reallocations within existing resources across the OPCW to reflect the changing spending profile associated with the OPCW's activities.

**TABLE 30: OFFICE OF THE DIRECTOR-GENERAL - BUDGETED EXPENDITURE FOR 2008 BY FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009 Forward Estimate
			Previous Estimate	Budget	% Var	
		<u>Staffing costs:</u>				
383,800	387,339	Salaries	387,339	412,346	6.5%	412,346
273,740	164,929	Common staff costs	164,929	184,018	11.6%	184,018
13,152	31,285	Overtime	31,285	16,448	-47.4%	16,448
121,419	101,000	Consultants	101,000	103,020	2.0%	103,020
49,914	48,000	Temporary staffing	48,000	96,500	>100%	96,500
12,500	26,071	Other staff costs	26,071	26,593	2.0%	26,593
<b>854,525</b>	<b>758,624</b>	<b>Total staffing costs</b>	<b>758,624</b>	<b>838,924</b>	10.6%	<b>838,924</b>
		<u>Travel costs:</u>				
192,495	157,272	Travel - official meetings	157,272	144,376	-8.2%	144,376
<b>192,495</b>	<b>157,272</b>	<b>Total travel costs</b>	<b>157,272</b>	<b>144,376</b>	-8.2%	<b>144,376</b>
		<u>Contractual services costs:</u>				
-	5,810	Training	5,810	5,229	-10.0%	5,229
54,068	55,029	Other contractual services	55,029	56,130	2.0%	56,130
<b>54,068</b>	<b>60,839</b>	<b>Total contractual services costs</b>	<b>60,839</b>	<b>61,359</b>	0.9%	<b>61,359</b>
		<u>General operating expenses:</u>				
7,955	17,209	Hospitality and other functions	17,209	9,393	-45.4%	9,393
<b>7,955</b>	<b>17,209</b>	<b>Total general operating expenses</b>	<b>17,209</b>	<b>9,393</b>	-45.4%	<b>9,393</b>
<b>1,109,043</b>	<b>993,944</b>	<b>TOTAL RUNNING COSTS</b>	<b>993,944</b>	<b>1,054,051</b>	6.0%	<b>1,054,051</b>
<b>1,109,043</b>	<b>993,944</b>	<b>TOTAL COSTS</b>	<b>993,944</b>	<b>1,054,051</b>	6.0%	<b>1,054,051</b>

**OFFICE OF THE DEPUTY DIRECTOR-GENERAL****Objective**

7.27 The Office of the Deputy Director-General supports the Director-General in providing leadership and exercising responsibility for the overall performance of the Secretariat, including its delivery of objectives expected of the Secretariat by the OPCW (results for programmes and underlying activities of the Secretariat outlined throughout the Programme and Budget for 2008).

**2008 financial resourcing**

7.28 All real variations in budgeted 2008 expenditure for the OPCW, compared to previous forward estimates, are outlined in the Programme and Budget for 2008 as spending initiatives or identified savings measures.

7.29 Other variations indicated in the following table are a result of revised estimates for costs of existing staff, indexation of all funding objects for price growth projected for 2008 (outlined in Part II of the Programme and Budget for 2008), and/or budget-neutral reallocations within existing resources throughout the OPCW to reflect the changing spending profile associated with the OPCW's activities.

**TABLE 31: OFFICE OF THE DEPUTY DIRECTOR-GENERAL - BUDGETED EXPENDITURE FOR 2008 BY FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009 Forward Estimate
			Previous Estimate	Budget	% Var	
362,574	424,403	<u>Staffing costs:</u> Salaries	424,403	435,803	2.7%	435,803
100,190	130,573	Common staff costs	130,573	120,464	-7.7%	120,464
349	5,215	Overtime	5,215	-	-100.0%	-
<b>463,113</b>	<b>560,191</b>	<b>Total staffing costs</b>	<b>560,191</b>	<b>556,267</b>	-0.7%	<b>556,267</b>
		<u>Travel costs:</u> Travel - official meetings	55,866	51,285	-8.2%	51,285
<b>63,946</b>	<b>55,866</b>	<b>Total travel costs</b>	<b>55,866</b>	<b>51,285</b>	-8.2%	<b>51,285</b>
		<u>Contractual services costs:</u> Training	6,366	5,729	-10.0%	5,729
-	<b>6,366</b>	<b>Total contractual services costs</b>	<b>6,366</b>	<b>5,729</b>	-10.0%	<b>5,729</b>
<b>527,059</b>	<b>622,423</b>	<b>TOTAL RUNNING COSTS</b>	<b>622,423</b>	<b>613,281</b>	-1.5%	<b>613,281</b>
<b>527,059</b>	<b>622,423</b>	<b>TOTAL COSTS</b>	<b>622,423</b>	<b>613,281</b>	-1.5%	<b>613,281</b>

## OFFICE OF INTERNAL OVERSIGHT

**Key points:**

- The OIO plans to issue 12 internal reports during the year.
- Maintenance of the accreditation for specific activities, in both the OPCW Lab and the OIO during the year.
- Office Budget for 2008: EUR 841,126 (compared to EUR 857,249 budgeted in 2007 and EUR 817,899 spent in 2006).
- Staff: authorised fixed-term staffing for the Office will remain constant at 8 positions.

**Objective**

- 7.30 The Office of Internal Oversight is responsible for providing Member States and the Director-General with reasonable assurance that financial, confidentiality and security controls within the Secretariat are sound, effective, and observed.

**Planned levels of activity for 2008**

- 7.31 The Office of Internal Oversight supports the Director-General and the OPCW's policy-making organs in contributing to the OPCW's Executive Management Programme. Explanation and details of objectives and activities for this programme are provided in Part II and Appendix 7 of the Programme and Budget for 2008.

**2008 financial resourcing**

- 7.32 All real variations in budgeted 2008 expenditure for the OPCW, compared to previous forward estimates, are outlined in the Programme and Budget for 2008 as spending initiatives or identified savings measures.
- 7.33 Other variations indicated in the following table are a result of revised estimates for costs of existing staff, indexation of all funding objects for price growth projected for 2008 (outlined in Part II of the Programme and Budget for 2008), and/or budget-neutral reallocations within existing resources across the OPCW to reflect the changing spending profile associated with the OPCW's activities.

**TABLE 32: OFFICE OF INTERNAL OVERSIGHT - BUDGETED EXPENDITURE FOR 2008 BY FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009 Forward Estimate
			Previous Estimate	Budget	% Var	
		<u>Staffing costs:</u>				
581,257	579,804	Salaries	579,804	591,251	2.0%	591,251
216,147	239,119	Common staff costs	239,119	215,482	-9.9%	215,482
<b>797,404</b>	<b>818,923</b>	<b>Total staffing costs</b>	<b>818,923</b>	<b>806,733</b>	-1.5%	<b>806,733</b>
		<u>Travel costs:</u>				
9,450	14,006	Travel - official meetings	14,006	12,857	-8.2%	12,857
<b>9,450</b>	<b>14,006</b>	<b>Total travel costs</b>	<b>14,006</b>	<b>12,857</b>	-8.2%	<b>12,857</b>
		<u>Contractual services costs:</u>				
-	8,697	Training	8,697	9,480	9.0%	9,480
11,045	15,623	Other contractual services	15,623	12,057	-22.8%	12,057
<b>11,045</b>	<b>24,320</b>	<b>Total contractual services costs</b>	<b>24,320</b>	<b>21,536</b>	-11.4%	<b>21,536</b>
<b>817,899</b>	<b>857,249</b>	<b>TOTAL RUNNING COSTS</b>	<b>857,249</b>	<b>841,126</b>	-1.9%	<b>841,126</b>
<b>817,899</b>	<b>857,249</b>	<b>TOTAL COSTS</b>	<b>857,249</b>	<b>841,126</b>	-1.9%	<b>841,126</b>

## OFFICE OF THE LEGAL ADVISER

**Key points:**

- The Office of the Legal Adviser will continue to play a key role during the year in assisting Member States in the implementation of national obligations under Article VII of the Convention.
- The increased realisation during 2008 of bilateral agreements prepared under Article X of the Convention will require support from the Legal Adviser in the development of agreements.
- Office Budget for 2008: EUR 1,196,156 (compared to EUR 1,147,308 budgeted in 2007 and EUR 1,110,195 spent in 2006).
- Staff: authorised fixed-term staffing for the Office will remain constant at 9 positions.

**Objective**

- 7.34 The Office of the Legal Adviser is responsible for providing the OPCW and the Director-General with timely, relevant, and reliable support on legal matters.

**Planned levels of activity for 2008**

- 7.35 The Office of the Legal Adviser contributes to the Secretariat's activities in relation to the OPCW's Executive Management Programme. An explanation and details of objectives and activities for this programme are provided in Part II and Appendix 7 of the Programme and Budget for 2008.

**2008 financial resourcing**

- 7.36 All real variations in budgeted 2008 expenditure for the OPCW, compared to previous forward estimates, are outlined in the Programme and Budget for 2008 as spending initiatives or identified savings measures.
- 7.37 Other variations indicated in the following table are a result of revised estimates for costs of existing staff, indexation of all funding objects for price growth projected for 2008 (outlined in Part II of the Programme and Budget for 2008), and/or budget-neutral reallocations within existing resources across the OPCW to reflect the changing spending profile associated with the OPCW's activities.

**TABLE 33: OFFICE OF THE LEGAL ADVISER - BUDGETED EXPENDITURE FOR 2008 BY FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009 Forward Estimate
			Previous Estimate	Budget	% Var	
		<u>Staffing costs:</u>				
725,128	718,587	Salaries	718,587	724,459	0.8%	724,459
340,469	317,930	Common staff costs	317,930	351,222	10.5%	351,222
-	-	Temporary staffing	-	56,500		56,500
<b>1,065,597</b>	<b>1,036,517</b>	<b>Total staffing costs</b>	<b>1,036,517</b>	<b>1,132,181</b>	9.2%	<b>1,132,181</b>
		<u>Travel costs:</u>				
15,186	18,012	Travel – official meetings	18,012	16,535	-8.2%	16,535
<b>15,186</b>	<b>18,012</b>	<b>Total travel costs</b>	<b>18,012</b>	<b>16,535</b>	-8.2%	<b>16,535</b>
		<u>Contractual services costs:</u>				
-	10,779	Training	10,779	9,701	-10.0%	9,701
29,412	82,000	Other contractual services	82,000	37,740	-54.0%	37,740
<b>29,412</b>	<b>92,779</b>	<b>Total contractual services</b>	<b>92,779</b>	<b>47,441</b>	-48.9%	<b>47,441</b>
<b>1,110,195</b>	<b>1,147,308</b>	<b>TOTAL RUNNING COSTS</b>	<b>1,147,308</b>	<b>1,196,156</b>	4.3%	<b>1,196,156</b>
<b>1,110,195</b>	<b>1,147,308</b>	<b>TOTAL COSTS</b>	<b>1,147,308</b>	<b>1,196,156</b>	4.3%	<b>1,196,156</b>

## OFFICE OF SPECIAL PROJECTS

### Key points:

- During 2008, the Office of Special Projects will continue to coordinate the Secretariat's support for the OPCW's contribution to the fight against terrorism.
- The Office of Special Projects will play a role in the OPCW's involvement in global efforts in the sphere of non-proliferation of weapons of mass destruction.
- The Office of Special Projects will also support Member States' consideration of an OPCW Office in Africa.
- Office Budget for 2008: EUR 316,222 (compared to EUR 325,375 budgeted in 2007 and EUR 320,597 spent in 2006).
- Staff: authorised fixed-term staffing for the Office will remain constant at 2 positions.

### Objective

- 7.38 The Office of Special Projects is responsible for coordinating with all relevant units of the Secretariat to enhance the contribution of the OPCW to global anti-terrorism efforts and global efforts aimed at ensuring non-proliferation of weapons of mass destruction.

### Planned levels of activity for 2008

- 7.39 The Office of Special Projects contributes to the Secretariat's activities in relation to the OPCW's Executive Management Programme. An explanation and details of objectives and activities for this programme are provided in Part II and Appendix 7 of the Programme and Budget for 2008.

### 2008 financial resourcing

- 7.40 All real variations in budgeted 2008 expenditure for the OPCW, compared to previous forward estimates, are outlined in the Programme and Budget for 2008 as spending initiatives or identified savings measures.
- 7.41 Other variations indicated in the following table are a result of revised estimates for costs of existing staff, indexation of all funding objects for price growth projected for 2008 (outlined in Part II of the Programme and Budget for 2008), and/or budget-neutral reallocations within existing resources across the OPCW to reflect the changing spending profile associated with the OPCW's activities.

**TABLE 34: OFFICE OF SPECIAL PROJECTS - BUDGETED  
EXPENDITURE FOR 2008 BY FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009
			Previous Estimate	Budget	% Var	Forward Estimate
		<u>Staffing costs:</u>				
149,444	164,965	Salaries	164,965	167,364	1.5%	167,364
54,375	50,491	Common staff costs	50,491	50,535	0.1%	50,535
2,375	1,564	Overtime	1,564	-	-100.0%	-
86,174	82,543	Temporary staffing	82,543	84,194	2.0%	84,194
<b>292,368</b>	<b>299,564</b>	<b>Total staffing costs</b>	<b>299,564</b>	<b>302,093</b>	<b>0.8%</b>	<b>302,093</b>
		<u>Travel costs:</u>				
28,229	23,337	Travel – official meetings	23,337	11,902	-49.0%	11,902
<b>28,229</b>	<b>23,337</b>	<b>Total travel costs</b>	<b>23,337</b>	<b>11,902</b>	<b>-49.0%</b>	<b>11,902</b>
		<u>Contractual services costs:</u>				
-	2,474	Training	2,474	2,227	-10.0%	2,227
-	<b>2,474</b>	<b>Total contractual services costs</b>	<b>2,474</b>	<b>2,227</b>	<b>-10.0%</b>	<b>2,227</b>
<b>320,597</b>	<b>325,375</b>	<b>TOTAL RUNNING COSTS</b>	<b>325,375</b>	<b>316,222</b>	<b>-2.8%</b>	<b>316,222</b>
<b>320,597</b>	<b>325,375</b>	<b>TOTAL COSTS</b>	<b>325,375</b>	<b>316,222</b>	<b>-2.8%</b>	<b>316,222</b>

## OFFICE OF CONFIDENTIALITY AND SECURITY

### Key points:

- With regard to information security, OCS-lead efforts to implement an ISO 17799-based Information Security Management System, to include initiatives tied to Business Continuity Planning and new security auditing/logging capabilities, will continue in 2008.
- Initiatives in recent years to replace and upgrade the OPCW's physical security environment will be followed in 2008 with an added focus on training and proficiency, as well as implementation of a robust equipment maintenance and replacement programme.
- Office Budget for 2008: EUR 2,621,821 (compared to EUR 2,523,614 budgeted in 2007 and EUR 2,370,629 spent in 2006).
- Staff: authorised fixed-term staffing for the Office of Confidentiality and Security will remain constant at 37 positions.

### Objective

- 7.42 The Office of Confidentiality and Security is responsible for safeguarding the confidentiality of the information handled by the Secretariat and ensuring security at OPCW premises, as well as for properly preparing staff members on official travel for potential security threats.

### Planned levels of activity for 2008

- 7.43 The Office of Confidentiality and Security contributes to the Secretariat's activities in relation to the OPCW's Executive Management Programme. An explanation and details of objectives and activities for this programme are provided in Part II and Appendix 7 of the Programme and Budget for 2008.

### 2008 financial resourcing

- 7.44 All real variations in budgeted 2008 expenditure for the OPCW, compared to previous forward estimates, are outlined in the Programme and Budget for 2008 as spending initiatives or identified savings measures.
- 7.45 Other variations indicated in the following table are a result of revised estimates for costs of existing staff, indexation of all funding objects for price growth projected for 2008 (outlined in Part II of the Programme and Budget for 2008), and/or budget-neutral reallocations within existing resources across the OPCW to reflect the changing spending profile associated with the OPCW's activities.

**TABLE 35: OFFICE OF CONFIDENTIALITY AND SECURITY -  
BUDGETED EXPENDITURE FOR 2008 BY FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009
			Previous Estimate	Budget	% Var	Forward Estimate
1,503,696	1,648,314	<u>Staffing costs:</u> Salaries	1,648,314	1,679,951	1.9%	1,679,951
514,095	587,772	Common staff costs	587,772	593,217	0.9%	593,217
81,191	41,713	Overtime	41,713	82,530	97.9%	82,530
<b>2,098,982</b>	<b>2,277,799</b>	<b>Total staffing costs</b>	<b>2,277,799</b>	<b>2,355,699</b>	3.4%	<b>2,355,699</b>
		<u>Travel costs:</u> Travel - official meetings	43,662	40,082	-8.2%	40,082
39,567	43,662	<b>Total travel costs</b>	<b>43,662</b>	<b>40,082</b>	-8.2%	<b>40,082</b>
		<u>Contractual services costs:</u> Training	24,725	22,252	-10.0%	22,252
-	24,725	Security	76,581	134,508	75.6%	79,218
73,887	76,581	<b>Total contractual services costs</b>	<b>101,306</b>	<b>156,760</b>	54.7%	<b>101,470</b>
		<u>General operating expenses:</u> Rental of equipment	5,141	5,243	2.0%	5,243
1,318	5,141	Maintenance of equipment	32,781	33,436	2.0%	33,436
31,644	32,781	Supplies and materials	15,191	-	-100.0%	15,191
11,898	15,191	<b>Total general operating expenses</b>	<b>53,113</b>	<b>38,680</b>	-27.2%	<b>53,871</b>
<b>44,860</b>	<b>53,113</b>	<b>TOTAL RUNNING COSTS</b>	<b>2,475,879</b>	<b>2,591,221</b>	4.7%	<b>2,551,122</b>
		<u>Furniture and equipment - capital costs:</u> Other furniture and equipment	47,735	30,600	-35.9%	47,735
113,333	47,735	<b>Total furniture and equipment - capital costs</b>	<b>47,735</b>	<b>30,600</b>	-35.9%	<b>47,735</b>
<b>113,333</b>	<b>47,735</b>	<b>TOTAL CAPITAL COSTS</b>	<b>47,735</b>	<b>30,600</b>	-35.9%	<b>47,735</b>
<b>2,370,629</b>	<b>2,523,614</b>	<b>TOTAL COSTS</b>	<b>2,523,614</b>	<b>2,621,821</b>	3.9%	<b>2,598,857</b>

## HEALTH AND SAFETY BRANCH

### Key points:

- 2008 will see a continued high tempo of support for health and safety requirements in the Secretariat, including training and induction of new staff as a result of staff turnover and increasing inspection support requirements.
- Increased costs related to turnover and workload has been compensated by efficiencies in the use of external medical and pharmaceutical services, resulting in a zero growth budget for non-staff expenses.
- Branch Budget for 2008: EUR 898,487 (compared to EUR 923,034 budgeted in 2007 and EUR 753,141 spent in 2006).
- Staff: authorised fixed-term staffing for the Branch will remain constant at 9 positions.

### Objective

- 7.46 The Health and Safety Branch is responsible for ensuring that health and safety standards relating to the OPCW's activities are set and met.

### Planned levels of activity for 2008

- 7.47 The Health and Safety Branch contributes to the Secretariat's activities in relation to the OPCW's Executive Management Programme. An explanation and details of objectives and activities for this programme are provided in Part II and Appendix 7 of the Programme and Budget for 2008.

### 2008 financial resourcing

- 7.48 All real variations in budgeted 2008 expenditure for the OPCW, compared to previous forward estimates, are outlined in the Programme and Budget for 2008 as spending initiatives or identified savings measures.
- 7.49 Other variations indicated in the following table are a result of revised estimates for costs of existing staff, indexation of all funding objects for price growth projected for 2008 (outlined in Part II of the Programme and Budget for 2008), and/or budget-neutral reallocations within existing resources across the OPCW to reflect the changing spending profile associated with the OPCW's activities.

**TABLE 36: HEALTH AND SAFETY BRANCH - BUDGETED EXPENDITURE FOR 2008 BY FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009 Forward Estimate
			Previous Estimate	Budget	% Var	
		<u>Staffing costs:</u>				
517,190	616,082	Salaries	616,082	620,415	0.7%	620,415
140,797	212,169	Common staff costs	212,169	184,043	-13.3%	184,043
<b>657,987</b>	<b>828,251</b>	<b>Total staffing costs</b>	<b>828,251</b>	<b>804,459</b>	-2.9%	<b>804,459</b>
		<u>Travel costs:</u>				
9,471	8,952	Travel - official meetings	8,952	8,218	-8.2%	8,218
<b>9,471</b>	<b>8,952</b>	<b>Total travel costs</b>	<b>8,952</b>	<b>8,218</b>	-8.2%	<b>8,218</b>
		<u>Contractual services costs:</u>				
21,370	9,241	Training	9,241	12,789	38.4%	12,789
32,115	45,062	Other contractual services	45,062	40,864	-9.3%	40,864
<b>53,485</b>	<b>54,304</b>	<b>Total contractual services costs</b>	<b>54,304</b>	<b>53,652</b>	-1.2%	<b>53,652</b>
		<u>General operating expenses:</u>				
2,361	7,359	Maintenance of equipment	7,359	7,507	2.0%	7,507
23,924	21,400	Supplies and materials	21,400	21,828	2.0%	21,828
<b>26,285</b>	<b>28,759</b>	<b>Total general operating expenses</b>	<b>28,759</b>	<b>29,335</b>	2.0%	<b>29,335</b>
<b>747,228</b>	<b>920,266</b>	<b>TOTAL RUNNING COSTS</b>	<b>920,266</b>	<b>895,664</b>	-2.7%	<b>895,664</b>
		<u>Furniture and equipment - capital costs:</u>				
5,913	2,768	Other furniture and equipment	2,768	2,823	2.0%	2,823
<b>5,913</b>	<b>2,768</b>	<b>Total furniture and equipment - capital costs</b>	<b>2,768</b>	<b>2,823</b>	2.0%	<b>2,823</b>
<b>5,913</b>	<b>2,768</b>	<b>TOTAL CAPITAL COSTS</b>	<b>2,768</b>	<b>2,823</b>	2.0%	<b>2,823</b>
<b>753,141</b>	<b>923,034</b>	<b>TOTAL COSTS</b>	<b>923,034</b>	<b>898,487</b>	-2.7%	<b>898,487</b>

## ADMINISTRATION DIVISION

**Key points:**

- The Administration Division will continue to support the implementation of the limited tenure policy for the Secretariat's staff.
- Efforts will continue to improve the Secretariat's focus on planning and managing for "results".
- Measures will be introduced during 2008 to better support procurement in the Secretariat, including for travel requirements.
- Division Budget for 2008: EUR 17,343,196 (compared to EUR 18,487,448 budgeted in 2007 and EUR 17,911,413 spent in 2006).
- Staff: authorised fixed-term staffing for the Division will increase by one post to 96 positions.

**Objective**

- 7.50 The Administration Division comprises a number of diverse units involved in the provision of support services important to governance and ongoing activities across the Secretariat.

**Planned levels of activity for 2008**

- 7.51 The Administration Division contributes to the Secretariat's operations and governance through activities in relation to the OPCW's Administration Programme. An explanation and details of objectives and activities for this programme, including for each of its various components, are provided in Part II and Appendix 8 of the Programme and Budget for 2008.

**2008 financial resourcing**

- 7.52 All real variations in budgeted 2008 expenditure for the OPCW, compared to previous forward estimates, are outlined in the Programme and Budget for 2008 as spending initiatives or identified savings measures.
- 7.53 Other variations indicated in the following table are a result of revised estimates for costs of existing staff, indexation of all funding objects for price growth projected for 2008 (outlined in Part II of the Programme and Budget for 2008), and/or budget-neutral reallocations within existing resources across the OPCW to reflect the changing spending profile associated with the OPCW's activities.

**TABLE 37: ADMINISTRATION DIVISION – BUDGETED EXPENDITURE  
FOR 2008 BY FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009
			Previous Estimate	Budget	% Var	Forward Estimate
		<u>Staffing costs:</u>				
4,886,629	5,272,492	Salaries	5,272,492	5,202,829	-1.3%	5,202,829
1,437,155	1,954,890	Common staff costs	1,954,890	1,647,205	-15.7%	1,647,205
3,637,994	3,483,374	Staff turnover	3,483,374	3,600,000	3.3%	3,600,000
85,301	105,326	Overtime	105,326	50,500	-52.1%	50,500
126,999	101,000	Consultants	101,000	-	-100.0%	-
522,806	445,246	Temporary staffing	445,246	387,099	-12.6%	387,099
330,138	280,578	Other staffing costs	280,578	286,190	2.0%	286,190
<b>11,027,022</b>	<b>11,642,906</b>	<b>Total staffing costs</b>	<b>11,642,906</b>	<b>11,173,822</b>	<b>-4.0%</b>	<b>11,173,822</b>
		<u>Travel costs:</u>				
30,136	20,294	Travel – official meetings	20,294	18,630	-8.2%	18,630
<b>30,136</b>	<b>20,294</b>	<b>Total travel costs</b>	<b>20,294</b>	<b>18,630</b>	<b>-8.2%</b>	<b>18,630</b>
		<u>Contractual services costs:</u>				
465,542	79,087	Training	79,087	97,764	23.6%	114,171
324,331	347,788	Data processing services	347,788	227,244	-34.7%	347,788
60,603	212,596	Other contractual services	212,596	149,817	-29.5%	206,002
<b>850,476</b>	<b>639,472</b>	<b>Total contractual services</b>	<b>639,472</b>	<b>474,826</b>	<b>-25.7%</b>	<b>667,961</b>
		<u>General operating expenses:</u>				
3,127,813	3,187,009	Rental of premises	3,187,009	3,193,475	0.2%	3,193,475
1,038,536	1,156,215	Maintenance and utilities	1,156,215	1,118,139	-3.3%	1,118,139
8,018	2,607	Rental of equipment	2,607	2,659	2.0%	2,659
46,099	50,579	Maintenance of equipment	50,579	51,591	2.0%	51,591
465,321	566,990	Communications	566,990	573,230	1.1%	573,230
4,127	4,589	Hospitality and other functions	4,589	4,681	2.0%	4,681
127,003	127,774	Insurance	127,774	125,230	-2.0%	125,230
360,987	347,064	Supplies and materials	347,064	258,126	-25.6%	348,198
68,622	47,958	Other general operating expenses	47,958	48,917	2.0%	48,917
<b>5,246,526</b>	<b>5,490,786</b>	<b>Total general operating expenses</b>	<b>5,490,786</b>	<b>5,376,048</b>	<b>-2.1%</b>	<b>5,466,120</b>
		<u>Furniture and equipment – operating costs:</u>				
7,040	5,004	Office furniture and equipment	5,004	5,104	2.0%	5,104
42,953	199,875	Computer hardware and software	199,875	122,273	-38.8%	199,875
<b>49,993</b>	<b>204,879</b>	<b>Total furniture and equipment – operating costs</b>	<b>204,879</b>	<b>127,377</b>	<b>-37.8%</b>	<b>204,979</b>
<b>17,204,153</b>	<b>17,998,337</b>	<b>TOTAL RUNNING COSTS</b>	<b>17,998,337</b>	<b>17,170,702</b>	<b>-4.6%</b>	<b>17,531,512</b>
		<u>Furniture and equipment – capital costs:</u>				
135,758	166,237	Office furniture and equipment	166,237	87,961	-47.1%	166,237
571,502	322,875	Computer hardware and software	322,875	84,533	-73.8%	322,875
<b>707,260</b>	<b>489,112</b>	<b>Total furniture and equipment – capital costs</b>	<b>489,112</b>	<b>172,494</b>	<b>-64.7%</b>	<b>489,112</b>
<b>707,260</b>	<b>489,112</b>	<b>TOTAL CAPITAL COSTS</b>	<b>489,112</b>	<b>172,494</b>	<b>-64.7%</b>	<b>489,112</b>
<b>17,911,413</b>	<b>18,487,448</b>	<b>TOTAL COSTS</b>	<b>18,487,448</b>	<b>17,343,196</b>	<b>-6.2%</b>	<b>18,020,624</b>

**TABLE 38: OFFICE OF THE DIRECTOR OF ADMINISTRATION – BUDGETED EXPENDITURE FOR 2008 BY FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009
			Previous Estimate	Budget	% Var	Forward Estimate
		<u>Staffing costs:</u>				
262,723	283,124	Salaries	283,124	258,817	-8.6%	258,817
74,908	117,858	Common staff costs	117,858	85,696	-27.3%	85,696
-	1,043	Overtime	1,043	-	-100.0%	-
126,999	101,000	Consultants	101,000	-	-100.0%	-
<b>464,630</b>	<b>503,025</b>	<b>Total staffing costs</b>	<b>503,025</b>	<b>344,513</b>	<b>-31.5%</b>	<b>344,513</b>
		<u>Travel costs:</u>				
30,136	20,294	Travel – official meetings	20,294	18,630	-8.2%	18,630
<b>30,136</b>	<b>20,294</b>	<b>Total travel costs</b>	<b>20,294</b>	<b>18,630</b>	<b>-8.2%</b>	<b>18,630</b>
		<u>Contractual services costs:</u>				
-	4,247	Training	4,247	3,822	-10.0%	3,822
<b>-</b>	<b>4,247</b>	<b>Total contractual services costs</b>	<b>4,247</b>	<b>3,822</b>	<b>-10.0%</b>	<b>3,822</b>
		<u>General operating expenses:</u>				
4,127	4,589	Hospitality and other functions	4,589	4,681	2.0%	4,681
<b>4,127</b>	<b>4,589</b>	<b>Total general operating expenses</b>	<b>4,589</b>	<b>4,681</b>	<b>2.0%</b>	<b>4,681</b>
<b>498,893</b>	<b>532,155</b>	<b>TOTAL RUNNING COSTS</b>	<b>532,155</b>	<b>371,646</b>	<b>-30.2%</b>	<b>371,646</b>
<b>498,893</b>	<b>532,155</b>	<b>TOTAL COSTS</b>	<b>532,155</b>	<b>371,646</b>	<b>-30.2%</b>	<b>371,646</b>

**TABLE 39: BUDGET, PLANNING AND FINANCE BRANCH – BUDGETED EXPENDITURE FOR 2008 BY FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009
			Previous Estimate	Budget	% Var	Forward Estimate
		<u>Staffing costs:</u>				
948,137	1,068,460	Salaries	1,068,460	1,006,431	-5.8%	1,006,431
318,463	369,541	Common staff costs	369,541	320,443	-13.3%	320,443
3,102	6,257	Overtime	6,257	-	-100.0%	-
101,496	67,280	Temporary staffing	67,280	68,626	2.0%	68,626
<b>1,371,198</b>	<b>1,511,538</b>	<b>Total staffing costs</b>	<b>1,511,538</b>	<b>1,395,500</b>	<b>-7.7%</b>	<b>1,395,500</b>
		<u>Contractual services costs:</u>				
-	16,027	Training	16,027	14,424	-10.0%	14,424
<b>-</b>	<b>16,027</b>	<b>Total contractual services costs</b>	<b>16,027</b>	<b>14,424</b>	<b>-10.0%</b>	<b>14,424</b>
		<u>General operating expenses:</u>				
52,955	46,933	General operating expenses	46,933	47,871	2.0%	47,871
<b>52,955</b>	<b>46,933</b>	<b>Total general operating expenses</b>	<b>46,933</b>	<b>47,871</b>	<b>2.0%</b>	<b>47,871</b>
<b>1,424,153</b>	<b>1,574,497</b>	<b>TOTAL RUNNING COSTS</b>	<b>1,574,497</b>	<b>1,457,796</b>	<b>-7.4%</b>	<b>1,457,796</b>
<b>1,424,153</b>	<b>1,574,497</b>	<b>TOTAL COSTS</b>	<b>1,574,497</b>	<b>1,457,796</b>	<b>-7.4%</b>	<b>1,457,796</b>

**TABLE 40: HUMAN RESOURCES BRANCH – BUDGETED EXPENDITURE FOR 2008 BY FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009 Forward Estimate
			Previous Estimate	Budget	% Var	
		<u>Staffing costs:</u>				
901,616	948,637	Salaries	948,637	946,970	-0.2%	946,970
221,800	374,212	Common staff costs	374,212	282,029	-24.6%	282,029
3,637,994	3,483,374	Staff turnover	3,483,374	3,600,000	3.3%	3,600,000
16,250	4,171	Overtime	4,171	-	-100.0%	-
175,944	124,483	Temporary staffing	124,483	126,973	2.0%	126,973
330,138	280,578	Other staff costs	280,578	286,190	2.0%	286,190
<b>5,283,742</b>	<b>5,215,454</b>	<b>Total staffing costs</b>	<b>5,215,454</b>	<b>5,242,161</b>	<b>0.5%</b>	<b>5,242,161</b>
		<u>Contractual services costs:</u>				
-	14,230	Training	14,230	12,807	-10.0%	12,807
60,603	134,326	Other contractual services	134,326	78,142	-41.8%	134,326
<b>60,603</b>	<b>148,556</b>	<b>Total contractual services costs</b>	<b>148,556</b>	<b>90,949</b>	<b>-38.8%</b>	<b>147,133</b>
<b>5,344,345</b>	<b>5,364,010</b>	<b>TOTAL RUNNING COSTS</b>	<b>5,364,010</b>	<b>5,333,110</b>	<b>-0.6%</b>	<b>5,389,294</b>
<b>5,344,345</b>	<b>5,364,010</b>	<b>TOTAL COSTS</b>	<b>5,364,010</b>	<b>5,333,110</b>	<b>-0.6%</b>	<b>5,389,294</b>

**TABLE 41: PROCUREMENT AND SUPPORT SERVICES BRANCH – BUDGETED EXPENDITURE FOR 2008 BY FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009 Forward Estimate
			Previous Estimate	Budget	% Var	
		<u>Staffing costs:</u>				
1,118,053	1,138,805	Salaries	1,138,805	1,167,012	2.5%	1,167,012
299,085	423,143	Common staff costs	423,143	347,517	-17.9%	347,517
58,287	83,426	Overtime	83,426	50,500	-39.5%	50,500
156,070	129,000	Temporary staffing	129,000	106,500	-17.4%	106,500
<b>1,631,495</b>	<b>1,774,374</b>	<b>Total staffing costs</b>	<b>1,774,374</b>	<b>1,671,529</b>	<b>-5.8%</b>	<b>1,671,529</b>
		<u>Contractual services costs:</u>				
-	17,082	Training	17,082	15,374	-10.0%	15,374
<b>-</b>	<b>17,082</b>	<b>Total contractual services costs</b>	<b>17,082</b>	<b>15,374</b>	<b>-10.0%</b>	<b>15,374</b>
		<u>General operating expenses:</u>				
3,127,813	3,187,009	Rental of premises	3,187,009	3,193,475	0.2%	3,193,475
1,038,536	1,156,215	Maintenance and utilities	1,156,215	1,118,139	-3.3%	1,118,139
8,018	2,607	Rental of equipment	2,607	2,659	2.0%	2,659
92,286	91,941	Communications	91,941	88,680	-3.5%	88,680
127,003	127,774	Insurance	127,774	125,230	-2.0%	125,230
170,218	155,654	Supplies and materials	155,654	107,767	-30.8%	155,654
15,667	1,025	Other general operating expenses	1,025	1,046	2.0%	1,046
<b>4,579,541</b>	<b>4,722,226</b>	<b>Total general operating expenses</b>	<b>4,722,226</b>	<b>4,636,997</b>	<b>-1.8%</b>	<b>4,684,884</b>

2006 Result	2007 Budget	Funding object	2008			2009 Forward Estimate
			Previous Estimate	Budget	% Var	
7,040	5,004	<u>Furniture and equipment – operating costs:</u> Office furniture and equipment	5,004	5,104	2.0%	5,104
<b>7,040</b>	<b>5,004</b>	<b>Total furniture and equipment – operating costs</b>	<b>5,004</b>	<b>5,104</b>	2.0%	<b>5,104</b>
<b>6,218,076</b>	<b>6,518,686</b>	<b>TOTAL RUNNING COSTS</b>	<b>6,518,686</b>	<b>6,329,004</b>	-2.9%	<b>6,376,891</b>
135,758	166,237	<u>Furniture and equipment – capital costs:</u> Office furniture and equipment	166,237	87,961	-47.1%	166,237
<b>135,758</b>	<b>166,237</b>	<b>Total furniture and equipment – capital costs</b>	<b>166,237</b>	<b>87,961</b>	-47.1%	<b>166,237</b>
<b>135,758</b>	<b>166,237</b>	<b>TOTAL CAPITAL COSTS</b>	<b>166,237</b>	<b>87,961</b>	-47.1%	<b>166,237</b>
<b>6,353,834</b>	<b>6,684,923</b>	<b>TOTAL COSTS</b>	<b>6,684,923</b>	<b>6,416,965</b>	-4.0%	<b>6,543,127</b>

**TABLE 42: TRAINING AND STAFF DEVELOPMENT BRANCH – BUDGETED EXPENDITURE FOR 2008 BY FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009 Forward Estimate
			Previous Estimate	Budget	% Var	
326,930	393,041	<u>Staffing costs:</u> Salaries	393,041	386,983	-1.5%	386,983
101,882	142,359	Common staff costs	142,359	113,498	-20.3%	113,498
<b>428,812</b>	<b>535,400</b>	<b>Total staffing costs</b>	<b>535,400</b>	<b>500,481</b>	-6.5%	<b>500,481</b>
465,542	5,896	<u>Contractual services costs:</u> Training	5,896	31,891	>100%	48,298
<b>465,542</b>	<b>5,896</b>	<b>Total contractual services costs</b>	<b>5,896</b>	<b>31,891</b>	>100%	<b>48,298</b>
149,989	134,728	<u>General operating expenses:</u> Supplies and materials	134,728	92,542	-31.3%	134,728
<b>149,989</b>	<b>134,728</b>	<b>Total general operating expenses</b>	<b>134,728</b>	<b>92,542</b>	-31.3%	<b>134,728</b>
<b>1,044,343</b>	<b>676,024</b>	<b>TOTAL RUNNING COSTS</b>	<b>676,024</b>	<b>624,914</b>	-7.6%	<b>683,507</b>
<b>1,044,343</b>	<b>676,024</b>	<b>TOTAL COSTS</b>	<b>676,024</b>	<b>624,914</b>	-7.6%	<b>683,507</b>

**TABLE 43: INFORMATION SERVICES BRANCH – BUDGETED EXPENDITURE FOR 2008 BY FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009 Forward Estimate
			Previous Estimate	Budget	% Var	
1,329,170	1,440,424	<u>Staffing costs:</u>				
421,017	527,778	Salaries	1,440,424	1,436,616	-0.3%	1,436,616
7,662	10,428	Common staff costs	527,778	498,022	-5.6%	498,022
89,296	124,483	Overtime	10,428	-	-100.0%	-
		Temporary staffing	124,483	85,000	-31.7%	85,000
<b>1,847,145</b>	<b>2,103,114</b>	<b>Total staffing costs</b>	<b>2,103,114</b>	<b>2,019,638</b>	<b>-4.0%</b>	<b>2,019,638</b>
		<u>Contractual services costs:</u>				
-	21,606	Training	21,606	19,446	-10.0%	19,446
324,331	347,788	Data processing services	347,788	227,244	-34.7%	347,788
-	78,270	Other contractual services	78,270	71,675	-8.4%	71,675
<b>324,331</b>	<b>447,665</b>	<b>Total contractual services costs</b>	<b>447,665</b>	<b>318,365</b>	<b>-28.9%</b>	<b>438,909</b>
		<u>General operating expenses:</u>				
46,099	50,579	Maintenance of equipment	50,579	51,591	2.0%	51,591
373,035	475,049	Communications	475,049	484,550	2.0%	484,550
40,780	56,683	Supplies and materials	56,683	57,816	2.0%	57,816
<b>459,914</b>	<b>582,310</b>	<b>Total general operating expenses</b>	<b>582,310</b>	<b>593,957</b>	<b>2.0%</b>	<b>593,957</b>
		<u>Furniture and equipment – operating costs:</u>				
42,953	199,875	Computer hardware and software	199,875	122,273	-38.8%	199,875
<b>42,953</b>	<b>199,875</b>	<b>Total furniture and equipment – operating costs</b>	<b>199,875</b>	<b>122,273</b>	<b>-38.8%</b>	<b>199,875</b>
<b>2,674,343</b>	<b>3,332,964</b>	<b>TOTAL RUNNING COSTS</b>	<b>3,332,964</b>	<b>3,054,232</b>	<b>-8.4%</b>	<b>3,252,379</b>
		<u>Furniture and equipment – capital costs:</u>				
571,502	322,875	Computer hardware and software	322,875	84,533	-73.8%	322,875
<b>571,502</b>	<b>322,875</b>	<b>Total furniture and equipment – capital costs</b>	<b>322,875</b>	<b>84,533</b>	<b>-73.8%</b>	<b>322,875</b>
<b>571,502</b>	<b>322,875</b>	<b>TOTAL CAPITAL COSTS</b>	<b>322,875</b>	<b>84,533</b>	<b>-73.8%</b>	<b>322,875</b>
<b>3,245,845</b>	<b>3,655,839</b>	<b>TOTAL COSTS</b>	<b>3,655,839</b>	<b>3,138,765</b>	<b>-14.1%</b>	<b>3,575,254</b>

**PART IV**  
**EXPLANATORY GUIDE**

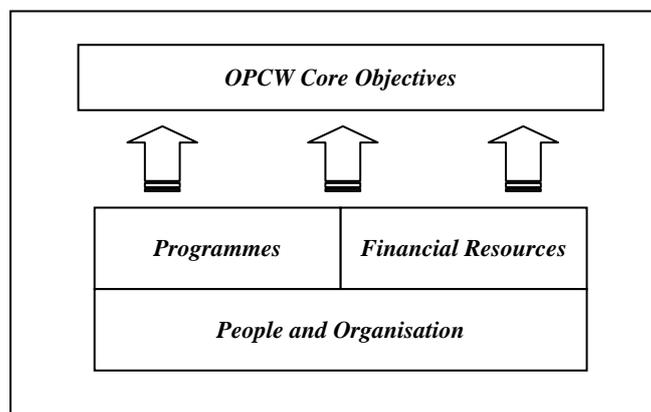
## 8. EXPLANATORY NOTES

### PURPOSE AND SCOPE OF THE PROGRAMME AND BUDGET FOR 2008

- 8.1 The annual Programme and Budget aims to provide support for decision-making by the Member States of the OPCW and is a key driver of the performance and resource allocation expected across the Secretariat. As the principal annual planning document of the OPCW, it aims to align the programmes of activity, financial resources, and organisational elements required for the year to achieve the OPCW's desired objectives.
- 8.2 The Programme and Budget for 2008 reflects the "regular budget" activities of the OPCW and their resourcing. Programmes include activity to be undertaken by the OPCW, through its Secretariat. The Director-General will be supported in providing these programmes of activity for, and on behalf of, the OPCW by the Divisions and Offices that make up the Secretariat.
- 8.3 In pursuing a "results-based budgeting" approach, the Programme and Budget for 2008 aims to set out the core objectives mandated for the OPCW and the programmes of activity to be funded and undertaken in pursuit of those core objectives during 2008 by the Secretariat.

### FORMAT OF THE ANNUAL PROGRAMME AND BUDGET

- 8.4 As a key annual planning process for the OPCW, the Programme and Budget for 2008 reflects the organisational integration of each of the major perspectives of the OPCW's environment and performance.



- 8.5 These performance perspectives include:
- Core Objectives – the key objectives mandated for the OPCW and the outcomes and challenges emerging for 2008 in pursuing them;
  - Programmes – the objectives of major activity-groups and associated results planned for 2008 by the OPCW;
  - Financial Resources – the financial performance objectives to be achieved during 2008, including management and stewardship of resources to support programme delivery; and

- (d) People and Organisation – the objectives and factors in relation to the OPCW’s Secretariat and its staff in delivering the programmes of activity expected of them.

8.6 In this regard, the Programme and Budget for 2008 incorporates four Parts:

- (a) Part I: Executive Summary – a summary of the key points and issues contained in the Programme and Budget for 2008;
- (b) Part II: Overview – the substance of the OPCW’s Programme and Budget for 2008 in the context of each of the aforementioned performance perspectives including; a strategic overview and descriptions of planned programme levels, budgeted financial performance, and people and organisation issues;
- (c) Part III: Divisional Budget Statements – detailed budget estimates and a summary of key points for each of the Divisions and Offices of the Secretariat; and
- (d) Part IV: Explanatory Guide – guidance and explanation for readers of the OPCW’s Programme and Budget for 2008.

#### **BUDGET ESTIMATES**

- 8.7 Budget estimates are included in the Programme and Budget for 2008, for both expenditure and income, to show the expected financial performance of the OPCW for the 2008 budget year, as well as the 2009 “forward year”.
- 8.8 All budget estimates contained in the Programme and Budget for 2008 are in euros unless otherwise stated.
- 8.9 Statements of budgeted income and expenditure show the budget estimates of the OPCW for 2008. These estimates have been prepared with regard to the financial measurement requirements of the Financial Regulations of the OPCW, including the requirement for annual financial reporting to comply with the United Nations System Accounting Standards. This ensures comparability between annual budget estimates and reported financial results.
- 8.10 For comparative purposes, the Programme and Budget for 2008 shows “previous estimates” for 2008 based on the indicative “forward estimates” for 2008 contained in the agreed Programme and Budget for 2007 (C-11/DEC.11, dated 8 December 2006). These forward estimates for 2008 were previously provided in 2007 “prices” (for comparative purposes) and assume the same programme levels as 2007 except the 2008 impact of specific decisions taken for 2007.
- 8.11 Statements of budgeted income and expenditure for 2008, and other financial tables, also include budget estimates agreed for 2007 and details of 2006 financial results for comparative purposes. Budget estimates for 2007 match those contained in the Programme and Budget for 2007 (C-11/DEC.11, dated 8 December 2006). Financial results for 2006 reflect the OPCW’s audited annual financial statements for the year (C-12/DG.2, dated 01 June 2007). 2006 results shown in the Programme and Budget for 2008 for income from Member States are based on income received by the end of

2006 (income reflected in the 2006 financial statements is largely based on all income “earned” during the year, regardless of whether it was received by the OPCW).

- 8.12 Estimates provided for the forward year, 2009, are intended to be illustrative. These “forward estimates” are based on existing policies and programmes of the OPCW, including expected activity levels and decisions taken in preparing the Programme and Budget for 2008 (the forward estimates reflect any differing impact for 2009 of decisions taken for 2008). In addition, these forward estimates for 2009 are based on projected 2008 prices to retain comparability with 2008 budget estimates and because of the uncertainties surrounding projections of costs this far in advance.
- 8.13 Percentage variances shown in financial tables in the Programme and Budget for 2008 represent, unless otherwise stated, the difference between the budget estimate for 2008 and the previous forward estimate for the year.

### **Appropriation structure**

- 8.14 Regular budget appropriations of the OPCW are divided into two “chapters” in accordance with the Convention. Chapter 1 provides for most of the direct costs of verification activities undertaken by the Secretariat (including inspection operations) and Chapter 2 provides for all other important service programmes delivered by the Secretariat on behalf of the OPCW.
- 8.15 The annual budget of the OPCW has historically been prepared on a functional basis. Resources are assigned to the programmes responsible for carrying out required functions, regardless of which chapter (and its associated programme objectives) may benefit from the service or costs provided. For instance, Chapter 2 appropriations provide for many costs and services in direct support of Chapter 1 (including accommodation expenses and staff-turnover costs incurred as a result of the OPCW’s limited tenure policy).
- 8.16 In other words, although Chapter 1 is tasked with carrying out the direct verification activities of the OPCW, the largest elements of Chapter 2 provide necessary support to Chapter 1 to allow those programmes of activity, in turn, to meet their objectives. The costs of these services and entitlements provided to Chapter 1 reside in the budget estimates in Chapter 2.

### **PERFORMANCE MEASURES AND EXPECTED RESULTS**

- 8.17 The Programme and Budget for 2008 provides information in relation to the focus of core objectives of the OPCW, as well as programmes of activity to be carried out during 2008.
- 8.18 “Core objectives” of the OPCW reflect its mandates established by the Convention and key enabling strategies adopted by Member States. As the OPCW’s peak objectives, core objectives largely remain constant over a period of time.
- 8.19 “Programmes” are an alignment of related objectives, obligations and activities to be achieved, and/or administered, by the wider OPCW and Member States collectively in pursuit of the established core objectives. The Programme and Budget for 2008

outlines each programme in terms of the OPCW's major objectives and the results expected for the year.

- 8.20 Each programme is also described in terms of major underlying activities to be undertaken for the OPCW by its Secretariat during the year. A range of performance achievements planned for the year are provided for each of these activities, generally outlining the results expected in terms of pertinent information across quantity, effectiveness, or timeliness factors.
- 8.21 The presentation in the Programme and Budget of these measures of performance is intended to demonstrate the hierarchical relationship between different levels of expected results.
- 8.22 Planned performance levels for 2008 have been established with regard to programme results achieved in 2006 and also projected for 2007. Measured programme results for each of these years are, or will be, available in annual reports published by the OPCW for each of those years.

## **ESTIMATION PARAMETERS**

### **Salary costs for fixed-term staff**

- 8.23 In the Secretariat, individual salaries are divided into two categories – “professional” grades (P-1 to P-5 and D-1 to D-2) and “general services” grades (GS-1 to GS-7). Although set by the OPCW's Director-General, salary rates in practice reflect those applied in the UN and are all calculated and paid in euros.
- 8.24 “Actual salaries” for each P-grade are calculated by reference to two sub-elements set by the UN – “base” salary rates (set in USD) and a monthly post adjustment (set as a uniform percentage “multiplier”) to standardise salaries across varying cities/countries of employment in the UN system. A post adjustment is set specific to The Hague, and allows for both cost-of-living differences and the prevailing rate for converting most of the applicable base salary rate from USD to euros.
- 8.25 The UN establishes its “base” salary scale for P-grades by reference to the USA Federal Civil Service. Post adjustments are revised each month for changes in the relevant monthly currency exchange rate applied by the UN (against the USD base salary rates), but are updated less frequently for cost-of-living movements (usually routinely each year, with a major price review at least every four years). Because a small component of the UN base salaries (in USD) is not adjusted each month for movements in euro exchange rates (or prices in The Hague), actual monthly salary levels for P-grade staff in the OPCW tend to move up or down by a small proportion each month in line with movements in the relative value of the USD.
- 8.26 Salaries in the OPCW for P-grades are paid based on the UN's relevant “net” base salary rate because a “staff assessment” scheme applied in the UN (that is, an income-tax-equivalent scheme) is not imposed on the income of the OPCW's staff.

- 8.27 Salaries for GS-grade staff in the OPCW are paid according to a single “net” salary scale set, in euros, by the UN. As the recruitment and employment of GS-grade staff is usually directly comparable with local employment, the GS-grade salary scale applied by the OPCW (and UN agencies located here) is particular to The Hague and is intended to be standardised to provide for both employment conditions and the cost of living typical to this locality.
- 8.28 Within each salary grade, for both P-grade and GS-grade staff, there exist up to 15 separate salary increments (or steps). These annual step increases for staff, which usually amount to a salary increase of between 1.5 and 2.0% each year for P-grade staff and between 3.0 and 4.0% for GS-grade staff, are awarded based on satisfactory performance. These step increases effectively apply to most ordinary remuneration entitlements of fixed-term staff.
- 8.29 Estimated costs included in the Programme and Budget for fixed-term staff salaries are initially based on each authorised position (including the individual profile of existing staff members) and current salary rates. Estimated growth in specific salary rates is then applied to this starting-point.
- 8.30 In the case of authorised positions which are presently vacant, estimates are made using a typical entitlements profile, and salaries are calculated at the lowest step level. The budget estimates for 2008 also assume that annual increment salary increases will be awarded to all existing staff members at the anniversary of their appointment.

#### **Currency exchange rates assumed for 2008**

- 8.31 The OPCW’s official working currency is the euro. This is reflected as the basis of the OPCW’s budgeting and ex-post reporting.
- 8.32 Although the OPCW incurs some costs in many currencies, its exposure to United States dollars (USD) in relation to certain staffing costs for P-grade staff is particularly significant and needs to be carefully managed.
- 8.33 Estimates in the Programme and Budget for 2008 were prepared using the UN’s May currency exchange rate of 0.732 euros for USD 1 for the preparation of estimates for both 2007 and 2008.
- 8.34 Future currency exchange rates are largely unpredictable. The OPCW will therefore apply the most recently available currency exchange rate for the euro and USD in finalising its Programme and Budget for 2008.
- 8.35 This approach to developing the 2008 budget estimates ensures transparency in arriving at appropriate estimates, but the risk of future movements in the currency exchange rate remains. In this context, the staff costs shown in the following table are presently estimated with regard to the currency exchange rates for converting USD costs to euros (based on an exchange rate of 0.732 euros per USD 1).

**TABLE 44: CURRENCY EXCHANGE RATE EXPOSURE FOR STAFFING COSTS**

<b>Staff entitlement (paid to P-grade staff)</b>	<b>EUR</b>	<b>USD-equivalent</b>
Social security benefits (paid to the Provident Fund)	5,583,974	7,628,380
Death and disability insurance	580,913	793,597
<b>Total</b>	<b>6,164,887</b>	<b>8,421,977</b>

- 8.36 In relation to these staffing costs, the OPCW applies the currency exchange rate established by the UN for accounting purposes each month in converting USD-costs to payments in euros. The only mechanism applied by the OPCW in managing currency exchange rate fluctuations is the assumption applied each year in establishing its annual programme and budget.
- 8.37 Given the difficulty of forecasting future movements in currency exchange rates, most agencies within the UN Common System have mechanisms in place to assist in reducing the budgetary impact of exchange rate movements. The aim is to provide budget stability, avoiding potential losses (and giving up potential gains) by neutralising the effect of exchange rate fluctuations compared to the basis for agreed budget estimates and associated funding.

### **2005 CASH SURPLUS**

- 8.38 In applying the OPCW's Financial Regulation 6.3, the annual budget of the OPCW effectively remains "open" for one full year after the relevant budget year before a final cash result for the budget year is declared. During this time, the provisional financial result identified at the end of the budget year is added to by late receipt of income, as well as savings against spending obligations legitimately carried forward from that budget year to fund disbursements during the following year.
- 8.39 Final cash surpluses of the OPCW are applied also in accordance with Financial Regulation 6.3. Unless the Conference makes a decision to allocate a final cash surplus to an alternative purpose, the final cash surplus is "distributed" to Member States through application to amounts that are payable to the OPCW by Member States.
- 8.40 In this context, the final cash surplus for 2005 will largely be applied to offset new amounts payable to the OPCW by Member States for their annual contributions assessed for 2008.
- 8.41 The OPCW's final cash surpluses for recent years are primarily made up of late receipt of amounts from Member States as income for previous years (annual contributions and recovery of inspection costs).
- 8.42 At the end of 2005, the OPCW's provisional financial result was a surplus of EUR 3.6m for the year. The following table illustrates how the OPCW's final cash surplus for 2005 arose following the end of the year.

**TABLE 45: 2005 CASH SURPLUS**

	2004	2005
<b>Provisional surplus/(deficit) at the end of the budget year</b>	<b>(749,868)</b>	<b>3,620,048</b>
<i>Adjusted during the following year for:</i>		
Annual contributions owed from the budget (or previous) years	8,150,848	1,643,832
Other income owed from the budget (or previous) years	2,544,705	1,968,414
Savings on liquidation of carried-forward budget obligations	1,619,740	1,529,918
<b>Final cash surplus/(deficit) for the original budget year</b>	<b>11,565,425</b>	<b>8,762,212</b>

- 8.43 More than EUR 1.6m of income received by the OPCW during 2006, and added to the 2005 cash surplus, was in fact related to amounts payable by Member States for periods before 2005.

### UNFUNDED LIABILITIES

- 8.44 The statement of financial risk contained in the Programme and Budget for 2008 recognises that staff entitlements of EUR 12.3m payable to existing staff members had accumulated by the end of 2006 as “unfunded” liabilities of the OPCW.
- 8.45 Staff members of the OPCW’s Secretariat are eligible for annual leave and repatriation benefits which accrue during the period of a staff member’s service. These benefits are payable (in cash or as services paid for by the OPCW) after the staff member’s separation from the OPCW (including allowable levels of accumulated annual leave if it is not utilised beforehand).
- 8.46 The following table provides a summary of outstanding liabilities of this nature that have accrued for the OPCW (but are not yet payable).

**TABLE 46: UNFUNDED LIABILITIES OF THE OPCW (END OF YEAR)**

Staff entitlement	2005	2006
Repatriation grants	5,262,937	4,245,548
Travel and removal of household effects	6,210,744	4,548,400
Accrued annual leave	3,806,414	3,525,739
<b>Total liability</b>	<b>15,280,095</b>	<b>12,319,687</b>

- 8.47 No standing provision of cash reserves has been set aside to provide for these costs as they become due. This is separate from the accruing “social security” benefits of staff, which are fully funded each year by Member States and paid into the Provident Fund until staff separate.

# APPENDICES

**APPENDIX 1: CHEMICAL WEAPONS INSPECTIONS PLANNED FOR 2008**

Type of Inspection	Inspections		Required Inspectors		
	Months facility operating	Missions/rotations	Number of inspectors	Days duration of rotation	Inspector days
<i>CWDFs – USA:</i>					
Anniston CWDF	9.0	13.0	2.5	46	1,495
Anniston – Change Over	3.0	4.3	1.5	46	297
Tooele CWDF	12	17.3	2.5	46	1,990
Umatilla CWDF	12	17.3	2.5	46	1,990
Pine Bluff CWDF	8	11.6	2.5	46	1,334
Newport CWDF	12	17.3	2.5	46	1,990
<b>Total CWDFs - USA</b>	<b>na</b>	<b>80.8</b>	<b>na</b>	<b>na</b>	<b>9,096</b>
<i>CWDFs – RUSSIA:</i>					
Kambarka CWDF	12	17.3	2.5	44	1,903
Maradykovski CWDF	12	17.3	3.5	44	2,664
Shchuchye	3	3.3	4	44	581
Leonidovka	7	10.1	4	44	1,778
Initial visit/Final engineering review		5	na	na	300
<b>Total CWDFs - Russia</b>	<b>na</b>	<b>53.0</b>	<b>na</b>	<b>na</b>	<b>7,226</b>
<i>CWDFs – OTHER MEMBER STATES:</i>					
India	9	13.0	3	44	1,716
A State Party	3	4.3	1.5	44	284
Libyan Arab Jamahiriya – Initial Visit**		1.0	na		60
<b>Total CWDFs – Other Member States</b>	<b>na</b>	<b>18.3</b>		<b>na</b>	<b>2,060</b>
<b>TOTAL CWDFs</b>	<b>na</b>	<b>152.1</b>	<b>na</b>	<b>na</b>	<b>18,382</b>
<b>Storage facilities</b>	<b>na</b>	<b>24</b>	<b>na</b>	<b>na</b>	<b>905</b>
<b>Production facilities *</b>	<b>na</b>	<b>11</b>	<b>na</b>	<b>na</b>	<b>255</b>
<b>Old chemical weapons</b>	<b>na</b>	<b>7</b>	<b>na</b>	<b>na</b>	<b>115</b>
<b>Abandoned chemical weapons</b>	<b>na</b>	<b>6</b>	<b>na</b>	<b>na</b>	<b>150</b>
<b>TOTAL ARTICLE IV AND V INSPECTIONS</b>	<b>na</b>	<b>200</b>		<b>na</b>	<b>19,807</b>

\* Inspection plans for 2008 include 12 visits to former production facilities, including four missions to destroyed facilities, four missions to converted facilities, and four missions to facilities to be converted.

\*\* On 9 July 2007, the Libyan Arab Jamahiriya submitted to the Director of Verification the detailed facility information on the planned Rabta Chemical Weapons Destruction Facility, which is set to begin destruction activity in March of 2009; consequently, the OPCW will need to make an initial site visit during 2008. For additional information, please see EC-50/NAT.4, dated 23 July 2007, and Corr.1, dated 13 August 2007.

**APPENDIX 2: STATEMENT OF BUDGETED EXPENDITURE AND INCOME FOR 2008**

2006 Result	2007 Budget	Funding object	2008			2009
			Previous Estimate	Budget	% Var	Forward Estimate
		<b>EXPENDITURE:</b>				
		<u>Staffing costs:</u>				
33,677,148	35,446,877	Salaries	35,446,877	35,635,333	0.5%	35,635,333
12,510,729	13,789,087	Common staff costs	13,789,087	13,102,077	-5.0%	13,102,077
3,637,994	3,483,374	Staff turnover	3,483,374	3,600,000	3.3%	3,600,000
302,950	294,600	Overtime	294,600	230,383	-21.8%	230,383
323,825	282,800	Consultants	282,800	103,020	-63.6%	103,020
1,183,138	1,109,339	Temporary staffing	849,789	1,062,239	25.0%	909,793
342,638	306,649	Other staff costs	306,649	312,782	2.0%	312,782
<b>51,978,422</b>	<b>54,712,725</b>	<b>Total staffing costs</b>	<b>54,453,175</b>	<b>54,045,835</b>	<b>-0.7%</b>	<b>53,893,389</b>
		<u>Travel costs:</u>				
3,756,435	4,274,621	Travel - inspections	4,274,621	3,850,759	-9.9%	4,220,759
654,783	560,869	Travel - official meetings	560,869	505,356	-9.9%	505,356
12,638	1,502	Other	1,502	1,532	2.0%	1,532
<b>4,423,856</b>	<b>4,836,991</b>	<b>Total travel costs</b>	<b>4,836,991</b>	<b>4,357,647</b>	<b>-9.9%</b>	<b>4,727,647</b>
		<u>Contractual services costs:</u>				
809,488	609,239	Training	710,989	938,140	31.9%	905,408
1,180,597	1,435,813	Translation/interpretation	1,435,813	1,953,485	36.1%	1,678,485
324,331	347,788	Data processing services	347,788	227,244	-34.7%	347,788
73,887	76,581	Security	76,581	134,508	75.6%	79,218
866,910	900,126	Inspectors	900,126	1,163,390	29.2%	1,363,390
665,689	875,344	Other contractual services	875,344	565,921	-35.3%	622,106
<b>3,920,902</b>	<b>4,244,892</b>	<b>Total contractual services costs</b>	<b>4,346,642</b>	<b>4,982,689</b>	<b>14.6%</b>	<b>4,996,395</b>
		<u>Workshops, seminars, and meeting costs:</u>				
954,511	909,761	Support for National Authorities	909,761	952,975	4.8%	952,975
986,951	874,287	Capacity building	874,287	915,816	4.8%	915,816
885,100	711,655	Protective capacity	711,655	745,458	4.8%	745,458
338,431	469,322	Associate programme	469,322	478,708	2.0%	478,708
94,922	81,862	Other workshops, seminars and meetings	81,862	73,299	-10.5%	73,299
<b>3,259,915</b>	<b>3,046,887</b>	<b>Total workshops, seminars and meetings costs</b>	<b>3,046,887</b>	<b>3,166,257</b>	<b>3.9%</b>	<b>3,166,257</b>
		<u>General operating expenses:</u>				
3,360,408	3,421,526	Rental of premises	3,421,526	3,839,666	12.2%	3,435,666
1,038,536	1,156,215	Maintenance and utilities	1,156,215	1,118,139	-3.3%	1,118,139
539,748	371,700	Rental of equipment	371,700	377,915	1.7%	377,915
80,104	90,719	Maintenance of equipment	90,719	92,534	2.0%	92,534
465,321	566,990	Communications	566,990	573,230	1.1%	573,230
75,019	84,660	Hospitality and other functions	84,660	62,893	-25.7%	62,893
127,003	127,774	Insurance	127,774	125,230	-2.0%	125,230
396,809	383,656	Supplies and materials	383,656	279,954	-27.0%	385,217
336,450	466,397	Cargo and shipment	466,397	450,224	-3.5%	450,224
122,051	76,118	Other general operating expenses	76,118	110,280	44.9%	110,280
<b>6,541,449</b>	<b>6,745,754</b>	<b>Total general operating expenses</b>	<b>6,745,754</b>	<b>7,030,065</b>	<b>4.2%</b>	<b>6,731,329</b>

2006 Result	2007 Budget	Funding object	2008			2009 Forward Estimate
			Previous Estimate	Budget	% Var	
7,040	5,004	<u>Furniture and equipment - operating costs:</u>				
		Office furniture and equipment	5,004	5,104	2.0%	5,104
42,953	199,875	Computer hardware and software	199,875	122,273	-38.8%	199,875
-	-	Other furniture and equipment	-	-	-	-
<b>49,993</b>	<b>204,879</b>	<b>Total furniture and equipment - operating costs</b>	<b>204,879</b>	<b>127,377</b>	<b>-37.8%</b>	<b>204,979</b>
		<u>Inspection equipment, maintenance and supplies - operating costs</u>				
495,870	351,470	Inspection equipment maintenance	351,470	326,815	-7.0%	351,470
4,203	5,824	Supplies and materials	5,824	5,940	2.0%	5,940
<b>500,073</b>	<b>357,294</b>	<b>Total inspection equipment, maintenance and supplies – operating costs</b>	<b>357,294</b>	<b>332,755</b>	<b>-6.9%</b>	<b>357,411</b>
<b>70,674,610</b>	<b>74,149,424</b>	<b>TOTAL RUNNING COSTS</b>	<b>73,991,624</b>	<b>74,042,624</b>	<b>0.1%</b>	<b>74,077,406</b>
		<u>Furniture and equipment - capital costs:</u>				
135,758	166,237	Office furniture and equipment	166,237	87,961	-47.1%	166,237
573,382	322,875	Computer hardware and software	322,875	84,533	-73.8%	322,875
131,982	50,503	Other furniture and equipment	108,588	92,670	-14.7%	109,805
<b>841,122</b>	<b>539,614</b>	<b>Total furniture and equipment - capital costs</b>	<b>597,699</b>	<b>265,164</b>	<b>-55.6%</b>	<b>598,916</b>
		<u>Inspection equipment, maintenance and supplies - capital costs:</u>				
1,019,173	336,713	Inspection equipment acquisition	461,713	717,947	55.5%	467,947
<b>1,019,173</b>	<b>336,713</b>	<b>Total inspection equipment, maintenance and supplies - capital costs</b>	<b>461,713</b>	<b>717,947</b>	<b>55.5%</b>	<b>467,947</b>
<b>1,860,295</b>	<b>876,327</b>	<b>TOTAL CAPITAL COSTS</b>	<b>1,059,412</b>	<b>983,110</b>	<b>-7.2%</b>	<b>1,066,863</b>
<b>72,534,905</b>	<b>75,025,751</b>	<b>TOTAL COSTS</b>	<b>75,051,036</b>	<b>75,025,734</b>	<b>0.0%</b>	<b>75,144,269</b>
		<b>INCOME:</b>				
64,420,601	68,640,103	Annual contributions	68,665,388	68,331,324	-0.5%	68,449,859
3,345,992	5,635,648	Verification contributions	5,635,648	5,944,410	5.5%	5,944,410
1,143,905	750,000	Interest and other earnings	750,000	750,000	0.0%	750,000
<b>68,910,498</b>	<b>75,025,751</b>	<b>TOTAL INCOME</b>	<b>75,051,036</b>	<b>75,025,734</b>	<b>0.0%</b>	<b>75,144,269</b>

8.48 All real variations in budgeted 2008 expenditure for the OPCW, compared to previous forward estimates, are outlined in the Programme and Budget for 2008 as spending initiatives or identified savings measures.

8.49 Other variations indicated in the above table are a result of revised estimates for costs of existing staff, indexation of all funding objects for price growth projected for 2008 (outlined in Part II of the Programme and Budget for 2008), and/or budget neutral reallocations within existing resources across the OPCW to reflect the changing spending profile associated with the OPCW's activities.

**APPENDIX 3: ESTIMATION PARAMETERS – GROWTH ASSUMED FOR 2008**

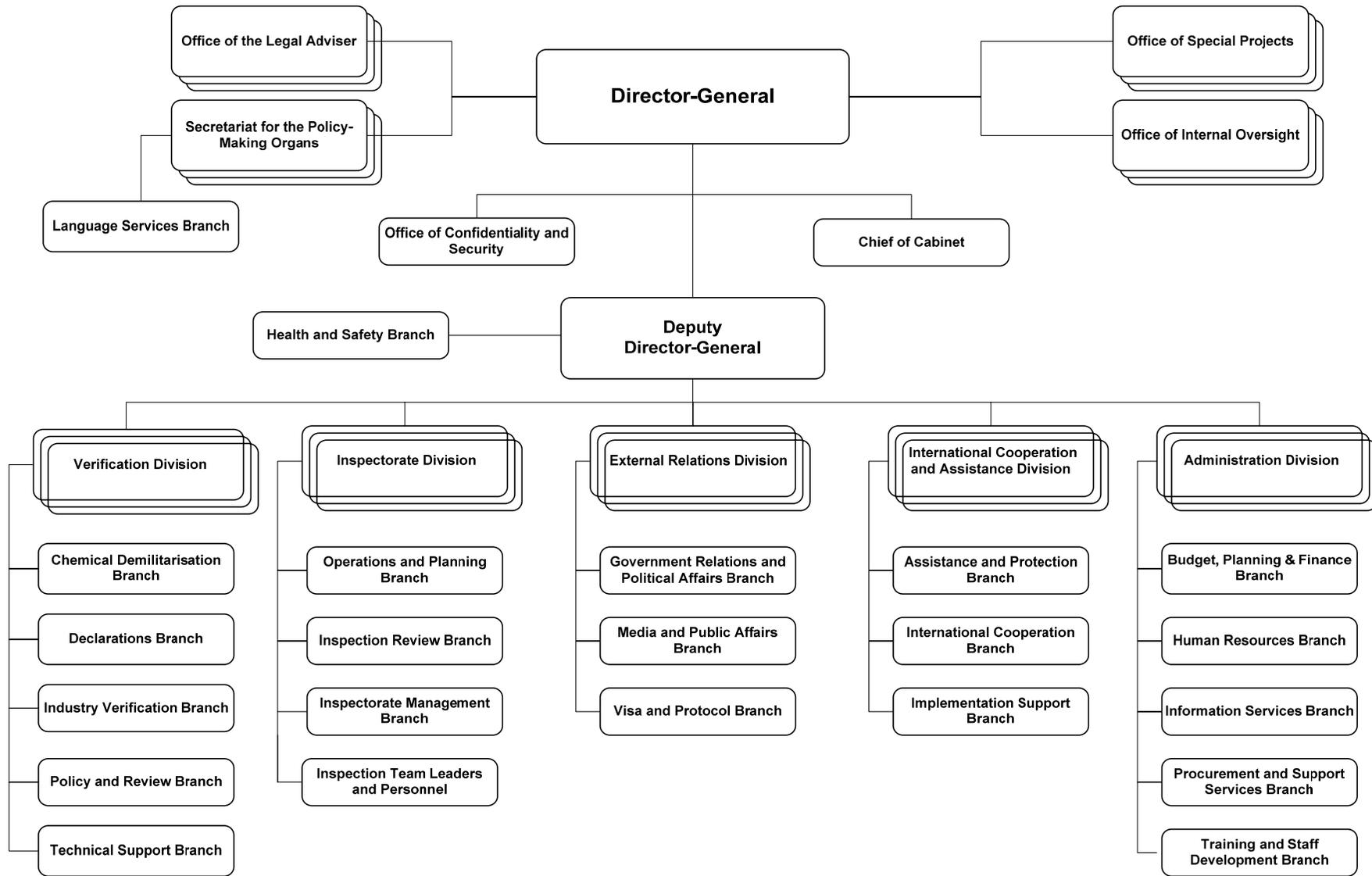
Funding object	Cost variable	Cost base	Growth (full-year impact)	Explanation
<i>Ordinary staffing costs</i>				
General parameters	Step-increments	Staff profiles identified in May 2007	Between 1.5% and 4.0%	Awarded on known anniversaries (or mid-year for positions currently vacant).
	Turnover savings	Annualised levels calculated in May 2007	-2.0%	Average increment savings and recruitment lag apportioned across all increment-based entitlements.
Salaries	P salaries	Annualised levels associated with rates expected by end-2007	1.0%	2% increase in mid-2007 based on inflation projected in the Netherlands since cost-of-living increase from October 2006.
	GS salaries	Annualised levels associated with rates expected by end-2007	1.0%	1.0% increase in September 2007 based on inflation projected in the Netherlands since increase from September 2006.
<i>Common staff costs:</i>				
Social security benefits	P pensionable remuneration	Annualised levels associated with rates expected by end-2007	1.25%	3.8% increase in September 2008 similar to increase in 2005 (and expected for 2007); currency exchange rate assumed constant EUR 0.732/USD 1.
	GS pensionable remuneration	Annualised levels associated with rates expected by end-2007	1.0%	1.0% increase in September 2007 based on inflation projected in the Netherlands since increase from September 2006.
Medical care benefits	Salaries rates	Annualised levels associated with rates expected by end-2007	1.0%	Reflects projected increases in salary rates for P- and GS-(1.0%) grade staff.
Death & disability benefits	Pensionable remuneration rates	Annualised levels associated with rates expected by end-2007	1.0% to 1.25%	Reflects projected increases in pensionable remuneration rates for P-(1.25%) and GS-(1.0%) grade staff.
Dependency allowance	General costs	Annualised levels calculated in May 2007	1.0%	Average full-year increase expected in ordinary staffing costs.
Rental subsidy	Local housing market	Annualised levels calculated in May 2007	2.0%	Average annual inflation projected for 2008 in the euro-zone.
Education grant	International schooling costs	Annualised levels calculated in May 2007	2.0%	Average annual inflation projected for 2008 in the euro-zone.
Home leave	Travel costs	Projected requirements for 2008	2.0%	Average annual inflation projected for 2008 in the euro-zone.

Funding Object	Cost Variable	Cost Base	Growth (full-year impact)	Explanation
<u>Other staffing costs</u>				
Overtime	Salary rates	Zero-based for 2008	1.0%	Average full-year increase expected in salary costs.
Temporary staffing costs	Salaries and CSC rates	Zero-based for 2008	various	Increase based on estimated entitlements applicable to each identified role.
Other staffing costs	Salaries and CSC rates	Agreed 2007 estimate	2.0%	Average full-year increase expected in ordinary staffing costs.
<u>Non-staffing costs</u>				
Travel costs	Consumer prices	Agreed 2007 estimate	2.0%	Average annual inflation projected for 2008 in the euro-zone.
Consultants	Consumer prices	Agreed 2007 estimate	2.0%	Average full-year increase expected in ordinary staffing costs.
Other contractual services	Consumer prices	Agreed 2007 estimate	2.0%	Average annual inflation projected for 2008 in the euro-zone.
Associate Programme	Consumer prices	Agreed 2007 estimate	2.0%	Average annual inflation projected for 2008 in the euro-zone.
International programmes (capacity building, protective capacity, support for National Authorities)	Consumer prices	Agreed 2007 estimate	4.75%	Mean annual inflation projected for 2008 in Emerging Markets and Developing Economies.
Rental of premises	Consumer prices	Agreed 2007 estimate	1.75%	Increased in accordance with contractual terms.
General operating expenses	Consumer prices	Agreed 2007 estimate	2.0%	Average annual inflation projected for 2008 in the euro-zone.
All other operating costs	Consumer prices	Agreed 2007 estimate	2.0%	Average annual inflation projected for 2008 in the euro-zone.
Asset acquisitions	Consumer prices	Agreed 2007 estimate	2.0%	Average annual inflation projected for 2008 in the euro-zone.

Notes:

- The rate of growth has been apportioned for its full-year impact and is based on the underlying prices already provided for in 2007 (and flow-on to previous 2008 forward estimates).
- General indexation parameters have been rounded to the nearest one-quarter of one percent for application.
- Budget estimates assume that average currency exchange rates will remain constant for the full year, including a rate of 73.2 eurocents per 1 USD.
- Forward estimates for 2009 contained in the Programme and Budget for 2008 are based on projected 2008 prices to retain comparability with 2008 budget estimates.

**APPENDIX 4: ORGANISATION OF THE OPCW'S SECRETARIAT**



## APPENDIX 5: FIXED-TERM STAFFING LEVELS OF THE OPCW'S SECRETARIAT

Organisational unit	Professional grades							General services grades			Total staff
	D-2 and above	D-1	P-5	P-4	P-3	P-2	Total	GS-6 and GS-7	GS-5 and below	Total	
<b>VERIFICATION DIVISION:</b>											
Office of the Director	1	-	1	-	-	-	2	1	-	1	3
Declarations Branch	-	1	-	4	6	-	11	4	10	14	25
Chemical Demilitarisation Branch	-	1	-	7	1	-	9	-	2	2	11
Industry Verification Branch	-	1	-	6	-	-	7	-	1	1	8
Policy and Review Branch	-	1	-	6	1	-	8	-	1	1	9
Technical Support Branch	-	-	1	6	1	1	9	3	7	10	19
<b>Division Total</b>	<b>1</b>	<b>4</b>	<b>2</b>	<b>29</b>	<b>9</b>	<b>1</b>	<b>46</b>	<b>8</b>	<b>21</b>	<b>29</b>	<b>75</b>
<b>INSPECTORATE:</b>											
Office of the Director	1	-	-	-	-	-	1	1	-	1	2
Inspectorate Management Branch	-	-	1	-	1	-	2	-	4	4	6
Inspection Review Branch	-	-	1	-	1	-	2	-	-	-	2
Operations and Planning Branch	-	-	1	5	3	1	10	-	11	11	21
Inspectors	-	-	28	80	53	12	173	-	-	-	173
<b>Division Total</b>	<b>1</b>	<b>0</b>	<b>31</b>	<b>85</b>	<b>58</b>	<b>13</b>	<b>188</b>	<b>1</b>	<b>15</b>	<b>16</b>	<b>204</b>
<b>INTERNATIONAL COOPERATION AND ASSISTANCE DIVISION:</b>											
Office of the Director	1	-	-	-	-	-	1	-	1	1	2
Assistance and Protection Branch	-	1	-	3	1	-	5	-	1	1	6
Implementation Support Branch	-	1	-	2	-	-	3	-	1	1	4
International Cooperation Branch	-	1	-	2	2	-	5	-	1	1	6
<b>Division Total</b>	<b>1</b>	<b>3</b>	<b>-</b>	<b>7</b>	<b>3</b>	<b>-</b>	<b>14</b>	<b>-</b>	<b>4</b>	<b>4</b>	<b>18</b>
<b>SECRETARIAT FOR THE POLICY-MAKING ORGANS:</b>											
Office of the Director	1	-	-	-	-	1	2	1	5	6	8
Language Services Branch	-	-	1	7	13	-	21	2	7	9	30
<b>Division Total</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>7</b>	<b>13</b>	<b>1</b>	<b>23</b>	<b>3</b>	<b>12</b>	<b>15</b>	<b>38</b>
<b>EXTERNAL RELATIONS DIVISION:</b>											
Office of the Director	1	1	-	-	-	-	2	-	1	1	3
Government Relations and Political Affairs Branch	-	-	1	-	2	-	3	-	2	2	5
Media and Public Affairs Branch	-	-	1	-	1	-	2	-	2	2	4
Protocol Branch	-	-	1	1	-	-	2	1	3	4	6
<b>Division Total</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>3</b>	<b>-</b>	<b>9</b>	<b>1</b>	<b>8</b>	<b>9</b>	<b>18</b>
<b>OFFICE OF THE DG</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>4</b>
<b>OFFICE OF THE DDG</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>5</b>
<b>OFFICE OF INTERNAL OVERSIGHT</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>8</b>
<b>OFFICE OF THE LEGAL ADVISER</b>	<b>1</b>	<b>-</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>7</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>9</b>
<b>OFFICE OF SPECIAL PROJECTS</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>2</b>
<b>OFFICE OF CONFIDENTIALITY AND SECURITY</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>3</b>	<b>2</b>	<b>-</b>	<b>6</b>	<b>1</b>	<b>30</b>	<b>31</b>	<b>37</b>
<b>HEALTH AND SAFETY BRANCH</b>	<b>-</b>	<b>1</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>5</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>9</b>

Organisational unit	Professional grades							General services grades			Total staff
	D-2 and above	D-1	P-5	P-4	P-3	P-2	Total	GS-6 and GS-7	GS-5 and below	Total	
ADMINISTRATION DIVISION:											
Office of the Director	1	1*	-	-	-	-	2	1	-	1	3
Budget, Planning and Finance Branch	-	-	1	1	3	1	6	5	8	13	19
Human Resources Branch	-	1	-	3	2	1	7	2	9	11	18
Procurement and Support Services Branch	-	-	1	3	1	-	5	4	15	19	24
Training and Development Branch	-	-	1	1	-	-	2	1	4	5	7
Information Services Branch	-	1	-	2	8	3	14	6	5	11	25
<b>Division Total</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>10</b>	<b>14</b>	<b>5</b>	<b>36</b>	<b>19</b>	<b>41</b>	<b>60</b>	<b>96</b>
<b>TOTAL SECRETARIAT</b>	<b>11</b>	<b>14</b>	<b>47</b>	<b>146</b>	<b>106</b>	<b>21</b>	<b>345</b>	<b>38</b>	<b>140</b>	<b>178</b>	<b>523</b>

\* The Executive Council approved the reclassification of this position from P-5 to D-1 until the current incumbent separates from the OPCW (EC-37/DEC.14, dated 2 July 2004).

**APPENDIX 6: EXECUTIVE MANAGEMENT PROGRAMME -  
CONSOLIDATED BUDGETED EXPENDITURE FOR 2008 BY  
FUNDING OBJECT**

2006 Result	2007 Budget	Funding object	2008			2009
			Previous Estimate	Budget	% Var	Forward Estimate
		<u>Staffing costs:</u>				
4,223,089	4,539,495	Salaries	4,539,495	4,631,589	2.0%	4,631,589
1,639,813	1,702,983	Common staff costs	1,702,983	1,698,982	-0.2%	1,698,982
97,067	79,777	Overtime	79,777	98,978	24.1%	98,978
121,419	101,000	Consultants	101,000	103,020	2.0%	103,020
136,088	130,543	Temporary staffing	130,543	237,194	81.7%	237,194
12,500	26,071	Other staff costs	26,071	26,593	2.0%	26,593
<b>6,229,976</b>	<b>6,579,869</b>	<b>Total staffing costs</b>	<b>6,579,869</b>	<b>6,796,355</b>	<b>3.3%</b>	<b>6,796,355</b>
		<u>Travel costs:</u>				
358,344	321,106	Travel - official meetings	321,106	285,254	-11.2%	285,254
<b>358,344</b>	<b>321,106</b>	<b>Total travel costs</b>	<b>321,106</b>	<b>285,254</b>	<b>-11.2%</b>	<b>285,254</b>
		<u>Contractual services costs:</u>				
21,370	68,092	Training	68,092	67,407	-1.0%	67,407
73,887	76,581	Security	76,581	134,508	75.6%	79,218
126,640	197,715	Other contractual services	197,715	146,790	-25.8%	146,790
<b>221,897</b>	<b>342,388</b>	<b>Total contractual services costs</b>	<b>342,388</b>	<b>348,705</b>	<b>1.8%</b>	<b>293,415</b>
		<u>General operating expenses:</u>				
1,318	5,141	Rental of equipment	5,141	5,243	2.0%	5,243
34,005	40,140	Maintenance of equipment	40,140	40,943	2.0%	40,943
7,955	17,209	Hospitality and other functions	17,209	9,393	-45.4%	9,393
35,822	36,591	Supplies and materials	36,591	21,828	-40.3%	37,019
<b>79,100</b>	<b>99,081</b>	<b>Total general operating expenses</b>	<b>99,081</b>	<b>77,408</b>	<b>-21.9%</b>	<b>92,599</b>
<b>6,889,317</b>	<b>7,342,444</b>	<b>TOTAL RUNNING COSTS</b>	<b>7,342,444</b>	<b>7,507,722</b>	<b>2.3%</b>	<b>7,467,623</b>
		<u>Furniture and equipment – capital costs</u>				
119,246	50,503	Other furniture and equipment	50,503	33,423	-33.8%	50,558
<b>119,246</b>	<b>50,503</b>	<b>Total furniture and equipment - capital costs</b>	<b>50,503</b>	<b>33,423</b>	<b>-33.8%</b>	<b>50,558</b>
<b>119,246</b>	<b>50,503</b>	<b>TOTAL CAPITAL COSTS</b>	<b>50,503</b>	<b>33,423</b>	<b>-33.8%</b>	<b>50,558</b>
<b>7,008,563</b>	<b>7,392,946</b>	<b>TOTAL COSTS</b>	<b>7,392,946</b>	<b>7,541,145</b>	<b>2.0%</b>	<b>7,518,181</b>

**APPENDIX 7: PROGRAMME 6 - EXECUTIVE MANAGEMENT**

8.50 The following tables outline the principal activities (including objectives and key results) planned for 2008 in relation to the various components of the OPCW's programme of activity supporting executive management.

8.51 The Secretariat's activities associated with this programme are led by a range of separate Offices and Branches. Separate Budget Statements (providing detailed financial estimates) in respect of the Office of the Director-General, the Office of the Deputy Director-General, the Office of Internal Oversight, the Office of the Legal Adviser, the Office of Special Projects, the Office of Confidentiality and Security, and the Health and Safety Branch are included in Part III of the Programme and Budget for 2008.

**TABLE 47: INTERNAL OVERSIGHT - SUMMARY OF PROGRAMME OBJECTIVES AND ACTIVITIES**

<i>OPCW programme objectives</i>	<i>Key results planned for 2008</i>
Ensure soundness of administrative, confidentiality, and security control systems and processes.	<ul style="list-style-type: none"> <li>• A satisfactory external audit report on the work of the OIO in contributing to a strong control environment.</li> <li>• Analysis and preparation of 12 internal reports during the year on the Secretariat's policies and programmes.</li> <li>• 95% acceptance or approval during the year by the Secretariat's management of the recommendations made by the OIO in its reports.</li> </ul>
Ensure policies and programmes are managed efficiently and effectively throughout the Secretariat, are relevant, and deliver value-for-money.	<ul style="list-style-type: none"> <li>• Targeted evaluation of programme and resource management to promote value-for-money and operational efficiency in Secretariat activities according to the programme of work.</li> <li>• Achievement during the year of an 82% rate of implementation of the total accumulated recommendations of the OIO.</li> <li>• Quarterly reviews throughout the year of the follow-up of the implementation of the OIO's recommendations.</li> </ul>
Support for the development and maintenance of the Secretariat's quality management system.	<ul style="list-style-type: none"> <li>• Accreditation of the OPCW Laboratory and OIO is maintained.</li> <li>• Assistance is provided within the Secretariat in ensuring compliance with ISO 17799 and ISO 15489 standards.</li> </ul>
Member States are informed of any matters of particular significance to the operations and effectiveness of the OPCW.	<ul style="list-style-type: none"> <li>• Provide sound, timely advice, including submission of the OIO's annual report to Member States.</li> <li>• OIO advice is taken into consideration.</li> </ul>
<i>Primary alignment to core objectives:</i> Objective Number 7	

<b>Major activities of the Secretariat for 2008</b>	
Targeted review of internal financial, confidentiality, information, staffing, procurement and security control systems and processes to ensure probity in the Secretariat's activities: <ul style="list-style-type: none"> <li>• Major reviews will be targeted towards eight administrative areas and four areas of security and/or confidentiality control.</li> <li>• Implementation of an internal improvement programme in the OIO based on an External Quality Assurance Review conducted at the end of 2007 if possible.</li> </ul>	
Monitoring of corrective action in response to reported issues and other areas of concern on a regular basis: <ul style="list-style-type: none"> <li>• Quarterly follow-up of the status of implementation of OIO recommendations and a status report on a quarterly basis.</li> </ul>	
Maintenance and development of the implementation of the QMS in accordance with ISO standards: <ul style="list-style-type: none"> <li>• Organisation of training in quality assurance for selected staff members.</li> <li>• Certification of the analytical database in compliance with the CSP decision and of GC-MS inspection equipment.</li> </ul>	
<b>Estimated cost of programme activities in 2008:</b>	<b>EUR 841,126</b>

**TABLE 48: LEGAL ADVICE - SUMMARY OF PROGRAMME OBJECTIVES AND ACTIVITIES**

<b>OPCW programme objectives</b>	<b>Key results planned for 2008</b>
Provision of legal advice that is timely, effective, and reliable.	<ul style="list-style-type: none"> <li>• 100% of legal opinions provided to Divisions/ Offices during the year without delays to programme activity.</li> <li>• 10 to 15 legal opinions provided on draft privileges and immunities agreements and more than 50 legal opinions provided on contractual matters.</li> <li>• Timely advice in relation to internal legal decisions challenged by staff members of the OPCW, including defence of the OPCW in questions that are heard by the ILOAT.</li> </ul>
Analysis of legal requirements and management of legal action involving the Secretariat.	<ul style="list-style-type: none"> <li>• 100% of responses to legal questions during the year are successful</li> </ul>
<b>Primary alignment to core objectives:</b> Objective Number 7	

<b>Major activities of the Secretariat for 2008</b>	
Support for Member States' implementation of national obligations under Article VII of the Convention: <ul style="list-style-type: none"> <li>• Timely advice provided on draft legislation submitted to the Office.</li> <li>• Following the adoption of legislation, other assistance will be provided to Member States in connection with Article VII.</li> </ul>	
Support for development of bilateral agreements relating to the provision of assistance under Article X of the Convention: <ul style="list-style-type: none"> <li>• Increase in the number and scope of Article X agreements.</li> <li>• It is anticipated that two or three Article X agreements will be negotiated during the year.</li> </ul>	
Support for development and implementation of a new procurement strategy for the OPCW: <ul style="list-style-type: none"> <li>• Legal advice provided in regards to the change management plan for the implementation of the procurement strategy.</li> <li>• Provision of advice on the revision and amendment of the regulations and rules required for the successful implementation of the procurement strategy.</li> </ul>	
Provision of legal advice in relation to identified issues: <ul style="list-style-type: none"> <li>• Consideration of legal aspects of the Secretariat's activities.</li> <li>• Defence of the OPCW in actions brought before the ILOAT.</li> </ul>	
<b>Estimated cost of programme activities in 2008:</b>	<b>EUR 1,196,156</b>

**TABLE 49: SPECIAL PROJECTS - SUMMARY OF PROGRAMME OBJECTIVES AND ACTIVITIES**

<i>OPCW programme objectives</i>	<i>Key results planned for 2008</i>
Enhance the contribution of the OPCW to global antiterrorism efforts.	<ul style="list-style-type: none"> <li>Establishment of cooperative policies and relations with other organisations.</li> <li>Coordinate activities in the OPCW's contribution to global anti-terrorism efforts, including in the sphere of Article X of the Convention.</li> </ul>
Increase the OPCW's involvement in global efforts aimed at ensuring non-proliferation of weapons of mass destruction.	<ul style="list-style-type: none"> <li>Establishment of clear channels to support Member States in implementing crucial provisions of the Convention.</li> <li>Inform the Director-General of the potential risks and challenges facing the Convention and the OPCW.</li> <li>Support development of cooperative policies with international partners.</li> </ul>
<b>Primary alignment to core objectives:</b>	
Objective Number 7	
<b>Major activities of the Secretariat for 2008</b>	
Support to the OPCW in its contribution to anti-terrorism efforts: <ul style="list-style-type: none"> <li>Broaden engagement of the OPCW's activities devoted to the fight against terrorism.</li> <li>Inclusion of Art. X issues in the OPCW fight against terrorism.</li> <li>Providing administrative assistance to the OPCW Working Group on the Fight Against Terrorism.</li> </ul>	
Increase the OPCW's involvement in global efforts aimed at ensuring non-proliferation of weapons of mass destruction: <ul style="list-style-type: none"> <li>Building synergies with relevant international and national agencies in non-proliferation.</li> <li>Providing TS and Member States with relevant developments in the non-proliferation.</li> <li>Conducting joint activities with TS and Member States in building effective responses against CW proliferation.</li> </ul>	
To provide advice to the Director-General on a range of issues relating to the Convention and to the OPCW, particularly in relation to universality and implementation matters, as well as assistance and protection: <ul style="list-style-type: none"> <li>Provide briefings of relevant information.</li> <li>Maintaining contacts with the relevant national and international agencies.</li> </ul>	
Support to the OPCW in coordinating integrated efforts of the Secretariat towards special projects: <ul style="list-style-type: none"> <li>Maintain cooperation with key stakeholders and build synergies aimed at continuing major events with industry and scientific world to support CWC implementation.</li> <li>Maintain and provide knowledge and experience stemming from the Tenth Anniversary process for TS and Member States.</li> <li>Continue providing administrative assistance to the OPCW Working Group on the Office in Africa.</li> <li>Participation in the preparatory process for the Second Review Conference and providing substantial input within the OSP competence.</li> </ul>	
<b>Estimated cost of programme activities in 2008:</b>	<b>EUR 316,222</b>

**TABLE 50: CONFIDENTIALITY AND SECURITY - SUMMARY OF PROGRAMME OBJECTIVES AND ACTIVITIES**

<i>OPCW programme objectives</i>	<i>Key results planned for 2008</i>
Ensure that all confidential information entrusted to the Secretariat by Member States remains secure.	<ul style="list-style-type: none"> <li>• Completion of initial ISO-27001 (formerly ISO-17799) implementation.</li> <li>• Continuing assistance to the VIS project (VIS-CW, etc.).</li> <li>• Complete new IT Security risk assessment to include all Secretariat (confidential and non-confidential) information systems.</li> <li>• Successfully complete all scheduled SAT audits.</li> </ul>
Ensure that all staff, delegates and visitors to the OPCW are safe from harm on OPCW premises.	<ul style="list-style-type: none"> <li>• Provide 24-hour/7-day-per-week security coverage, including guard staff and control room operations, for the OPCW Headquarters building and Rijswijk facility throughout the year, as well as all security necessary for regular meetings of the EC and CSP.</li> <li>• Provide all necessary security measures (staff and equipment) to enable the effective and efficient conduct of the Second Review Conference.</li> <li>• Conduct two successful evacuation exercises of the OPCW Headquarters building and Rijswijk facility.</li> </ul>
Prepare all OPCW staff members for potential security threats during official travel and ensure that means of assistance are available to them should travel security problems arise.	<ul style="list-style-type: none"> <li>• Fully implement the UN-DSS travel clearance system (ISECT) by the Secretariat for all official travel.</li> <li>• Full use of OPCW internal / external e-mail accounts for the automatic dissemination of destination-specific travel security information, immediately after an airline ticket is purchased, to all Secretariat staff scheduled to travel on official business.</li> </ul>
Ensure that all staff are aware of and fulfil their personal responsibilities in handling information.	<ul style="list-style-type: none"> <li>• OCS initial training sessions for confidentiality, IT-security and physical security offered 24 times per year. All OCS refresher training courses offered electronically through the OPCW intranet.</li> </ul>
<b>Primary alignment to core objectives:</b>	
Objective Number 7	

<i>Major activities of the Secretariat for 2008</i>
Secure receipt, handling, storage, and processing of confidential and sensitive information: <ul style="list-style-type: none"> <li>• Successful completion of the first ISO 270019-based full systems audit in July 2007 (post-VIS Industry introduction of new security monitoring software).</li> <li>• Continued development of the Secretariat's business continuity plans and other ISO-27001 based requirements of the Secretariat's information security management system.</li> </ul>

<b><i>Major activities of the Secretariat for 2008</i></b>	
Provision of a security guard force and control centre for the physical security of the OPCW's personnel and premises: <ul style="list-style-type: none"> <li>• Provide security guard force for provision of 24-hour/7 days per week security coverage of OPCW premises, and operate the OPCW's Security Control Centre to provide headquarters staff and those travelling on mission with 24 hour/7 day per week point of contact for all security-related matters.</li> <li>• Additional focus on training, consolidation of policy and procedural guidance, and professionalism of physical security force.</li> <li>• Acquisition (given available funding) of spare parts necessary to maintain the Secretariat's newly enhanced physical security systems and ensure that the foundations of a comprehensive equipment maintenance and replacement plan are established.</li> </ul>	
Provision of advice related to the security of OPCW events and staff members travelling away from the OPCW: <ul style="list-style-type: none"> <li>• Further develop the Secretariat's official-travel authorisation-and-tracking processes to ensure adequate security reviews prior to all official travel so that once approved, all travel can be tracked and monitored as it occurs to avoid adverse implications caused by changing security situations.</li> <li>• Combine the benefits of a travel tracking system with the availability of desktop external e-mail to provide all staff members with relevant and timely travel security information for all official travel supported by the Secretariat.</li> </ul>	
Training and support to the Secretariat's staff and Member States: <ul style="list-style-type: none"> <li>• Continue efforts to automate annual refresher training courses through the use of an "on-line" training tool for all Secretariat staff.</li> <li>• Keep all physical and information security/confidentiality training courses as up-to-date as possible through the inclusion of relevant but generic examples of specific problems experienced by the Secretariat to date.</li> <li>• As recommended by the Confidentiality Commission and in informal consultations on confidentiality issues in 2006, participate with ICA Division in regional training seminars for National Authority members.</li> <li>• Enhance information security training further with the introduction of a publication for disseminating best practices in information security to all Secretariat staff members.</li> </ul>	
<b><i>Estimated cost of programme activities in 2008:</i></b>	<b>EUR 2,621,821</b>

**TABLE 51: HEALTH AND SAFETY - SUMMARY OF PROGRAMME OBJECTIVES AND ACTIVITIES**

<b><i>OPCW programme objectives</i></b>	<b><i>Key results planned for 2008</i></b>
Healthy staff, physically and mentally capable of performing their duties.	<ul style="list-style-type: none"> <li>• No incidents of staff not meeting job requirements for reasons that could reasonably have been prevented.</li> <li>• Sick leave statistics are within acceptable norms for comparable organisations.</li> </ul>
Staff who have the knowledge, skills, and equipment needed to work with minimised risk to themselves or their colleagues.	<ul style="list-style-type: none"> <li>• No incidents with health and safety implications at OPCW workplaces that could reasonably have been prevented.</li> </ul>
Inspection activities accomplished with minimal health and safety risk.	<ul style="list-style-type: none"> <li>• No incidents with health and safety implications during inspections that could reasonably have been prevented.</li> <li>• No inspections hindered by lack of compliance with health and safety requirements.</li> <li>• All inspectors meet minimum standards in health and safety proficiency testing.</li> </ul>

<b><i>OPCW programme objectives</i></b>	<b><i>Key results planned for 2008</i></b>
Availability of a defined health, safety, and medical component in the OPCW's international cooperation and assistance activities and other outreach programmes.	<ul style="list-style-type: none"> <li>Agreed support to ICA and other outreach programs delivered effectively and on time.</li> </ul>
A work environment in which health and safety risks are actively managed, and in which there is prompt and effective response to incidents, accidents, or illness.	<ul style="list-style-type: none"> <li>Satisfactory ratings in annual health and safety inspections of OPCW controlled workplaces.</li> </ul>
<b><i>Primary alignment to core objectives:</i></b>	
Objective Number 7	

<b><i>Major activities of the Secretariat for 2008</i></b>	
<p>Healthy staff, physically and mentally capable of performing their duties:</p> <ul style="list-style-type: none"> <li>Conduct pre-employment, periodic, special, and discharge medical examinations.</li> <li>Provide specific health promotion programs, including physical fitness promotion.</li> <li>Provide consultation and advice (and, where required, treatment, remediation, or referral) for staff regarding health and safety issues related to their work.</li> </ul>	
<p>Staff who have the knowledge, skills, and equipment needed to work with minimised risk to themselves or their colleagues:</p> <ul style="list-style-type: none"> <li>Contribute to induction and refresher training for all OPCW staff, ensuring the achievement of minimum health and safety proficiency standards relevant to their work.</li> <li>Provide advice and assistance to Inspectorate, TSB and PSB regarding health and safety aspects of equipment.</li> <li>Incorporate the principles of risk management into all applicable OPCW activities.</li> </ul>	
<p>Inspection activities accomplished with minimal health and safety risk:</p> <ul style="list-style-type: none"> <li>Implement a risk assessment and management program for OPCW inspections, incorporating pre-deployment written health and safety planning and briefings, availability for consultation during inspections, and post-inspection debriefings.</li> <li>Prepare medical documentation packages for all inspection teams, including certification of fitness for duty, individual confidential medical summaries, and medical administrative forms.</li> <li>Ensure adequate treatment of injury and illness occurring during inspections.</li> </ul>	
<p>Availability of a defined health, safety, and medical component in the OPCW's international co-operation and assistance activities and other outreach programmes:</p> <ul style="list-style-type: none"> <li>Contribute to the health and safety elements of training courses for Member States arranged and coordinated by the ICA Division.</li> <li>Support the External Relations Division, Office of Special Projects, or other functional units in health and safety aspects of their outreach activities.</li> <li>Collate and provide health and safety information on request in response to external requests.</li> </ul>	
<p>A working environment in which health and safety risks are actively managed, and in which there is prompt and effective response to incidents, accidents, or illness:</p> <ul style="list-style-type: none"> <li>Conduct regular inspections of OPCW working premises, and health and safety equipment / procedures, reporting results to management through the Health and Safety Committee.</li> <li>Provide a travel medical service for staff on official travel, incorporating destination-specific health advice, immunisations, prophylactic medications and travel medical kits.</li> <li>Ensure the availability of a first aid service for response to accidents and illness in OPCW premises, including ready availability of first aid kits in public areas.</li> <li>Investigate accidents occurring in OPCW work areas, and implement recommendations to prevent recurrence.</li> </ul>	
<b><i>Estimated cost of programme activities in 2008:</i></b>	<b>EUR 898,487</b>

**APPENDIX 8: PROGRAMME 7 - ADMINISTRATION**

8.52 The following tables outline the principal activities (including objectives and key results) planned for 2008 in relation to the various components of the OPCW's programme of activity supporting administration.

8.53 The Secretariat's activities in relation to this programme are led by the Administration Division. The Administration Division's Budget Statements, providing detailed financial estimates, are included in Part III of the Programme and Budget for 2008.

**TABLE 52: BUDGET, PLANNING AND FINANCE - SUMMARY OF PROGRAMME OBJECTIVES AND ACTIVITIES**

<i>OPCW programme objectives</i>	<i>Key results planned for 2008</i>
Efficient financial performance in effective support of OPCW operations.	<ul style="list-style-type: none"> <li>Budgeted expenditure for 2008 maintained at prior year level.</li> <li>General costs to Member States reduced by 1.4% (EUR 0.969m) from the level of annual contributions for 2007.</li> </ul>
Robust and sustainable stewardship of financial resources.	<ul style="list-style-type: none"> <li>Increased payment of financial obligations by Member States in the year in which they are due.</li> <li>Use of cash-management mechanisms to ensure temporary income shortfalls do not unnecessarily affect programme delivery.</li> </ul>
Transparent and timely external accountability.	<ul style="list-style-type: none"> <li>Continued implementation of results-focused budget development and programme formulation.</li> <li>Transparent, timely, and comprehensive periodical reporting of financial results to Member States.</li> <li>Completion of annual financial statements endorsed by the independent external auditor.</li> </ul>
<b>Primary alignment to core objectives:</b>	
Objective Number 7	

<i>Major activities of the Secretariat for 2008</i>
Financial reporting to Member States, including preparation of annual budget information: <ul style="list-style-type: none"> <li>Formulation of 2009 Programme/Budget involving preparation of an initial update of financial assumptions, formal papers to EC and CSP, and detailed information papers to support Member States' consideration, as well as advisory-support for facilitated consultations of Member States.</li> <li>Implementation of an agreed mechanism for managing the impact of currency exchange rates.</li> <li>Preparation of 2007 financial statements and four quarterly Income &amp; Expenditure Reports to EC.</li> <li>Preparation of up to 15 other formal papers for EC/CSP on matters such as scale of assessments, budget transfers, and responses to recommendations of the external auditor.</li> <li>Secretariat and advisory support for two meetings of ABAF, including preparation of detailed information papers, ABAF's reports to EC, and the DG's response to ABAF's recommendations.</li> <li>Implementation of International Public sector Accounting Standards (IPSAS). The UN committed the Common System to comply by 2010 financial reporting period.</li> </ul>
Support to the Director-General and programme managers for managing financial resources: <ul style="list-style-type: none"> <li>Timely and accurate accounting for financial transactions and balances across the Secretariat to support the OPCW's financial objectives.</li> <li>Four detailed quarterly financial reports for the Director-General, supplemented by eight monthly financial monitoring summaries.</li> <li>Quarterly review of 2008 budget allotment, taking into account emerging performance and issues.</li> <li>12 detailed monthly budget status reports issued to Directors, including enhanced online reporting.</li> <li>Implementation of a comprehensive programme formulation and budget development process across the Secretariat for the 2009 budget.</li> <li>Detailed analysis of income/expenditure projections to support allotment of the 2009 budget.</li> </ul>

<b><i>Major activities of the Secretariat for 2008</i></b>	
Financial operations, including disbursements, collection of income, and banking: <ul style="list-style-type: none"> <li>• Accounts payable – approximately 19,000 transactions to be processed (7,000 salary payments, 7,500 other payments to staff, and 4,500 payments to vendors).</li> <li>• Preparation and distribution of up to 550 annual statements of earnings for staff members.</li> <li>• Collection of receipts – collection of up to EUR 75m in payments from Member States, involving approximately 150 payments from 100 States, preparation of 185 assessment letters and 450 invoices, and at least 170 reminder letters.</li> <li>• Implementation of an agreed mechanism for Member States to regularise arrears of contributions.</li> <li>• Cash management - average balance of EUR 30m (including trust funds and special accounts) expected to be administered across 250 term deposits and 20 bank accounts.</li> <li>• Secretariat support and advisory reports to four quarterly meetings of the Investment Committee.</li> </ul>	
Support to the OPCW's Provident Fund (PF): <ul style="list-style-type: none"> <li>• Secretariat support to at least eight meetings of the PFMB and preparation of papers for an AGM.</li> </ul>	
<b><i>Estimated cost of programme activities in 2008:</i></b>	<b>EUR 1,457,796</b>

**TABLE 53: HUMAN RESOURCES - SUMMARY OF PROGRAMME OBJECTIVES AND ACTIVITIES**

<i>OPCW programme objectives</i>	<i>Key results planned for 2008</i>
To provide integrated human-resources advice and services to the OPCW in respect of terms and conditions of service.	<ul style="list-style-type: none"> <li>• 95% of pertinent enquiries receive a satisfactory response.</li> <li>• 95% of monthly payroll transactions concluded and passed to BFB within agreed deadlines.</li> <li>• Errors in calculated entitlements are subsequently discovered in less than 5% of payments.</li> </ul>
To provide integrated human-resources advice and services to the Secretariat in respect of performance management, human-resources planning, recruitment and separation processes, and transition support for affected staff members and their supervising managers.	<ul style="list-style-type: none"> <li>• Advice and guidance is provided aiming to achieve Organisation's target of 90% of performance appraisal reports completed within the scheduled time.</li> <li>• 90% of required HR plans submitted.</li> <li>• 90% of recruitment completed within standard timescales.</li> <li>• 90% of those recruited accepted after probation period.</li> <li>• 95% of requests for transition support are accommodated.</li> </ul>
To provide integrated human-resources advice and services to the Secretariat and to individual staff members in respect of conflict resolution, management of disputes and grievances, disciplinary cases and appeals.	<ul style="list-style-type: none"> <li>• Fewer than 15% of cases decided by the International Labour Organisation's Administrative Tribunal subsequently require amendment to OPCW human-resources policies.</li> </ul>
<b>Primary alignment to core objectives:</b>	
Objective Number 7	

<i>Major activities of the Secretariat for 2008</i>	
Support for workforce planning and recruitment of personnel throughout the Secretariat: <ul style="list-style-type: none"> <li>• Provision of advice and assistance to staff and line managers for PMAS.</li> <li>• Continued provision of advice and enhancements with regard to HR planning.</li> <li>• Continued recruitment to replace voluntary and managed staff turnover.</li> <li>• Management of separation processes and transition support.</li> </ul>	
Provision of integrated human resources services to managers and staff members: <ul style="list-style-type: none"> <li>• Resolution of internal grievances, appeals, rebuttals, and disciplinary cases.</li> <li>• Continued finalisation of new and revised HR policies and procedures.</li> <li>• Ongoing resolution of internal and external audit findings.</li> <li>• Improvements to and automation of HR processes.</li> <li>• Contribution to revision of Staff Rules.</li> </ul>	
Administration of entitlements and benefits payable to the Secretariat's workforce: <ul style="list-style-type: none"> <li>• Timely and accurate determination of eligibility of staff members to salaries and allowances.</li> <li>• Provision of advice and assistance to staff on their terms and conditions of service.</li> </ul>	
<b>Estimated cost of programme activities in 2008:</b>	<b>EUR 5,333,110</b>

**TABLE 54: PROCUREMENT AND SUPPORT SERVICES - SUMMARY OF PROGRAMME OBJECTIVES AND ACTIVITIES**

<i>OPCW programme objectives</i>	<i>Key results planned for 2008</i>
To procure equipment, materials and services to meet the requirement of users in a timely manner and at the best possible prices.	<ul style="list-style-type: none"> <li>• 95% of planned procurements executed and recorded during the year within the stated timeframe.</li> <li>• 95% of goods and/or services delivered during the year within the required timeframe.</li> <li>• 100% of cases obtain best prices available in the market for goods and services procured, with no requestor expressing dissatisfaction with procured goods or services.</li> <li>• Satisfactory findings by external and internal audits.</li> </ul>
To maintain OPCW premises, facilities and equipment to a high standard with due regard for cost-effectiveness.	<ul style="list-style-type: none"> <li>• 100% of complaints received during the year successfully addressed within two hours of notification.</li> <li>• 100% of emergency repair requests received responded to within two hours.</li> </ul>
To provide timely mail and courier services.	<ul style="list-style-type: none"> <li>• Internal mail collected four times per working day with a total volume of 120,000 items for the year.</li> <li>• 100% of the requests arranged within two hours of request.</li> </ul>
To provide cost-effective travel arrangements while also reducing the associated administrative tasks of other staff within the Secretariat.	<ul style="list-style-type: none"> <li>• Savings in OPCW travel budget through lower travel service provider costs and broader negotiated airline arrangements.</li> <li>• Automation of travel processing including integration of the travel request, travel authorisation and travel claim within an automated system resulting in a streamlined process with an electronic approval system and automatic entitlement calculation.</li> <li>• Centralisation of all OPCW travel processing in the travel unit resulting in greater efficiency, control and accountability.</li> </ul>
To contribute to the improvement of service conditions for staff by providing appropriate medical and other insurance coverage.	<ul style="list-style-type: none"> <li>• 11 insurance policies in force, providing the required insurance coverage for the organisation and its staff.</li> <li>• High level of satisfaction by management and staff with the cost and the coverage of the policies, with no official complaint received.</li> </ul>
<b>Primary alignment to core objectives:</b> Objective Number 7	

<b><i>Major activities of the Secretariat for 2008</i></b>	
Effective administration of procurement requirements: <ul style="list-style-type: none"> <li>Continued improvement of administration of procurement requirements.</li> <li>In 2008 the number of tenders, major purchases and major contract renewals is expected to be similar to 2007.</li> </ul>	
Provision of cost-effective travel and support services arrangements: <ul style="list-style-type: none"> <li>Central inventory control within SSS.</li> <li>Centralisation of the travel processing functions across the Secretariat once the automation of travel processing complete.</li> <li>Finalisation of the revised/new Administrative issuances on all aspects of travel entitlements.</li> <li>Tender the removal and shipping contract.</li> <li>Continue to optimise the cost-effective procurement of office supplies.</li> </ul>	
Provision of infrastructure services, equipment and supplies throughout the Secretariat: <ul style="list-style-type: none"> <li>Contract management and supervising of performances of both external contractors and in-house personnel will continue in 2008 ensuring that suitable provisions to cover preventative services and emergency repairs are included in the maintenance contracts.</li> </ul>	
Provision of mail and courier services: <ul style="list-style-type: none"> <li>The ability to arrange courier services on short notice and the frequency of distribution of internal mail is to be maintained in 2008.</li> </ul>	
<b><i>Estimated cost of programme activities in 2008:</i></b>	<b>EUR 6,416,965</b>

**TABLE 55: TRAINING AND STAFF DEVELOPMENT - SUMMARY OF PROGRAMME OBJECTIVES AND ACTIVITIES**

<b><i>OPCW programme objectives</i></b>	<b><i>Key results planned for 2008</i></b>
Provision of a comprehensive training and development strategy addressing requisite technical and professional competence of Secretariat staff.	<ul style="list-style-type: none"> <li>Advice and administrative support for INS/VER training to maintain, and increase, the number of certified personnel to conduct inspection-related activities.</li> <li>External validations presented during the year to staff upon completion of training activities and subsequent evaluations of results.</li> </ul>
To improve management competence within the Secretariat at all levels.	<ul style="list-style-type: none"> <li>Issue-oriented training (such as risk management, project management, knowledge transfer) is planned and conducted to enhance management capacity.</li> <li>A minimum of 65% of staff with supervisory and managerial responsibility undergo such management training.</li> </ul>
To develop individual competences.	<ul style="list-style-type: none"> <li>In-house training courses, including language courses, provided to 200 – 250 staff members for the year.</li> <li>Advice regarding employment and future career paths provided to interested staff during the year.</li> </ul>
<b><i>Primary alignment to core objectives:</i></b> Objective Number 7	

<b><i>Major activities of the Secretariat for 2008</i></b>	
Provision of training and development services across the Secretariat: <ul style="list-style-type: none"> <li>• Support unit-specific training needs (primarily INS and VER in maintaining technical competence) with administrative assistance.</li> <li>• Provide wide range of cross-organisation training (e.g., Induction Programme, PMAS, quality management, project management, workflow management, knowledge transfer, languages, protocol, safety, and IT skills).</li> <li>• Provide consulting services to units on identifying training needs, designing training courses, and monitoring added value of training.</li> </ul>	
Operation of a library to provide reference and media resources: <ul style="list-style-type: none"> <li>• Provide online services such as forms for item requests, item renewals, and feedback.</li> <li>• Provide online guidelines (and hard copy), news and updates for library users (both visitors and staff).</li> <li>• Maintain and update databases of collection and monitor efficient use of budget.</li> <li>• Build and maintain links with other libraries.</li> </ul>	
<b><i>Estimated cost of programme activities in 2008:</i></b>	<b>EUR 624,914</b>

**TABLE 56: INFORMATION SERVICES - SUMMARY OF PROGRAMME OBJECTIVES AND ACTIVITIES**

<b><i>OPCW programme objectives</i></b>	<b><i>Key results planned for 2008</i></b>
Expansion of access to official information within the Organisation and to Member States.	<ul style="list-style-type: none"> <li>• A number new information services approved during the year and provided to Member States.</li> </ul>
Provision of a reliable information services infrastructure.	<ul style="list-style-type: none"> <li>• All three networks successfully operating at 99% uptime.</li> <li>• 90% of personal technology units (computers, phones, faxes, etc) delivered to staff within one week of request or three days of an incident report.</li> <li>• No hours of business continuity lost as result of network failures.</li> </ul>
Effective delivery of IT development projects.	<ul style="list-style-type: none"> <li>• 75% of development projects completed successfully and on schedule.</li> <li>• 100% of projects completed within the assigned resources.</li> </ul>
Satisfaction of user requests for new software development.	<ul style="list-style-type: none"> <li>• 100% of actions initiated within three months of formally approved requests.</li> <li>• Medium-size projects completed within eight months.</li> <li>• Small-size projects completed within three months.</li> </ul>
Ensuring appropriate security in IT systems.	<ul style="list-style-type: none"> <li>• No security incidents related to information systems.</li> <li>• 100% of incidents solved at no loss of confidentiality.</li> </ul>
<b><i>Primary alignment to core objectives:</i></b>	
Objective Number 7	

<b><i>Major activities of the Secretariat for 2008</i></b>	
Provision of information networks: <ul style="list-style-type: none"> <li>• Deployment of 200 new desktop PCs.</li> <li>• Migration to Windows 2003 Server for all installed SCN servers.</li> <li>• Support of OPCW's Business Continuity Plan.</li> <li>• Support of ICA's Associate Training Programme.</li> <li>• Support of Inspection laptops and their related equipment.</li> <li>• Support of the Thirteenth Session of the Conference.</li> </ul>	
Development and management of projects to implement new technology and enhance information support: <ul style="list-style-type: none"> <li>• Conclusion of the VIS Chemical Weapons project.</li> <li>• Conclusion of the Travel Management System.</li> <li>• Migration of legacy applications to Microsoft .NET whenever possible (BITS and MAS are candidates).</li> <li>• Continuation of dynamic content for the OPCW website.</li> <li>• Replacement of all paper forms to electronic forms driven by Document Management System and Workflow System.</li> <li>• Deployment of Microsoft Office 2007.</li> <li>• Support of the Organisation's knowledge management policies through the OPCW Intranet Port@1.</li> </ul>	
Support to specialised management information systems: <ul style="list-style-type: none"> <li>• Participation in the annual OCAD audit.</li> <li>• Provide the Associate Training Programme with support and laptops.</li> <li>• Support the Thirteenth Session of the Conference.</li> <li>• Support of all application systems running on the SCN and SNCN networks.</li> </ul>	
<b><i>Estimate cost of programme activities in 2008:</i></b>	<b>EUR 3,138,765</b>

**APPENDIX 9: LIST OF ADMINISTRATIVE CONTRACTS CONCLUDED BY THE OPCW AND INVOLVING COMMITMENTS OF MORE THAN ONE FINANCIAL YEAR**

	<b>Contract</b>	<b>Expiry Date</b>
1.	Tenancy agreement for the OPCW headquarters building, concluded on 23 May 1997 with Rabobank GmbH & Co Zweite KG, managed by B & F Property Management BV, and confirmed by the Conference of the States Parties at its First Session	19 May 2012
2.	Rental of 165 car-parking spaces, concluded with the World Forum Convention Center (formerly Netherlands Congress Center) on 1 April 1998	31 March 2012
3.	Agreement concerning the supply of electrical energy to the OPCW headquarters building, concluded with Eneco Energie Handelsbedrijf BV on 1 January 2005	31 December 2007
4.	Supply of gas to the OPCW headquarters building, concluded with Eneco Energie Handelsbedrijf BV on 3 November 1997	31 December 2013
5.	Contract for rental of the World Forum Convention Center (formerly Netherlands Congress Center) for sessions of the Conference of the States Parties, concluded on 1 January 2003	31 March 2007
6.	Licences for McAfee Anti-Virus Defense, concluded with Misco Nederland on 1 December 2004	30 November 2007
7.	Service-level agreement for the maintenance of the PABX, concluded with Dimension Data (formally known as In-Time Netbuilding) on 1 October 2002	30 September 2010
8.	Lease contract for high-volume printers, concluded with Danka Nederland BV on 19 April 2004	18 April 2009
9.	Lease contract for shared-support-area photocopiers, concluded with Océ Nederland BV on 16 April 2004	15 April 2009
10.	Lease contract for colour printer, concluded with Xerox Nederland BV on 27 February 1998	1 December 2007
11.	Contract for the maintenance of external telephone lines, concluded with KPN Telecom on 1 July 2005	30 June 2008
12.	Contract for use of a software license for eTrust software, concluded with Computer Associates BV on 28 December 2006	27 December 2008
13.	Lease contract for warranty of workstations, concluded with Dell Financial Services on 31 August 2005	30 August 2007
14.	Contract for use of a software maintenance for WebSense EIAM software, concluded with Unit 4 Security Solutions on 16 September 2005	15 September 2008
15.	Contract for the maintenance of network, concluded with Dimension Data on 1 January 2006	31 December 2010
16.	Contract for the maintenance and licenses in relation to internet, concluded with Dimension Data on 1 April 2007	31 March 2010
17.	Contract for the maintenance of digital recording system (Ieper Room) with Jacot Nederland BV on 1 April 2007	31 March 2010
18.	Contract for provision of travel services with Carlson Wagonlit Travel on 1 February 2007	31 January 2009

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