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Conference of the States Parties

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**REPORT OF THE ORGANISATION
ON THE IMPLEMENTATION OF THE CONVENTION
(1 JANUARY - 31 DECEMBER 1998)**

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OVERVIEW

1. 1998 was a year of consolidation for the Organisation, when it was able to overcome the initial organisational difficulties associated with the first seven months of the life of the Organisation which came into being on 29 April 1997 with the entry into force (EIF) of the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction (hereinafter the "Convention"). 1998 also saw the Technical Secretariat (hereinafter the "Secretariat") reach its full authorised strength and considerably intensify its efforts aimed at the full implementation of its functions under the Convention.

Progress towards universality

2. 1998 saw a further significant growth in the OPCW's membership - the number of States Parties, which had increased from 87 at EIF to 105 on 31 December 1997, grew further to 121 exactly one year later. This rapid rate of continuing accession to the Convention (16 States Parties, or 15%, in the past year), unprecedented in the history of multilateral disarmament agreements, reflected the growing recognition by the international community of the urgency of the task of the global elimination of chemical weapons and of the pivotal role which the OPCW plays in this endeavour. At the same time 48 signatory States had not yet ratified the Convention, while 23 other States had yet to accede to the Convention. The Organisation's efforts to achieve universality of the Convention continued at various levels.

Governance

3. In 1998 the Organisation continued to receive guidance from its policy-making organs: the Conference of the States Parties (hereinafter the "Conference"), and the Executive Council (hereinafter the "Council"). A total of 49 decisions on a wide range of issues of critical importance to the smooth functioning of the Organisation were adopted by these organs in the course of the year.

Establishment of information on chemical weapons around the world

4. In 1998 the international community was, for the first time, able to obtain a realistic estimate of the magnitude of the task which it pledged to achieve when the Convention entered into force in 1997 - to rid the world of chemical weapons. With the submission of the initial declaration by the Russian Federation on 3 January 1998, four States Parties to the Convention - India, the Russian Federation, the United States of America, and one other - had, since the entry into force of the Convention, declared the existence on their territory of stocks of chemical weapons whose total declared weight was about 75,000 tonnes of CW agents. This figure does not, of course, include stockpiles that might be located in States not party to the Convention.

Destruction of chemical weapons and chemical weapons production facilities

5. The Convention requires that all declared stockpiles of chemical weapons and CWPFs be destroyed within 10 years after the EIF of the Convention (i.e. by 29 April 2007) on the basis of general plans for destruction. Such plans were duly submitted by all States Parties which were declared possessors of chemical weapons. By the end of the period under review the OPCW's inspectors had witnessed, through continuous monitoring, the destruction of a total of about 2,000 tonnes of the nerve agent GB (sarin) and the blister agent HD (mustard gas) contained in more than 2,000 one-ton containers, as well as 132,000 unitary munitions, 260 tonnes of binary components, 174,000 binary canisters, and almost 12,000 Category 3 (unfilled) chemical weapons. The destruction of chemical weapons in the United States of America during 1998 occurred at a total of seven continuously and non-continuously operated CWDFs. A number of Category 3 chemical weapons were destroyed in 1998 in another State Party.
6. A total of nine States Parties - China, France, India, Iran (Islamic Republic of), Japan, the Russian Federation, the United Kingdom of Great Britain and Northern Ireland, the United States of America, and one other - had made declarations of either present and/or past capabilities to produce chemical weapons at 59 declared chemical weapons production facilities (CWPFs). The CWPF in Japan called Satian No 7 was owned by a religious sect, and not by the Government of Japan. A total of 11 CWPFs out of the 59 declared were certified as destroyed during 1998. The destruction certificate for the facility used by the Aum Shinrikyo sect which carried out the sarin attack in the 1995 Tokyo subway incident was pending at the end of the year. The destruction of this facility was verified by the OPCW in December 1998.

Old and/or abandoned chemical weapons

7. Six States Parties - Belgium, France, Germany, Italy, Japan and the United Kingdom of Great Britain and Northern Ireland - submitted declarations of old chemical weapons (OCW) on their territory, while three States Parties - China, Italy and Panama - submitted declarations of abandoned chemical weapons (ACW) on their territory.

Verification - declarations

8. By the end of 1998 a total of 86 States Parties had submitted their initial declarations to the Organisation. While all of the declared chemical weapons possessor States and, with one notable exception, all States with a sizeable chemical industry, had submitted their declarations to the OPCW in the period under review, approximately one third of States Parties had still failed to report their declarable activities to the Organisation. During 1998 the Organisation continued its efforts to assist those States Parties to fulfil their declaration requirements. In the light of the decision which it adopted on this issue at its Third Session, in November 1998, the Conference will, at its Fourth Session, in June/July 1999, once again consider measures aimed at redressing this situation, which had become a point of serious political concern for the OPCW by the end of 1998.

Establishment of information on global use and transfers of scheduled chemicals

9. By the end of 1998 the Organisation had a clearer picture of the current situation in the global use and flows of scheduled chemicals, while the absence of the initial declaration from one major chemical producer continued to inhibit the completion of this overall picture.
10. As of 31 December a total of 24 Schedule 1 facilities had been declared by 19 States Parties. This number included eight single small-scale facilities, 15 facilities for protective purposes, and one facility for medical, research and pharmaceutical purposes.
11. Twenty-four States Parties had declared 297 Schedule 2 plant sites, 119 of which were inspectable. More than 80% of declared Schedule 2 plant sites are located in eight States Parties (Australia, China, France, Germany, Italy, Japan, Switzerland, and the United Kingdom of Great Britain and Northern Ireland) - while 71% of all inspectable facilities are located in five States Parties - China, Germany, France, Italy, and Japan.
12. Twenty-eight States Parties had declared a total of 395 Schedule 3 plant sites, 329 of which were inspectable. Three quarters of these plant sites were located in five States Parties - China, France, Germany, India, and Japan.
13. A total of 3,542 plant sites producing discrete organic chemicals were declared by 47 States Parties.
14. Consultations between sending and receiving States initiated by the Secretariat in an attempt to reconcile conflicting transfer data between sending and receiving States Parties were still ongoing at the year's end.

Verification - inspections

15. A total of 261 inspections of 198 sites in 26 States Parties were conducted by the OPCW during 1998. The OPCW Inspectorate of 209 inspectors expended 16,927 inspector days.
16. 1998 inspection activities confirmed the trends established in 1997 - 84% of inspection days in 1998 were conducted at chemical weapons-related facilities, with two thirds of inspection time spent on the continuous monitoring of chemical weapons destruction operations in the United States of America. Inspections related to scheduled chemicals therefore amounted to 16% of inspection days.

Inspection equipment, sampling and analysis

17. The Organisation continued to maintain its extensive inspection equipment stockpile and to improve its operational capabilities through the procurement of new items, primarily of NDE equipment. A total of seven laboratories in seven States Parties - China, Finland, the Netherlands, the Republic of Korea, Sweden, Switzerland, and the United States of America - were designated by the Organisation to carry out off-site analysis of samples taken during inspections. No actual need for such sample analysis occurred in 1998. The requirements for sample analysis were implemented during

that period through the systematic monitoring by OPCW inspectors of analyses at CWDFs and some other facilities carried out by personnel of the inspected State Party. In parallel, the Organisation continued to refine its Central Analytical Database.

International cooperation, protection, and assistance

18. In 1998 the Secretariat made considerable efforts to establish an infrastructure to facilitate international cooperation, protection, and assistance in accordance with the provisions of Articles X and XI of the Convention.
19. While the following ten States Parties had already provided the Secretariat with information on declarations of national programmes related to protective purposes - Albania, Belarus, Canada, the Czech Republic, France, Lithuania, Romania, Sweden, Switzerland, and the United Kingdom of Great Britain and Northern Ireland - the content of such national declarations had yet to be agreed upon. Unilateral offers of assistance to deal with instances of the potential use or the threat of use of chemical weapons were received from 22 States Parties. Nineteen States Parties made financial contributions to the Voluntary Fund for Assistance, which had grown to a total of approximately one million Dutch guilders by the end of 1998 - four times the amount raised by the end of 1997, but substantially less than the estimated goal of NLG 8 million.
20. The Secretariat's Internet website continued to provide National Authorities and the general public with information on the Convention and its implementation. Various other initiatives - seminars, workshops, technical assistance visits, internships, and activities in support of national laboratories - were also actively pursued in 1998. A total of 100 representatives of National Authorities were trained at courses organised by the Secretariat.

1. POLICY-MAKING ORGANS

- 1.1 During 1998 the Conference met once in regular session, while the Council held six regular sessions and one meeting. On behalf of the Secretariat, the Director-General submitted a wide range of reports to the policy-making organs, partly in fulfilment of the requirements of the Convention, and partly in response to specific requests of these organs.

MEMBERSHIP OF THE ORGANISATION

- 1.2 During 1998 the number of States Parties increased to 121 (see annex 1 to this report). The additional 16 States which became States Parties in 1998 were: Benin, Bolivia, Botswana, Burundi, Cyprus, Gambia, Indonesia, Lithuania, Malawi, Mauritania, Panama, Senegal, Ukraine, the United Republic of Tanzania, Venezuela and Viet Nam. As of 31 December, 48 signatory States had not yet ratified the Convention (see annex 2 to this report).

ACTIVITIES OF THE CONFERENCE OF THE STATES PARTIES

- 1.3 Ninety-six of the then 120 States Parties to the Convention participated in the Third Session of the Conference, which took place from 16 - 20 November 1998. At that session the Conference elected as its Chairman Ambassador Young-shik Song of the Republic of Korea, who will hold office until his successor is elected at the next regular session of the Conference. Ambassador Carl Niehaus of South Africa was elected Chairman of the Committee of the Whole for the same period. The work of the Conference at its Third Session is reflected in its report (C-III/4 and Corr.1, both dated 20 November 1998).
- 1.4 At its Third Session the Conference took various actions, inter alia by:
- adopting the OPCW Programme and Budget for 1999 and the Working Capital Fund, in accordance with the recommendation of the Council, and as adjusted by the Conference;
 - adopting the scales of assessments for the financial year 1999;
 - electing 21 members of the Council;
 - expressing concern that a significant proportion of States Parties had submitted either no initial declarations or initial declarations in part only, and urging the many States Parties which were in arrears, in whole or in part, with their financial contributions to the OPCW, to meet their obligations forthwith;
 - adopting the decision on the costs of verification under Articles IV and V of the Convention, as referred to it by the Council; and
 - approving the "Report of the Organisation on the Implementation of the Convention (29 April - 31 December 1997)" (C-III/3, dated 20 November 1998), as referred to it by the Council.

ACTIVITIES OF THE EXECUTIVE COUNCIL

- 1.5 The composition of the Council during the period under review is listed in annex 3 to this report.
- 1.6 During 1998 the Council held six regular sessions and one meeting. The work, recommendations and decisions of the Council during the period under review are summarised in two reports on the performance of its activities, each of which covers a different part of that period (EC-XII/2*, dated 9 October 1998, which covers the period ending on 4 September 1998, and C-IV/1, dated 4 June 1999, which covers the period ending on 29 April 1999). During this period the Council had the following two Chairmen, duly elected in accordance with the requirements of Rule 6 of the Rules of Procedure of the Council: Ambassador Prabhakar Menon of India, for the period ending on 12 May 1998; and, for the remainder of 1998, Mr Krzysztof Patulej of Poland.
- 1.7 In accordance with paragraph 31 of Article VIII of the Convention, which states that the Council shall, inter alia, "promote the effective implementation of, and compliance with, the Convention", the Council regularly reviewed the status of implementation of the Convention. The Council repeatedly expressed concern about the absence or incompleteness of initial declarations from a considerable number of States Parties, and urged States Parties to comply with their related obligations under the Convention. The Council also expressed frequent concern at the failure of some States Parties to comply, in whole or in part, with their obligations in relation to the payment of financial contributions to the OPCW.
- 1.8 The Council referred several decisions and recommendations to the Conference at its Third Session for consideration/action, amongst other things on matters such as the draft programme and budget, on which the Convention requires it to make recommendations. For its part, the Conference at its Third Session referred back to the Council certain matters which the Conference had not itself been in a position to resolve.
- 1.9 In accordance with the powers conferred on it by paragraph 34 of Article VIII of the Convention, the Council adopted decisions on the following during the period under review:
 - (a) ten facility agreements or arrangements for CWPFs, 13 facility agreements for CWSFs, seven facility agreements or arrangements for Schedule 1 facilities, including single small-scale facilities, and one facility agreement for a Part IV(B) facility;
 - (b) three combined plans for the destruction and verification of CWPFs, and one combined plan for the verification and conversion of a CWPF; and
 - (c) a recommendation to the Conference at its Third Session on model facility agreements for Schedule 1 facilities and Schedule 2 plant sites.

SUBSIDIARY BODIES OF THE CONFERENCE AND THE COUNCIL

Confidentiality Commission

- 1.10 The Commission for the Settlement of Disputes Related to Confidentiality (hereinafter "Confidentiality Commission") held its second meeting in The Hague from 7 - 10 September 1998. The Confidentiality Commission discussed various issues at this meeting, including proposals for amendments to its Operating Procedures and the text of the Registry Agreement between the OPCW and the Permanent Court of Arbitration. It issued a report to the Conference at its Third Session (C-III/CC.1, dated 16 September 1998, and Corr.1, dated 30 September 1998). At its Third Session, the Conference appointed the members of the Confidentiality Commission for the two-year period commencing on 23 May 1999.

Scientific Advisory Board

- 1.11 On 14 July 1998 the Director-General, in accordance with paragraph 45 of Article VIII of the Convention, appointed 20 eminent scientists from States Parties from all regional groups as members of the OPCW's Scientific Advisory Board. The Scientific Advisory Board's role is to assist the Director-General, in the performance of his functions, to render specialised advice in areas of science and technology relevant to the Convention to the Conference, the Council, or States Parties.
- 1.12 The Scientific Advisory Board met for its inaugural meeting from 21 - 25 September 1998 in The Hague. It elected Dr Claude Eon of France as its chairman and Dr Will Carpenter of the United States of America as its vice chairman. On the recommendation of the Board, the Director-General formed the following four temporary working groups: analytical procedures (chaired by Professor Marjatta Rautio of Finland), on-site monitoring equipment (chaired by Professor Gerhard Matz of Germany), chemical weapons destruction technologies (chaired by Professor Giorgio Modena of Italy), and the reporting of ricin production (chaired by Dr Thomas Inch from the United Kingdom of Great Britain and Northern Ireland). Upon the request of the Director-General, the Scientific Advisory Board also addressed the issue of saxitoxin transfers, and prepared a recommendation to him in this respect. Scientific and technical information on this subject was presented during a technical seminar that was conducted concurrently with the above-mentioned meeting of the Board in The Hague, from 23 - 24 September 1998.

Advisory Body on Administrative and Financial Matters

- 1.13 The Advisory Body on Administrative and Financial Matters met in 1998 for three sessions, from 14 - 16 April, from 27 July - 1 August, and from 21 - 23 September, and produced the following reports: ABAF-II/12, dated 24 April 1998, ABAF-III/6, dated 14 August 1998, and ABAF-IV/3, dated 23 September 1998.
- 1.14 During these sessions the Advisory Body drafted its rules of procedure, reviewed and made recommendations on the implementation of the budgets and on the financial statements for 1997 and 1998, and commented on the 1999 budget, the staff regulations, and the Provident Fund, as well as on other financial issues.

2. DESTRUCTION ACTIVITIES

- 2.1 The Convention requires all States Parties which declare the possession of chemical weapons to destroy them in a safe and environmentally friendly manner. Any State Party which possesses chemical weapons is required to destroy them within 10 years of EIF. In exceptional circumstances the Conference may extend this period by up to five years. The Convention determines the rate and sequence of destruction, which is verified by the continuous on-site presence of OPCW inspectors.
- 2.2 The Convention also requires States Parties which declare either present or past capabilities to produce chemical weapons to destroy all related facilities not later than 10 years after EIF, i.e. by 29 April 2007. Alternatively, States Parties may request permission to convert such facilities for use for peaceful purposes. Such a request to use a CWPF for purposes not prohibited under the Convention may be made for any facility that a State Party is already using for such purposes before the EIF of the Convention for it, or that it plans to use for such purposes. It is noteworthy that two conditions for the conversion of a CWPF for purposes not prohibited under the Convention are the destruction of all specialised equipment at the facility and the elimination of all special features of buildings and structures that distinguish them from buildings and structures normally used for purposes not prohibited under the Convention. In the case of facilities that were used for peaceful purposes before the EIF for the State Party, the State Party in question has to certify in its request that no specialised equipment and no specialised buildings are being used and that the specialised equipment and specialised buildings have been rendered inactive using the methods specified in the Convention.

Declared chemical weapons possessors

- 2.3 All four States Parties - India, the Russian Federation, the United States of America and one other - which had declared the possession of stockpiles of chemical weapons submitted the required general destruction plans in accordance with Article III, subparagraph 1(a)(v) of the Convention, and paragraph 6 of Part IV(A) of the Verification Annex.
- 2.4 During the period under review chemical weapons destruction operations continued in the United States of America in conformity with the detailed annual plans for destruction submitted in November 1997. In November 1998 the United States of America submitted its detailed annual plans for the destruction of chemical weapons in 1999. At the end of the period under review, such detailed annual plans for destruction in the other States Parties declaring the possession of chemical weapons were being prepared for submission in accordance with the general schedule for destruction provided in the general plans. While in two cases the detailed annual plans for destruction are due in 1999 and 2000, one State Party did not submit its detailed annual plan for the destruction of chemical weapons before the beginning of the destruction process in December 1998.

Old and/or abandoned chemical weapons

- 2.5 Since EIF two States Parties - Italy and the United Kingdom of Great Britain and Northern Ireland - possessing old and/or abandoned chemical weapons dating from 1925 - 1946 had provided their general destruction plans on a voluntary basis.

Monitoring the destruction of chemical weapons

- 2.6 As of 31 December the United States of America was actively undertaking the destruction of chemical weapons at three continuously operating and four non-continuously operating CWDFs. As of August, the destruction of Category 3 chemical weapons at one facility in the United States of America had been certified as completed.
- 2.7 In the period commencing on 1 August 1997, when monitoring operations began at operating CWDFs in the United States of America, and ending on 31 December 1998, OPCW inspection teams witnessed the destruction in that State Party of a total of approximately 1,985.6 tonnes of the nerve agent GB and the blister agent HD which were contained in 2,086 one ton containers, and 132,056 items of unitary munitions, 263.9 tonnes of binary components, 174,140 binary canisters, 201,592 binary projectiles, and 11,814 items of Category 3 chemical weapons.
- 2.8 In December an inspection team observed the destruction process for a limited amount (200 items) of Category 3 chemical munitions of another declared chemical weapons possessor.
- 2.9 There were no destruction operations in any other State Party during 1998.

Chemical weapons destruction facilities

- 2.10 In connection with the declarations submitted pursuant to Article III, subparagraph 1(a), and Article IV of the Convention, and to Part IV(A) of the Verification Annex by the four States Parties, the Secretariat received the detailed destruction facility information required under paragraphs 30, 31 and 32 of Part IV(A) for nine CWDFs operating or planned to operate in two States Parties.

Chemical weapons production facilities

- 2.11 In connection with the declarations of present and/or past capabilities submitted by nine States Parties - China, France, India, Iran (Islamic Republic of), Japan, the Russian Federation, the United Kingdom of Great Britain and Northern Ireland, the United States of America, and one other - under Article III, subparagraph 1(c), and Article V of the Convention, and under Part V of the Verification Annex, the Secretariat received general plans for destruction related to 12 facilities, seven annual plans for destruction, 14 detailed plans for destruction related to 14 facilities, and four annual reports on destruction.

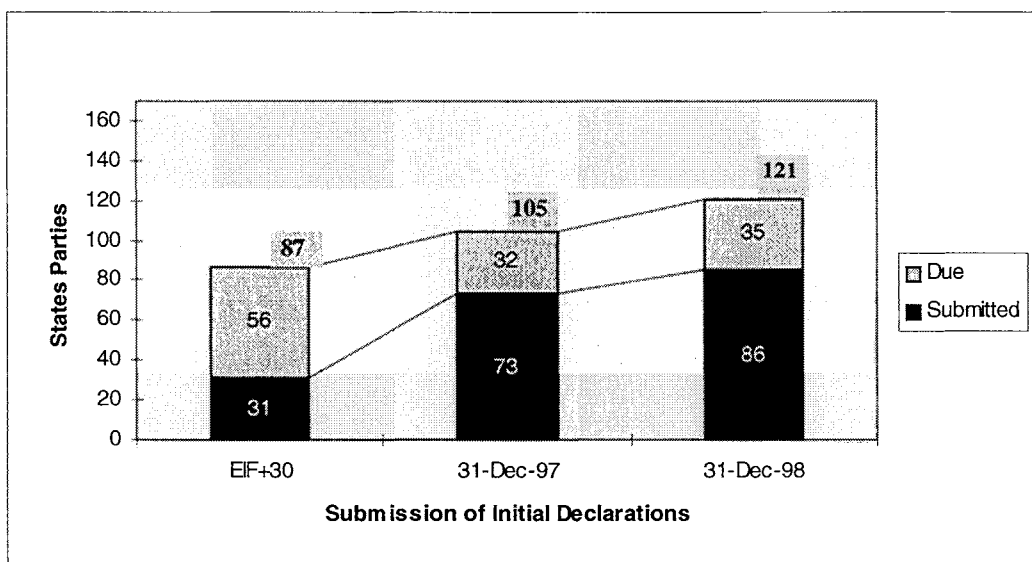
- 2.12 As of 31 December, of the 59 CWPFs declared by the nine States Parties, 11 facilities in five States Parties had been certified as destroyed. Destruction certificates for a number of other facilities were pending at the end of the year. These other facilities included the facility used by the Aum Shinrikyo sect which carried out the sarin attack in the 1995 Tokyo subway incident. The destruction of this facility was verified by the OPCW in December 1998.

3. VERIFICATION ACTIVITIES

DECLARATIONS

Overview

- 3.1 Between EIF and 31 December 1997 a total of 73 initial declarations were submitted, representing 70% of States Parties. Between 1 January and 31 December 1998 an additional 13 States Parties submitted their initial declarations. This development brought the total number of States Parties which had submitted initial declarations since EIF to 86, or 71%, of the 121 States Parties which had ratified the Convention by the end of the period under review. Due to the 15% increase in the number of States Parties during the period under review, this amounted to an increase of only 1% when compared with the situation at the end of 1997. Thirty-five of 121 States Parties had still not submitted initial declarations by 31 December.

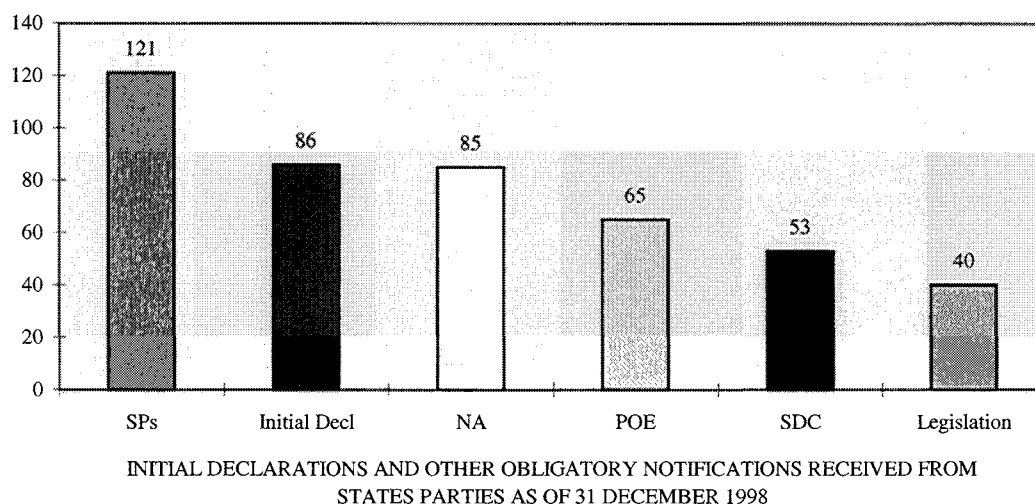


- 3.2 In 1998 annual declarations in relation to the transfer of Schedule 1 chemicals and activities during the previous year (1997) were submitted by 27 States Parties, or 22%, six of which provided nil declarations.
- 3.3 A total of 49 States Parties, or 40%, submitted annual declarations on past activities involving Schedule 2 and/or Schedule 3 and/or other chemicals.
- 3.4 Annual declarations regarding the projected activities and anticipated production for 1999 of Schedule 1 chemicals were provided by 21 States Parties, three of which submitted nil declarations. A total of 30 States Parties, or 25%, submitted their annual declarations on anticipated Schedule 2 and/or Schedule 3 activities for 1999. Four of these 30 States Parties provided nil declarations on anticipated Schedule 2 and Schedule 3 activities.
- 3.5 Of the 32 States Parties which had submitted declarations of plant sites producing, processing or consuming Schedule 2 chemicals and/or plant sites producing Schedule 3 chemicals, 19, or 59%, had provided information on the criteria applied in rendering their declarations. Twenty-seven of those 32 States Parties had submitted

information on the low concentration limits applied to their Schedule 2 and 3 plant site declarations.

3.6 In 1998 the Secretariat continued to provide information from declarations to States Parties that had submitted requests for this in accordance with subparagraph 2(b)(i) of the Confidentiality Annex. By 31 December, 22 States Parties - Australia, Austria, Canada, China, Cuba, Finland, France, Germany, India, Ireland, Italy, Japan, Kuwait, Norway, Pakistan, Poland, the Republic of Korea, the Russian Federation, Sweden, Switzerland, the United Kingdom of Great Britain and Northern Ireland and the United States of America - had received the requested information.

3.7 As of 31 December the Secretariat had received from States Parties the following notifications required by the Convention within 30 days after EIF: 65 notifications of points of entry for inspection teams; and 52 notifications of standing diplomatic clearance numbers for non-scheduled aircraft. By the same date notifications had also been received from 86 States Parties concerning their National Authorities, and information pertaining to implementing legislation had been received from 40 States Parties. The chart below illustrates the submission of initial declarations and other obligatory notifications between the EIF and the end of the period under review. A more detailed representation of this is included in annex 4 to this report.



Declarations of chemical weapons and chemical weapons-related facilities

3.8 Four States Parties - India, the Russian Federation, the United States of America and one other - had made declarations of current holdings of chemical weapons at 33 CWSFs.

3.9 As of 31 December seven CWDFs were in operation in the United States of America, destruction operations had begun at one other CWDF in another State Party, and the Secretariat was aware that construction was proceeding on other CWDFs, in other declaring States Parties.

- 3.10 Nine States Parties - China, France, India, Japan, the Russian Federation, the United Kingdom of Great Britain and Northern Ireland, the United States of America, and two others - had made declarations of either present or past capabilities to produce chemical weapons. As of 31 December the total number of CWPFs declared by the above nine States Parties stood at 59. All CWPFs were confirmed to be inactivated. Eleven of the 59 declared CWPFs were certified by the Secretariat as completely destroyed.
- 3.11 As of 31 December four of the nine States Parties which had declared CWPFs indicated their intention to submit requests to use 12 CWPFs for purposes not prohibited under the Convention pursuant to paragraphs 64 and 65 of Part V of the Verification Annex. Two of these requests related to two CWPFs located respectively in the United Kingdom of the Great Britain and Northern Ireland and the United States of America had been approved by the Conference at its Second Session, in December 1997. Two other conversion requests were placed before the Council at the end of the period under review. The remaining 36 facilities are subject to destruction within the ten-year deadline set down in the Convention, unless the possessor State Party decides to seek conversion for peaceful purposes within four years after the EIF of the Convention for it.
- 3.12 The precise status of two facilities in two other States Parties was discussed between the Secretariat and the States Parties concerned. In one case (Poland) the facility was destroyed in December 1998¹. In the case of the facility in the other State Party, the Secretariat was still discussing the matter with the State Party in question at the end of the period under review.²

Old and/or abandoned chemical weapons

- 3.13 By 31 December six States Parties - Belgium, France, Germany, Italy, Japan and the United Kingdom of Great Britain and Northern Ireland - had made declarations of old chemical weapons (OCW) on their territory, while three States Parties - China, Italy and Panama - had submitted declarations of abandoned chemical weapons (ACW) on their territory. Japan made a declaration of abandoned chemical weapons on the territory of another State Party.

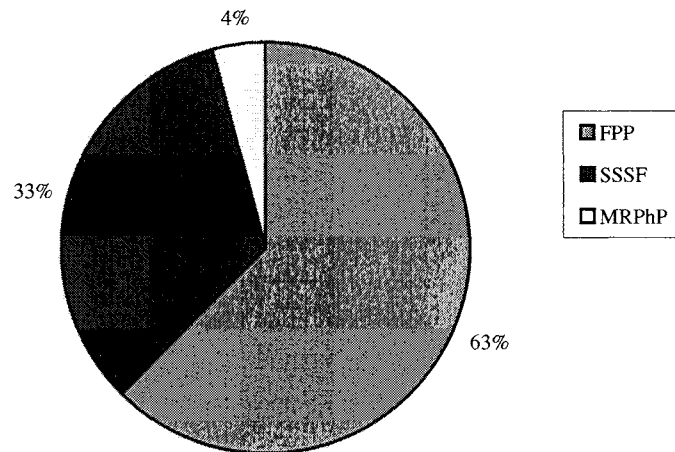
Facilities related to scheduled chemicals

Schedule 1 declarations

- 3.14 As of 31 December a total of 24 Schedule 1 facilities had been declared by 19 States Parties. The breakdown of these facilities was as follows: eight single small-scale facilities (SSSFs); 15 facilities for protective purposes (FPPs); and one facility for medical, research and pharmaceutical purposes (MRPhP).

¹ The destruction of the facility was confirmed in January 1999 by the Secretariat, which subsequently informed the Council that it considered the matter closed.

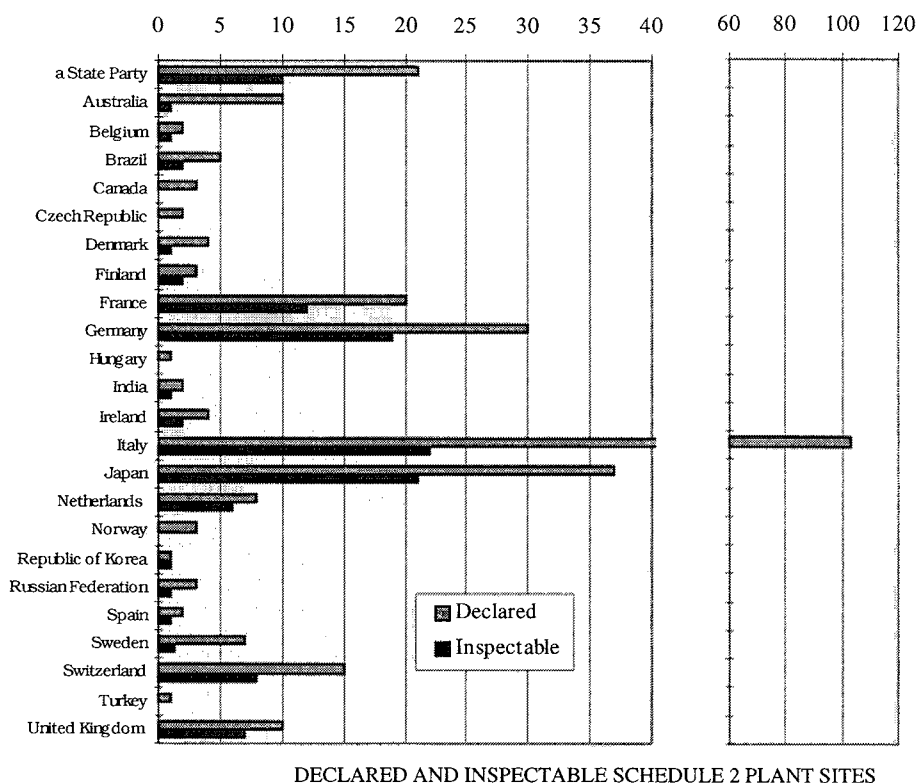
² After the end of 1998 the State Party informed the Secretariat that it intended to destroy the facility in April 1999.



BREAKDOWN OF SCHEDULE 1 FACILITIES

Schedule 2 declarations

- 3.15 As of 31 December, pursuant to Article VI of the Convention and Part VII of the Verification Annex, 24 States Parties had provided their initial declarations of Schedule 2 plant sites covering the three calendar years prior to EIF (1994 - 1996). The same States Parties submitted their annual declarations on past activities for 1997.
- 3.16 Of the declared 297 Schedule 2 plant sites involved in production, processing or consumption activities, 119 were determined to be inspectable. A combined total of 246, or 83%, of these Schedule 2 plant sites had been declared by eight States Parties - Australia, China, France, Germany, Italy, Japan, Switzerland, and the United Kingdom of Great Britain and Northern Ireland - each one of which declared 10 or more Schedule 2 plant sites. Eighty-four of the 119 inspectable Schedule 2 plant sites, or 71%, were located in five States Parties - China, France, Germany, Italy, and Japan. The chart below illustrates the distribution of declared and inspectable plant sites for Schedule 2 activities.



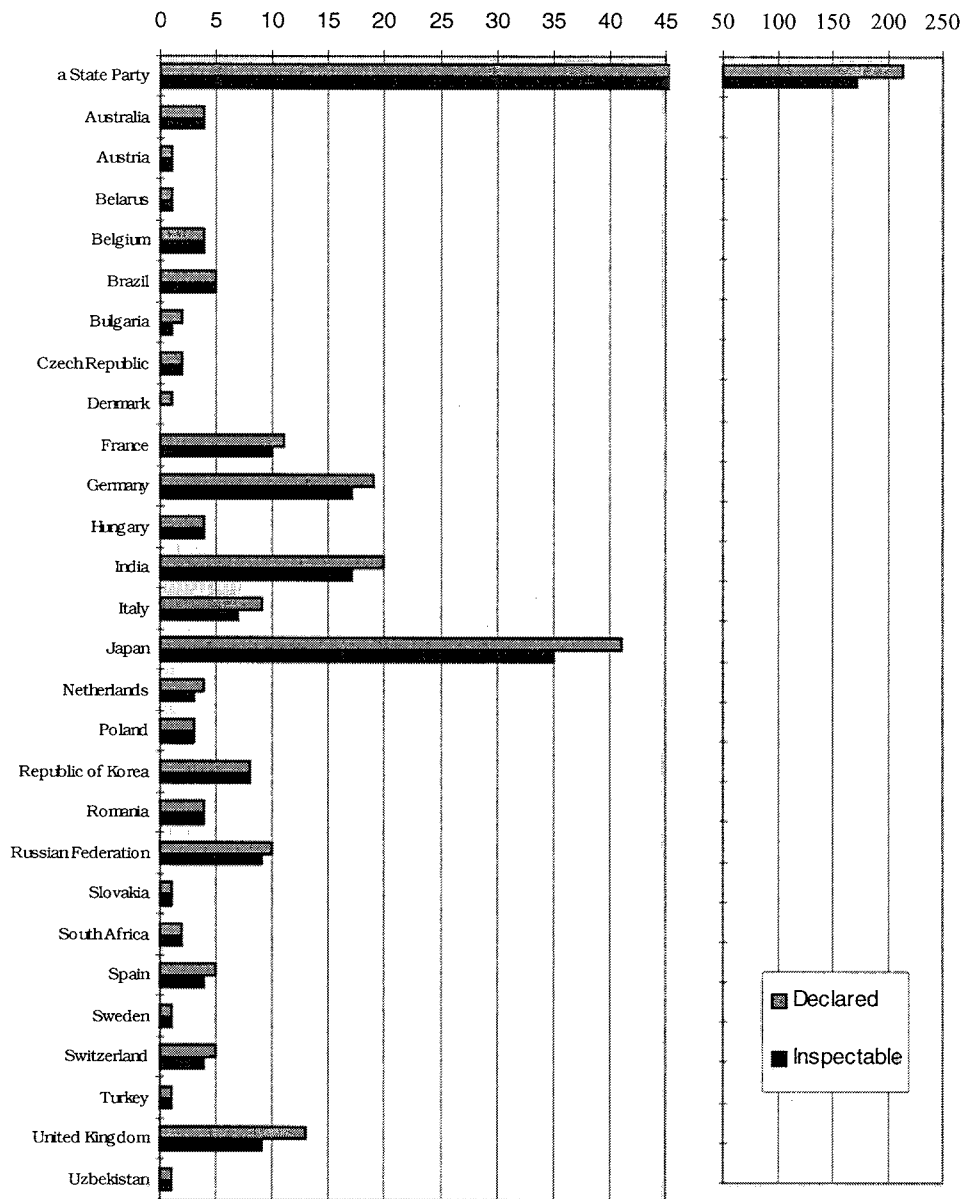
DECLARED AND INSPECTABLE SCHEDULE 2 PLANT SITES

3.17 The number of declared Schedule 2 plant sites remained below the number of 400 that had been one of the planning assumptions adopted by the Conference at its Second Session for the purposes of the 1998 OPCW budget. Some States Parties believe that, while the number of Schedule 2 plant sites rests on estimates which always require a review based on experience, outstanding and incomplete declarations could be identified as the main sources of considerable discrepancies between the assumed and actually declared figures. Other States Parties believe that the analysis carried out by the Secretariat suggests that some States Parties may have underestimated the number of processing and consumption plant sites that are subject to declaration. One possible reason for this could have been the difficulty of identifying the users (i.e. the processors and consumers).

Schedule 3 declarations

- 3.18 As of 31 December 28 States Parties had declared Schedule 3 plant sites covering the previous calendar year (1997), pursuant to Article VI of the Convention and Part VIII of the Verification Annex.
- 3.19 As was also the case with the declared Schedule 2 plant sites, the geographical locations of the 395 declared Schedule 3 plant sites continued to be mainly located in the Asian, Eastern European, and WEOG regions, (94%). Twenty-seven States Parties had inspectable Schedule 3 plant sites. Seventy-six percent of the total of 329 inspectable plant sites were located in five States Parties - China, France, Germany, India and Japan. - each one of which had 10 or more inspectable Schedule 3 plant sites. As with Schedule 2 plant sites, and for the same reasons, the number of

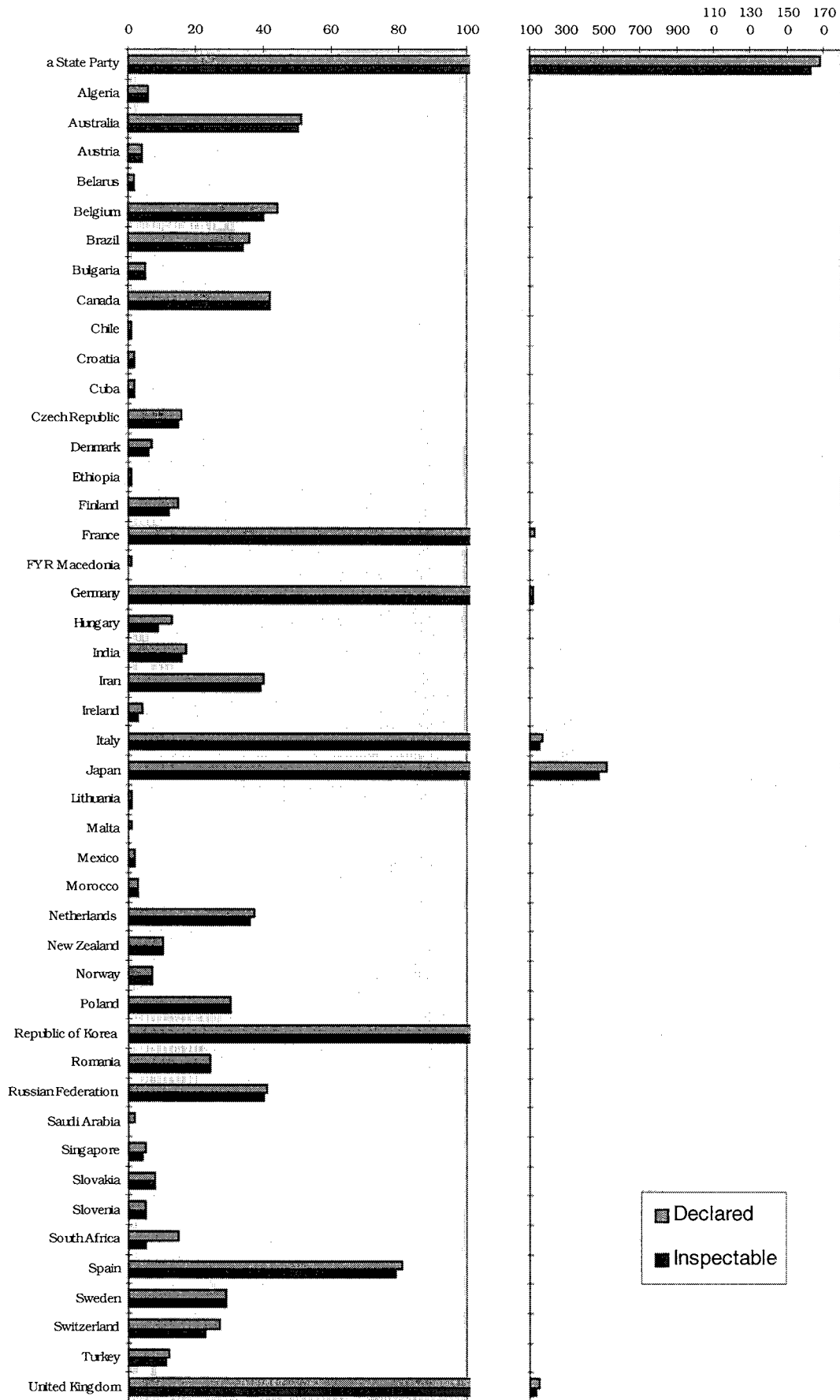
Schedule 3 plant sites declared remained below the number of 500 that had been one of the planning assumptions adopted by the Conference at its Second Session for the purposes of the 1998 OPCW budget.



DECLARED AND INSPECTABLE SCHEDULE 3 PLANT SITES

Part IX of the Verification Annex (regime for other chemical production facilities)

- 3.20 Forty-seven States Parties had declared 3,506 plant sites producing discrete organic chemicals (DOCs), 3,314 of which were assessed as being inspectable. The number of DOCs declared was considerably lower than the number of 6,000 - 15,000 which was one of the planning assumptions adopted by the Conference at its Second Session for the purposes of the 1998 OPCW budget, for the same reason as in the case of Schedule 2 and 3 plant sites.



DECLARABLE AND INSPECTABLE DOC PLANT SITES

TRANSFERS OF SCHEDULED CHEMICALS

Notifications of transfers of Schedule 1 chemicals

- 3.21 States Parties are required to notify the Secretariat of any intended transfer of Schedule 1 chemicals to another State Party not less than 30 days before the transfer takes place. In 1998 126 transfers of Schedule 1 chemicals were notified to the Secretariat. These transfers involved five sending and 22 receiving States Parties. Ninety-two percent of the transfers involved the transfer of saxitoxin. The next most frequently transferred Schedule 1 chemical was ricin (6% of transfers).
- 3.22 The Secretariat continued to have difficulties in matching a receiving State Party's transfer notification with the sending State Party's transfer notification. This could be attributed to a variety of problems, including the listing of incorrect amounts of the scheduled chemical, the cancellation of transfers, and multiple notifications concerning the same transfer. The Secretariat had suggested that sending States Parties should agree with their respective recipient States Parties to a unique coding system in order to facilitate the identification of notifications coming from both sources.
- 3.23 At its Twelfth Session the Council considered the issue of advance notification in the case of transfers of saxitoxin for medical/diagnostic purposes. The Council decided that - for the specific purpose of implementing the Convention's provisions in relation to transfers of small amounts of saxitoxin for medical/diagnostic purposes when the strict observance of the 30-day advance notification requirement would prevent a specific public health need from being met - the transferring State Party may make an initial advance notification to the Secretariat of an intent to make such transfers to States Parties over the following 270 days. The Council also decided that the State Party receiving the transfer would be obliged to notify the Secretariat when it was received. Two sending States Parties - Canada and the United States of America - presented such notifications to the Secretariat in October and November 1998.

Transfers of Schedule 2 and Schedule 3 chemicals among States Parties

- 3.24 As indicated in the report of the Organisation on the implementation of the Convention during the period 29 April – 31 December 1997 (C-III/3, dated 20 November 1998), a lack of consistency was identified in the aggregate national data on the transfers of Schedule 2 and Schedule 3 chemicals declared in 1997, in the initial declarations of a significant number of States Parties. Thus over 90% of declared transfers could not be reconciled on the basis of data provided by the importing and exporting States Parties, with the amounts of imported and exported chemicals differing in some cases by an order of magnitude or more. Following a preliminary assessment of the annual declarations of past activities for 1997, it appears that similar discrepancies were identified in the data on the transfers of Schedule 2 and Schedule 3 chemicals declared by some States Parties. In 1998 the Secretariat initiated a process of clarification with the States Parties in question. As of 31 December 1998, only 19, or 25%, of the 74 States Parties approached had responded to the Secretariat's request for clarification. The limited number of

responses, as well as the difficulties emphasised by some States Parties in rendering the necessary information did not enable the Secretariat to arrive at any conclusion on that issue.

Transfers of Schedule 2 and Schedule 3 chemicals to States not Party to the Convention

- 3.25 Four States Parties reported transfers of Schedule 2 chemicals to six States not party to the Convention. One chemical, N,N-dimethylaminoethylchloride hydrochloride, accounted for 64% of the total amount of 172 tonnes of Schedule 2 chemicals exported in 1997 to States not party to the Convention. Fifteen States Parties reported 65 transfers of Schedule 3 chemicals exported to 19 States not party to the Convention. Three chemicals - triethanolamine, thionyl chloride, and chloropicrin (trichloronitromethane) - accounted for 82% of the total amount of 5,795 tonnes.

INSPECTIONS

Overview

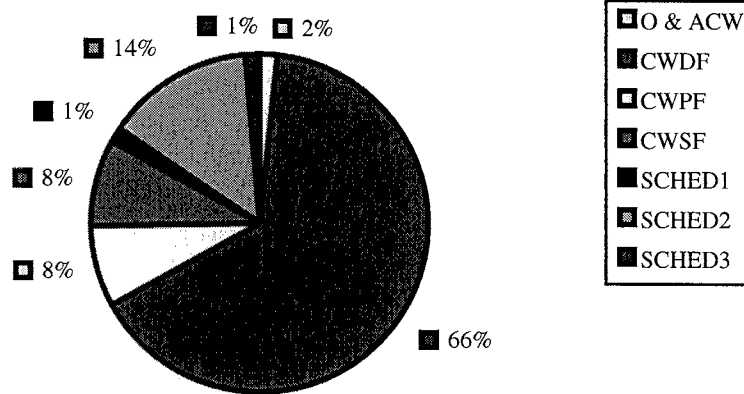
- 3.26 Inspection activities continued in 1998 at an increased pace, by comparison with the previous reporting period. Thus, a total of 261 separate inspections to 198 sites in 26 States Parties were conducted between 1 January and 31 December 1998. The difference between the number of inspections conducted and the number of sites actually inspected reflects the fact that, in the case of CWPFs, some production facilities were inspected twice or more, and that several inspection teams, rotated at intervals, maintained a permanent inspector presence at the CWDFs in the United States of America. A total of 16,927 inspector days were expended.
- 3.27 These figures show that an average of 16 inspection sites were visited in each month, while 22 inspections were undertaken and 1,410 inspector days were used in the same period.
- 3.28 The table below illustrates the numbers and categories of inspections completed in 1998, as well as the number of inspector days per category of inspection and other aggregate statistics on inspection activities.

INSPECTIONS COMPLETED IN 1998

	Number of inspections	Number of sites	Inspector days
ACW	6	6	154
CWDFs	62	8	11,224
CWPFs	60	51	1,256
CWSFs	31	31	1,378
OCW	8	8	122
Schedule	13	13	224
Schedule	68	68	2,329
Schedule	13	13	240
Overall:	261	198	16,927

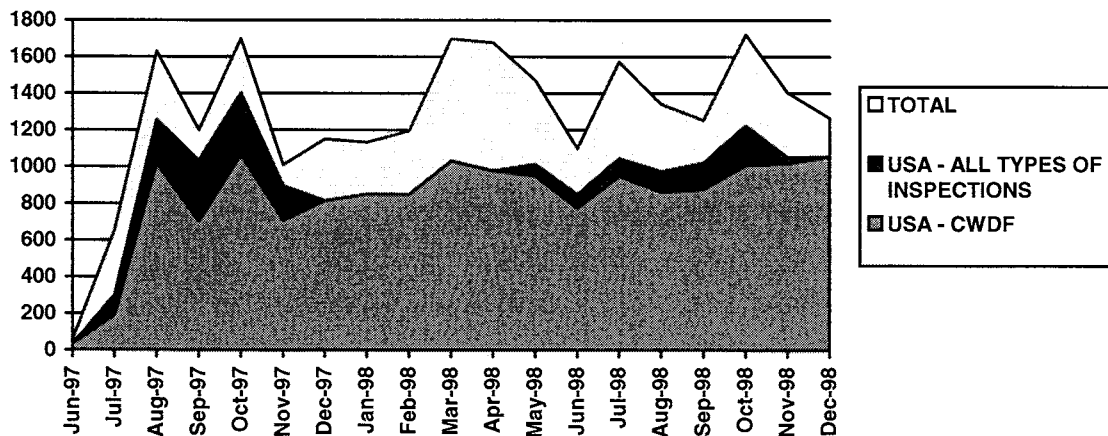
3.29 Of the total of 16,927 inspector days recorded by the Inspectorate in 1998:

- (a) 14,134 inspector days, or 84% of the total, were devoted to chemical weapons-related inspections (CWDFs, CWSFs, CWPfFs). Of the total number of inspector days, 2,793, or 16%, were devoted to industry inspections:



PERCENTAGE INSPECTOR DAYS / TYPE OF INSPECTION IN 1998

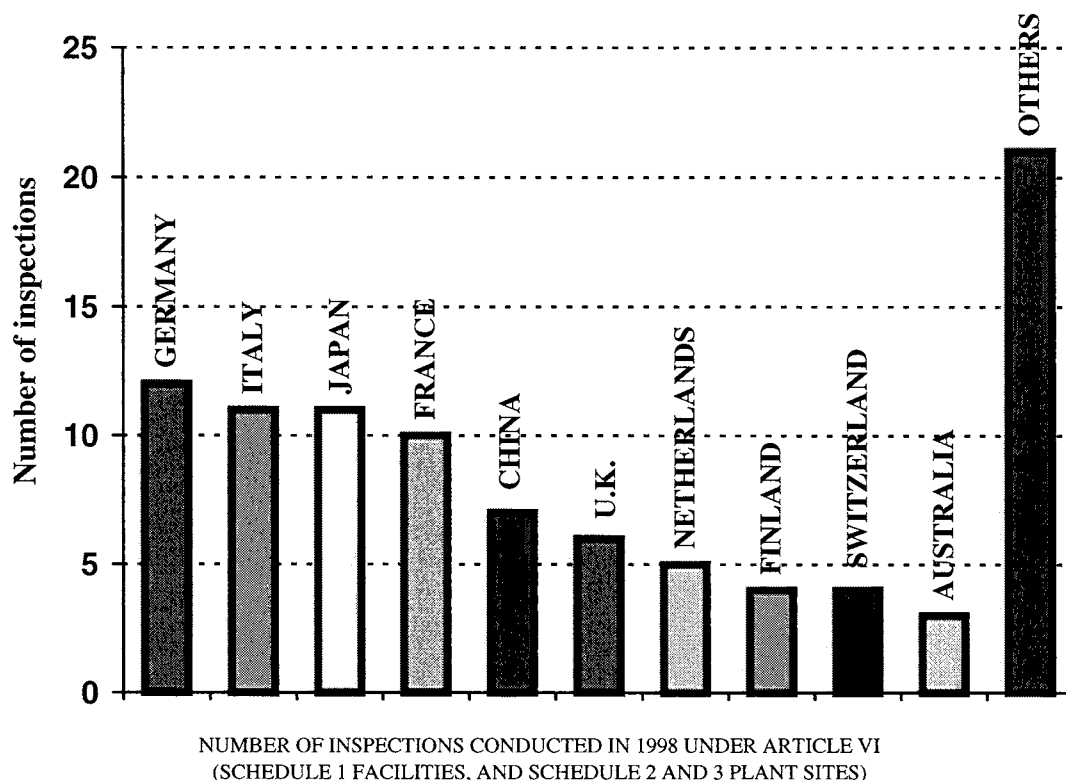
- (b) 12,048 days, or 71% of the total number of inspector days, were spent in the United States of America, of which 11,206 days, or 66% of the total number of inspector days, were devoted to the ongoing monitoring of destruction activities at CWDFs. The chart below illustrates the number of days allocated to inspection activities between EIF and the end of the period under review on a monthly basis (total/USA-all types of inspections/USA CWDFs):



INSPECTION DAYS PER MONTH BETWEEN EIF AND 31 DECEMBER 1998 (TOTAL/USA-all types of inspections/ USA CWDFs)

3.30 The chart below depicts, by inspected State Party, the number of inspections conducted in 1998 under Article VI. The group “others” includes those States Parties which received two or less inspections (Belgium, Brazil, Canada, Denmark, India, Ireland, Norway, Poland, the Russian Federation, South Africa, Spain, Turkey, the

United States of America and one other State Party). A summary of inspections conducted in 1998 is presented in annex 5 to this report.



3.31 Selected costs related to Article VI inspections conducted by the Secretariat in 1998 comprise the following elements (in Netherlands guilders):

(a)	travel and DSA	3,522,383
(b)	transport - inspection equipment (cargo)	5,937
(c)	interpretation costs	571,939

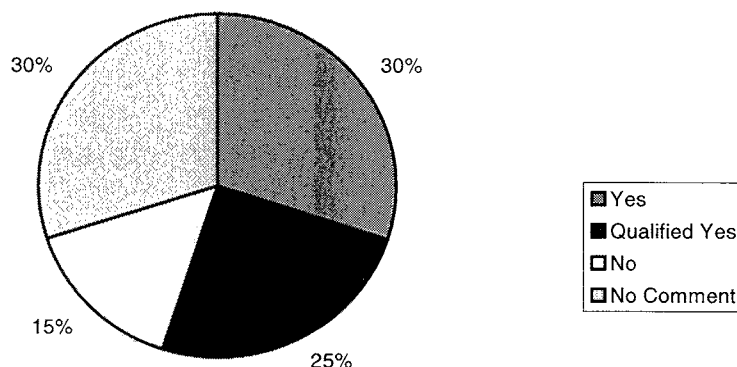
3.32 During 1998 the OPCW conducted 153 missions to CWDFs, CWSFs, and CWPfFs, in seven States Parties. In accordance with Articles IV and V of the Convention, the cost of verification of such facilities shall be covered by the State Party in question. To this end a total of NLG 8,184,920 was invoiced to these States Parties for inspections conducted in 1998 (see annex 6 to this report for details, by State Party).

3.33 The Secretariat continued its efforts to increase the overall effectiveness of the verification regime while minimising the inspection-related costs. The tables below present the actual figures for 1998 against the calculation based on the initial assumptions developed by the Preparatory Commission with regard to the reimbursement costs, the number of inspection days, and the travel costs. As a result of the Secretariat's efforts - materialised in the implementation of the concept of sequential inspections, reduction in team sizes and time spent on site, as well as the careful planning and conduct of inspections - the reimbursable costs of chemical weapons inspections in all declared chemical weapons possessor States in 1998 were less than the initial assumptions by about NLG eight million, or 52%. In terms of inspector days the cumulative savings for the inspection of chemical weapons facilities amounted to about 11,400 days, or 45%, and the travel costs decreased by about NLG 4.5 million, or 84%. It should be noted that the reimbursement costs are

calculated in accordance with the agreement on the costs of verification under Articles IV and V of the Convention, and that inspections of abandoned chemical weapons and old chemical weapons sites are not included.

Significant developments

- 3.34 The first half of 1998 witnessed the start of inspections in the Russian Federation, following its ratification of the Convention at the end of 1997. The initial inspections of the 24 declared CWPFs in that State Party were, for the most part, completed in March/April 1998. The inspections of the seven declared CWSFs in the Russian Federation were also completed. As with the start of inspections in any State Party, there were some initial problems, but both the inspection teams and inspected State Party found satisfactory solutions to the operational and logistical problems that arose. The Secretariat and the inspected State Party established a system of periodic consultations which helped to facilitate the clarification of several follow-up verification- and declaration-related issues.
- 3.35 During 1998 industry inspections proceeded at the rate of approximately six per month. As of 31 December, 13 Schedule 1 facilities in nine States Parties and 68 Schedule 2 plant sites in 18 States Parties had been inspected. Inspections of Schedule 3 plant sites started in 1998, as a result of which 13 such plant sites in eight States Parties were inspected in that year.
- 3.36 In the interest of finding additional ways of reducing the cost of its verification efforts, the Secretariat, in March 1998, approached the 34 States Parties which, as of that date, had declared facilities and plant sites under the provisions of Article VI. The question raised was whether, given the evident savings in terms of money and resources that might accrue to the Organisation, the States Parties in question would permit sequential inspections of Schedule 1, 2 and 3 facilities/plant sites on their territory or between their territory and the territory of neighbouring States Parties.
- 3.37 Of the 19 States Parties which responded to the Secretariat's request, six indicated that they would unreservedly accept sequential inspections on their territory and between their territory and that of another State Party, while three indicated that they would not accept sequential inspections on their territory. Six did not comment on whether or not they would allow sequential inspections between their territory and that of another State Party. Five States Parties gave a qualified "yes" to sequential inspections on their own territory, while three expressed specific concerns about the protection of confidentiality during sequential inspections. Although not all States Parties responded in relation to this issue, the Secretariat began to make use of the responses received, however limited, to plan its Schedule 1, 2 and 3 inspections in the most economical way by conducting them sequentially where appropriate.



STATES PARTIES ANSWERS WITH REGARD TO THE CONCEPT OF SEQUENTIAL INSPECTIONS

Inspections at chemical weapons-related facilities

- 3.38 Inspections at chemical weapons facilities provided the bulk of inspection activity by the Secretariat in 1998. During these systematic inspections of CWPFs, CWSFs, and CWDFs, significant quantities of chemical weapons munitions and production capability were verified by the Secretariat as destroyed.
- 3.39 In general, inspections of chemical weapons facilities went smoothly, but there were various instances when issues were raised which needed further consultations. Some of these instances were resolved, while in other cases consultations were still continuing at the end of 1998. The issues typically involved specific documentation requirements, various provisions for tracking chemical weapons through their storage and destruction, and whether certain items within the perimeter should be declared under the provisions of the Convention.

Verification of old and/or abandoned chemical weapons

- 3.40 A number of problems were encountered during the inspection of old and/or abandoned chemical weapons. Amongst other things, due to the prevailing storage conditions and the over-packing of the declared items for safety reasons in some cases, the Secretariat was unable to confirm, in accordance with the Convention, declarations in their entirety. A possible solution to this issue was the using of new items of non-destructive evaluation (NDE) inspection equipment such as X-ray and hydrogen concentration measurement (HCM) equipment. At the end of the period under review the X-ray equipment had already been procured. The Secretariat had initiated the certification of some of the OPCW inspectors in the use of OPCW equipment, and a set of HCM equipment had been ordered for evaluation purposes.
- 3.41 An outstanding issue which remained unresolved at the end of 1998 was that of “the guidelines to assess the usability of chemical weapons produced between 1925 and 1946”. The lack of agreed guidelines for usability prevented the closure of the inspection reports from initial inspections of declared 1925-1946 OCW sites during 1998.
- 3.42 The issues of declaring adamsite as a chemical weapon or a riot-control agent and the verification regime to be applied to this chemical could not be resolved in 1998.

Costs related to inspections of old and/or abandoned chemical weapons

- 3.43 During the period under review the Council returned to the issue of the attribution of the costs related to inspections of old and/or abandoned chemical weapons on three consecutive occasions - at its Tenth, Eleventh and Twelfth Sessions. Despite intensive efforts on the part of the Friend of the Chair, who submitted to the Council two draft decisions, one on the cost of verification of old chemical weapons and one on the cost of verification of abandoned chemical weapons, no consensus could be reached on these issues. This lack of consensus resulted in a decision by the Conference at its Third Session to refer the issues to back the Council for further consideration, with a view to appropriate recommendations being made for a decision by the Conference at its Fourth Session.

Verification of facilities related to scheduled chemicals

Verification activities under Part VI of the Verification Annex

- 3.44 Twelve Schedule 1 facilities received systematic inspections, and one facility received an initial inspection in 1998. By the end of 1998 the need for amended declarations was the main issue identified by the Secretariat as requiring further attention, with the exception of one Schedule 1 facility in relation to which further clarification was being sought by the Secretariat. Detailed information on the facility agreements which were approved by the Council during the period under review is contained in annex 7 to this report.

Verification activities under Part VII of the Verification Annex

- 3.45 Sixty-eight Schedule 2 plant sites received initial inspections in 1998. Four States Parties - France, Germany, Italy and Japan - received the majority of Schedule 2 inspections during the second half of 1998. The need for amended declarations was the main issue identified as requiring further attention in Schedule 2 inspection final inspection reports in 1998. These initial inspections resulted in the preparation of eight draft facility agreements which were being negotiated with the inspected States Parties in question at the end of the period under review. In relation to the large number of facility agreements which were still under consideration at the end of 1998, it is to be noted that the conclusion of many of these has been held up pending agreement on unresolved issues such as the frequency of re-inspection of Schedule 2 plant sites. In some cases States Parties also opted for a process whereby they seek to obtain the agreement of the policy-making organs of the OPCW for one facility agreement before proceeding to conclude agreements for other facilities of the same type on their territories.

Verification activities under Part VIII of the Verification Annex

- 3.46 During 1998 verification activities were initiated under the provisions of Part VIII of the Verification Annex. Thirteen Schedule 3 plant sites received inspections. As in the case of verification activities conducted at Schedule 2 plant sites, the need for amended declarations to be submitted by the inspected States Parties was the main issue identified as requiring further attention. None of the inspected States Parties requested the preparation of a facility agreement for the inspected facilities.

Inspection-related operational issues

- 3.47 Cooperation by inspected States Parties continued to be very good, as indicated by the inspection teams in their final inspection reports in 1998.
- 3.48 A number of operational issues related to the conduct of inspections arose during the period under review, including restrictions on the use of approved inspection equipment, and limitations on the use of secure communications-related equipment.
- 3.49 In some instances the inspection reports referred to restrictions on the use of NDE equipment related to the domestic standards/national certification requirements of the inspected State Party. Such restrictions prevented the inspection teams from undertaking the rapid screening of items or from examining the contents of containers, especially as far as the capacity to distinguish between the contents of similar items was concerned.
- 3.50 Another equipment-related problem was the use of the global positioning system (GPS), which was rejected on the grounds of national policy considerations during a number of inspections. In all these cases, however, the inspection teams were able to verify the precise location of the respective facilities, as required by the Convention, by utilising alternative methods such as maps and by determining the co-ordinates of the facilities through the use of reference points outside the facilities.
- 3.51 It is to be noted that, despite the above-mentioned operational issues with which inspection teams were confronted during the period under review, they were still able to fulfil their mandates on each occasion, albeit sometimes with considerable extra effort or difficulty. The Secretariat held consultations with a number of States Parties in order to resolve certain ongoing issues related to the use by OPCW inspection teams of approved inspection equipment.

TECHNICAL SUPPORT FOR VERIFICATION ACTIVITIES

Inspection equipment

- 3.52 During 1998 the Secretariat increased its stocks of the most commonly used items of inspection equipment with the aim of effectively supporting all inspections.
- 3.53 The Secretariat also improved its NDE capability by procuring portable X-ray equipment and finalising the procurement of the HCM equipment (to be delivered in 1999), as well as by the training and certification of staff, and the development of NDE procedures. Inspection communications were upgraded with the purchase of lightweight satellite link telephones and secure fax machines, as well as of short-range radios, both UHF and VHF. The level of personal protection for inspectors was improved by the procurement of the team decontamination kit and the safety lantern, as well as of improved cold weather clothing designed for the extreme cold conditions in some States Parties.

- 3.54 Following the invitations addressed by the Director-General to National Authorities, the representatives of four States Parties - Japan, Pakistan, South Africa, and the United States of America - visited the OPCW Equipment Store in Rijswijk in order to familiarise themselves with approved items of inspection equipment.
- 3.55 During the period under review an internal task force was established by the Secretariat with a mandate to identify, on the basis of operational experience, any new items of equipment needed to fill the gaps in the identified operational requirements and to establish where revisions may be needed to the technical specifications of existing items of approved inspection equipment, for submission to the Conference at its Fourth Session. The list developed by the task force consisted of items of equipment that met the following requirements:
- (a) improvements to ensure the health and safety of inspection teams;
 - (b) improvements to logistics and administration during inspections;
 - (c) the inclusion of on-site monitoring equipment on the list of approved equipment and the development of concepts of on-site monitoring that would reduce the costs of verification under Articles IV and V of the Convention; and
 - (d) the establishment of OPCW sampling, sample preparation and analysis procedures.

On-site analysis

- 3.56 During the period under review no analytical equipment was taken on any of the inspections except for a trial challenge inspection which took place in February 1998 in the United Kingdom of Great Britain and Northern Ireland. This exercise provided valuable information that led to the refinement of the Secretariat's analytical procedures and to proposed revisions to on-site analytical equipment. A general on-site analysis procedure was developed, as were related detailed procedures for sample collection, splitting, preparation, analysis and chain-of-custody and documentation on site.
- 3.57 Meanwhile, the routine monitoring of systematic inspected State Party analyses at CWDF inspection sites and at some other required sites continued as before. These analyses were performed using the inspected State Party's equipment, procedures and facilities - either by the inspection team members, or by members of the inspected State Party in the presence of the inspection team. In cases where the inspected State Party procedure was inherently not capable of identification (e.g. if chromatographic analyses lacked mass spectrometric identification), the inspected State Party was advised that the independent analytical capability of the OPCW would be randomly used in the future to confirm the identity of the chemical being destroyed.

Proficiency testing and designation of laboratories

- 3.58 The Convention provides that, when this is deemed necessary by the inspection teams, analysis of samples can be performed off site at laboratories designated by the Organisation. Such laboratories should meet the criteria for designation adopted by the Conference at its First Session, i.e. an established internationally recognised quality assurance system; accreditation by an internationally recognised accreditation body for the tasks for which they are seeking designation; and regular participation and successful performance in inter-laboratory proficiency tests. In order to retain designation, the designated laboratories must demonstrate their continued proficiency by participating successfully in at least one proficiency test per year. Seven laboratories in seven States Parties - China, Finland, the Netherlands, the Republic of Korea, Sweden, Switzerland, and the United States of America - which had performed successfully in their last three consecutive proficiency tests in accordance with the above-mentioned criteria, were designated by the Organisation (a list of all designated laboratories as of 31 December 1998 is contained in annex 8 to this report).
- 3.59 Two official proficiency tests (the fourth and fifth) were conducted/started during 1998. The Fourth Official Proficiency Test was conducted over the period 19 May 1998 - 17 June 1998, and a total of 21 laboratories from 20 States Parties participated in the test. Test samples were prepared and dispatched by the NC-Laboratory Spiez in Switzerland, and the results were evaluated by the Finnish Institute for the Verification of the Chemical Weapons Convention (VERIFIN).
- 3.60 Twelve of the 21 laboratories participating in the fourth test met the adopted criteria and could be scored. Five of these identified all the chemicals from the test samples.
- 3.61 The dispatch of samples for the Fifth Official Proficiency Test started on 3 December 1998. The test samples were prepared and dispatched by the GSRDC-4 Laboratory in the Republic of Korea. Altogether 20 laboratories from 17 States Parties participated in the test.

Central OPCW Analytical Database

- 3.62 During 1998 the Secretariat received from VERIFIN new electronic versions of the Central OPCW Analytical Database.
- 3.63 The certification of the database, on the basis of the provisional certification process adopted by the Conference at its First Session, was completed, and the hard copy version was issued to those States Parties which had submitted an official request. Thereafter this database was declassified, and the compilation and certification of a new database version with all adopted data was initiated. Due to the requirements of the certification process and to resource limitations, no new database copies could be delivered during 1998. Seven States Parties - the Czech Republic, Finland, Germany, India, Italy, the United States of America and Zimbabwe - had official requests for a copy of the database pending at the end of 1998.

3.64 By 31 December the status of the Central OPCW Analytical Database regarding all the approved data was as follows: 936 NMR spectra; 712 MS spectra; 310 IR spectra and 155 GC retention indices. The limited number of mass spectra in the Central OPCW Analytical Database remained a cause for concern in the event that the Secretariat is required to operate its GC/MS on site in the blinded mode without the assistance of commercially available libraries.

4. INTERNATIONAL COOPERATION, PROTECTION, AND ASSISTANCE

Information by States Parties on their national programmes related to protective purposes

- 4.1 Paragraph 4 of Article X requires States Parties to submit information on their national programmes related to protective purposes on an annual basis. While ten States Parties provided the Secretariat with information on declarations of national programmes related to protective purposes, the content of such national declarations had yet to be agreed upon.

Data bank on protection against chemical weapons

- 4.2 Paragraph 5 of Article X requires the Secretariat to establish, not later than 180 days after the EIF of the Convention, and to maintain, a data bank containing freely available information concerning various means of protection against chemical weapons. Efforts to procure additional material for the data bank continued throughout 1998, and more than 300 items, including books and scientific and technical journal articles, were processed to obtain abstracts and key words for inclusion in it.
- 4.3 Most of the material contained in the data bank is in English only. The Secretariat persisted with its efforts to obtain material in the other five languages of the Convention, in spite of the difficulties associated with this.

Coordination and delivery of assistance

- 4.4 The Organisation intensified its efforts to be able to fulfil its obligations under the assistance provisions of Article X. If there is a threat or actual use of chemical weapons or riot control agents as a method of warfare, the State Party in question has the right to request assistance, and the Organisation is under an obligation to provide assistance. The OPCW carried out the following measures to develop and maintain a state of readiness to respond to a request for assistance under Article X.

International mechanism for mobilising and coordinating the international response to requests for assistance

- 4.5 In accordance with subparagraphs 7(b) and (c) of Article X, offers of assistance had been made by a total of 22 States Parties, three of which had also made contributions to the Voluntary Fund. Three other States Parties expressed an interest in concluding bilateral agreements of assistance with the Organisation, although no such agreement was concluded during the period under review. In this regard, two assistance coordination workshops were held in The Hague, and one was held in Sofia (Bulgaria). A number of visits were made to States Parties offering assistance to verify the serviceability of their offers, as well as their availability at short notice. Meetings to coordinate the delivery of assistance were also held with relevant international organisations, inter alia with the Office for Humanitarian Assistance of the United Nations (OCHA), and the International Committee of the Red Cross (ICRC). In accordance with subparagraph 7(a) of Article X, and as of the cut-off date

for this report, 19 States Parties had made contributions to the Voluntary Fund for Assistance. This figure does not include payments announced by States Parties, but not received by the Secretariat by the end of the period under review.

- 4.6 The total in the Voluntary Fund by the cut-off date for this report was NLG 1,053,541 (see annex 9 to this report, on the status of contributions to the Fund as of 31 December 1998), which represents an increase in the balance of the Fund of NLG 761,914 since the cut-off date for the previous report on the implementation of the Convention, in which the balance of the Voluntary Fund was NLG 291,627.
- 4.7 The Council at its Twelfth Session adopted a decision on the guidelines for the use of the resources of the Voluntary Fund for Assistance (EC-XII/DEC.3, dated 9 October 1998).
- 4.8 One of the projects identified as necessary in this regard was the conduct of an annual exercise on the investigation of alleged use and the delivery of assistance. Following the Conference's approval in principle of an appropriation for an exercise for an investigation of alleged use and the delivery of assistance, a 12-month plan was drawn up for training for, and the conduct of, this exercise. The selection of inspectors, the elaboration of a scenario, the identification of a State Party to host the exercise, and the contacting of qualified experts were completed during the period under review, and the remainder of the plan will be carried out in 1999.

Procurement of equipment for investigations of alleged use

- 4.9 New requirements for equipment for investigations of alleged use were identified, and the procurement of the equipment, initiated in 1997, continued in accordance with the relevant provisions of Article X.

Request for expert advice and assistance in relation to States Parties' programmes for the development and improvement of their protective capacity against chemical weapons

- 4.10 The Secretariat received one (confidential) request for expert advice and assistance, in accordance with the second part of paragraph 5 of Article X, which states that "The Secretariat shall also, within the resources available to it, and at the request of a State Party, provide expert advice and assist the State Party in identifying how its programmes for the development and improvement of protective capacity against chemical weapons could be implemented."
- 4.11 In order to be able to provide such advice, plans to establish and develop a protection network were developed. A number of States Parties were invited to nominate experts who, together with experts from the Secretariat, may, for a limited period of time, provide on-site expertise to help a requesting State Party to identify ways and means of improving its protective capacity against chemical weapons. Some suitable experts had already been identified, and a first meeting of the network was anticipated after the end of the period under review.

The Secretariat website

- 4.12 The OPCW continues to maintain an Internet website to provide, primarily for National Authorities, up-to-date information on the Convention and on implementation matters, as well as web pages on the various international cooperation programmes. Since the previous reporting period the address of the website changed to <http://www.opcw.org>. A review of the categories of information contained in the website was initiated, and will probably be concluded during the first half of 1999.

Declaration support programme

- 4.13 The Organisation continued to assist National Authorities in preparing their declarations. A series of workshops, both in The Hague and at the regional level, facilitated the exchange of experience, and laid the foundations for the creation of regional centres of expertise for the implementation of the Convention. Twelve experts were provided to assist States Parties with the preparation of their declarations. These experts form the core group of the OPCW's "declaration assistance network", which will provide, on request, on-site support to States Parties in completing their declarations (see annex 10 to this report). Members of the network do not assume responsibility for the information contained in a national declaration, but simply assist governments to complete the declaration forms, while also providing other administrative and/or technical advice.
- 4.14 By the end of 1998 the OPCW had conducted visits to ten States Parties (Brazil, Chile, Greece, India, Morocco, the Russian Federation, Slovakia, South Africa, Sri Lanka, and Suriname) to provide assistance with declarations and implementation-related issues. The main issues discussed during these missions related to the identification of declarable activities, advice on industry involvement, and problems related to the escorting of industrial inspections.

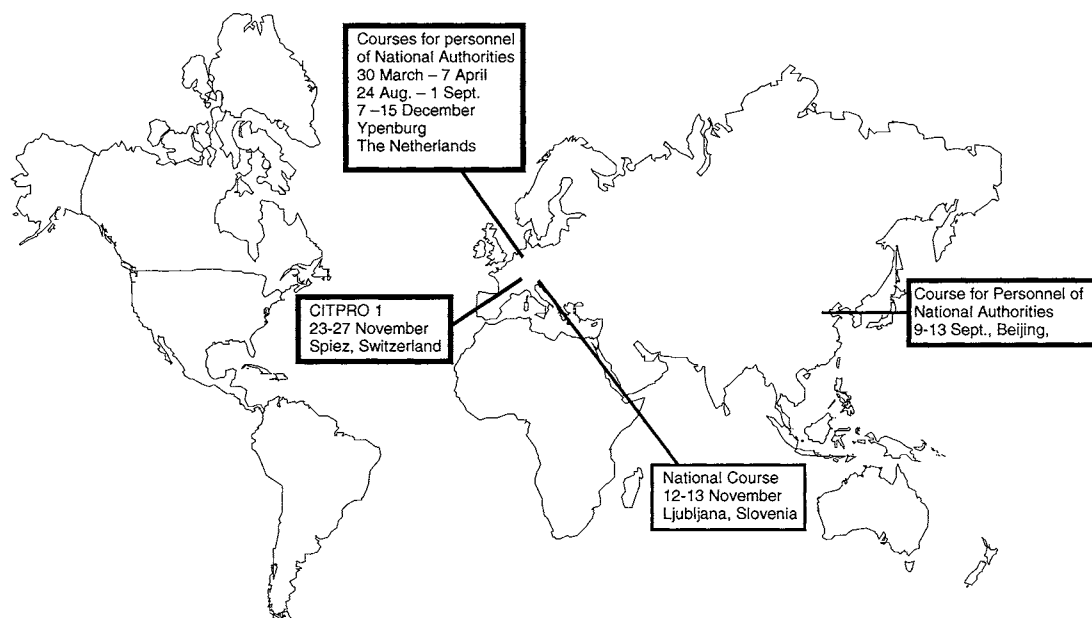
Support for national laboratories relevant to the Convention

- 4.15 The OPCW supports programmes to strengthen the capabilities of national laboratories. This includes laboratories which wish to achieve OPCW designation, as well as those wanting to improve their analytical capabilities for purposes other than designation. The support rendered to laboratories includes training for laboratory staff, visits to other laboratories, internships at the OPCW Laboratory in the Netherlands or at advanced laboratories in other States Parties, sponsorships for laboratory staff to attend scientific meetings, and specialised seminars at laboratories seeking support.
- 4.16 In the context of this programme for national laboratories, the OPCW supported an integrated programme to improve the technical capabilities of a laboratory in India, and sent audit missions to assess the technical capabilities of two laboratories in Brazil and one in Morocco.

Courses for personnel of National Authorities

- 4.17 The Secretariat organised several training courses for personnel involved in the national implementation of the Convention. More than 100 personnel of National Authorities participated in courses at the Instituut Defensie Leergangen outside The Hague, the Netherlands, in April, September and December.
- 4.18 A combined regional seminar and National Authority course took place from 9 to 13 September 1998 in Beijing, China. At the request of, and in cooperation with, the National Authority of Slovenia, the Secretariat held a national course in Ljubljana, Slovenia, from 12 - 13 November 1998. The staff of National Authorities and chemical industry representatives were the target audience for this course.
- 4.19 A special chief instructor training programme course on protection (CITPRO 1) took place in Spiez, Switzerland, as part of the Swiss offer of assistance.
- 4.20 These training courses, addressing a wide range of the practical aspects of implementing the Convention, have proven valuable for the participating personnel from National Authorities. Interest in the courses increased to such an extent that the Secretariat had to postpone the participation of a number of candidates.
- 4.21 New projects to promote cooperation amongst National Authorities and between them and the OPCW were discussed during the period under review. It is anticipated that the implementation of such projects will have a positive impact on the implementation process.

Courses for personnel of National Authorities in 1998



Information service

- 4.22 The free information service for States Parties provided information related to the properties of dangerous chemicals, disseminated contact details of suppliers and producers of chemicals and chemical technology, and responded to enquiries related to the provisions of the Convention. Twenty enquiries were received and responded to from seven States Parties, in relation to the following areas³: health and safety issues related to chemicals (eight enquiries); suppliers and producers of chemicals and chemicals technology (six enquiries); information on scheduled chemicals (two enquiries); regulations applicable to scheduled chemicals and transfers of such chemicals to States not party to the Convention (one enquiry); substitutes for toxic chemicals in manufacturing operations (one enquiry); and the properties of industrial by-products (two enquiries).

Conference attendance and internship support programmes

- 4.23 The Secretariat supported the following meetings: (a) the Latin American Symposium on Environmental Analytical Chemistry, Montevideo, Uruguay, in March; (b) the Sixth International Symposium on Protection against Chemical and Biological Weapons, Stockholm, Sweden, in May; (c) the International Symposium on the Chemistry of Natural Products, Beijing, China, in October; (d) the Chemical and Biological Medical Treatment Symposium Industry I: Chemical and Biological Warfare without Chemical and Biological Weapons, Croatia, in October; (e) the Third African Workshop on Theoretical Chemistry, Nairobi, Kenya, in November; and (f) the First Singapore International Symposium on Protection against Toxic Chemicals (SISPAT-1), Singapore, in December.
- 4.24 The main objective of OPCW's internship programme is to help establish links and joint research programmes between research groups in developing and industrialised countries. The Secretariat approved three requests for internships in fields relevant to the implementation of the Convention. In each of these cases the internship was deferred until 1999.

Equipment and technology exchange programmes

- 4.25 The Secretariat was given the authority to support the exchange of equipment between donor institutions and research institutions in developing countries. During the reporting period three transfers of equipment were processed to the point where two arrived at their destination, while the final logistical preparations for the other transfer were under way.

³ Some of the enquiries involved more than one subject area.

4.26 The OPCW initiated discussions with the following programmes:

- (a) the International Programme on Chemical Safety (IPCS);
- (b) the Inter-Organisational Programme for the Sound Management of Chemicals (IOMC);
- (c) the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and on Their Disposal; and
- (d) the Secretariat of the Convention on Prior Informed Consent (PIC), which opened for signature in September 1998.

5. INTERNATIONAL CONTACTS

Overview

Official visits

- 5.1 The table contained in annex 11 to this report records all official visits by the Director-General and the Deputy Director-General to States Parties and signatory States in 1998.

Contacts with other international organisations, non-governmental organisations and other entities

- 5.2 On 17 March the Director-General addressed the Sub-Committee on Security and Disarmament of the European Parliament in Brussels, where he expressed his appreciation for the support rendered by the members of European Union to the work of the Organisation. On the same day he visited the headquarters of the North Atlantic Treaty Organisation (NATO), and called on its Secretary-General.
- 5.3 The Director-General addressed the First Committee of the United Nations General Assembly on 19 October 1998. In this address he reflected on the successes of the Organisation and the challenges to the achievement of universality and to the full implementation of the Convention. He was able to call on the Secretary-General of the United Nations, to brief him on the status of implementation of the Convention. Whilst in New York the Director-General also held meetings with the Permanent Representatives of more than 30 States, with a view to canvassing support for the Convention and encouraging early ratification/accession.

Outreach activities: regional seminars

- 5.4 Regional seminars provide a valuable forum for the sharing of national experiences concerning the implementation of the Convention, and also promote its universality by involving States not party to the Convention and informing them, inter alia, of the status of implementation of the Convention. Such occasions provide the Secretariat with the opportunity to discuss with States not party their problems in joining the Convention, and also lay the foundations for further contacts, including the provision of advice and assistance on how to overcome any such problems.
- 5.5 During the period under review the Secretariat co-hosted the following four regional seminars in various regions of the world: the Asian seminar on industrial verification in Tokyo, Japan (18 - 19 March); the regional seminar in Amman, Jordan (24 - 25 June); the regional seminar in Beijing, China (9 - 13 September); and the regional seminar in Castries, St. Lucia (4 - 5 November). In total these seminars attracted 42 States Parties, 21 signatory States, and two non-signatory States. A table depicting the location of all regional seminars held in 1998 is contained in annex 12 to this report.

Outreach activities: participation and support

- 5.6 At the end of the period under review 38 of the 121 States Parties had their Brussels mission accredited to the Organisation, while 21 of the 48 signatory States had named their Brussels mission as their point of contact for the Organisation. To assist the Organisation to maintain regular contact with these missions, and to brief them on the implementation of the Convention and developments in The Hague, the Secretariat adopted a variety of measures under the participation support project formerly known as the Brussels Project. The Secretariat conducted regular briefings in Brussels for the Brussels-based delegations, organised workshops in The Hague, provided participants in sessions of the Conference with return transport, and arranged for toll-free telephone communications between accredited missions in Brussels and the Secretariat. The visits to Brussels for the purpose of briefings were also utilised to conduct bilateral meetings with the delegations there, in order to deal with specific issues relating to either the implementation of the Convention or ratification of/accession to the Convention.

Implementation of the Headquarters Agreement with the Host Country

- 5.7 In 1998 the Secretariat continued its regular contacts with relevant ministries and agencies of the Kingdom of the Netherlands and the City of The Hague. Procedures were developed and introduced to improve interaction with the Host Country with respect to the implementation of the Headquarters Agreement between the OPCW and the Kingdom of the Netherlands, and in particular with respect to the privileges and immunities of OPCW personnel and equipment, to facilitate the travel of inspectors on missions from and into the Netherlands.

The contribution of non-governmental organisations

- 5.8 During the Third Session of the Conference several NGO representatives attended a round-table discussion on the role which NGOs could play in increasing public awareness and understanding of the Convention. The participation of appropriate NGOs in the activities of the Organisation enhanced public support for the principles enshrined in the Convention, and encouraged a closer working relationship between some NGOs and the OPCW.
- 5.9 In order to support the external activities of the Organisation and to increase understanding of its objectives, work in the area of publications was considerably diversified and enhanced, amongst other things through the production of two new external publications: a brochure entitled Chemical Disarmament - Basic Facts, and a magazine called OPCW Images. Basic Facts, which provides an easily accessible explanation of the Convention and the operational aspects of the OPCW, targeted a broad audience base. OPCW Images - released on the occasion of the Third Session of the Conference - aimed at summarising the significant achievements of the OPCW since the EIF of the Convention on 29 April 1997. The following in-house publications also merit mention: OPCW in the Press - A Year in Review, a compilation of press articles, and the OPCW Information Series, which is a collection of data relevant to the Convention and the OPCW.

- 5.10 Synthesis, the OPCW newsletter, became a regular publication during the year under review. Five issues were published.

6. OTHER IMPLEMENTATION-RELATED MATTERS

Legislative and administrative measures taken by States Parties

- 6.1 Article VII of the Convention requires each State Party both to adopt the necessary measures to implement its obligations under the Convention, including the enacting of penal legislation with respect to prohibited activities, and to inform the Organisation of the legislative and administrative measures taken in this regard. The Secretariat assisted States Parties in this respect through lectures and presentations on the legislative and legal aspects of implementing the Convention, as well as through the publication of a survey of national implementing legislation, and of a study by the Director-General on legislation, cooperation and legal assistance. Examples of legislation, together with the model national implementing legislation developed by the Preparatory Commission, were also circulated to States Parties which were drafting their legislation. By the end of the period under review an additional 15 States Parties had made submissions under Article VII. Thus, in total, 34% of States Parties had informed the Secretariat of their adoption of the necessary measures by 31 December. States Parties had been urged by the Conference to complete, where necessary, the legislative and administrative measures to implement the Convention in their jurisdictions, to inform the Organisation of such measures taken, and to enhance the possibilities of legal assistance among themselves. In this regard a seminar on national implementation and legal cooperation was planned for late 1999.

Bilateral agreements on the privileges and immunities of the OPCW

- 6.2 The Convention provides in Article VIII, paragraph 50, that the legal capacity, privileges, and immunities referred to in Article VIII shall be defined in agreements between the Organisation and the States Parties. The first two such agreements, with Denmark and Ghana respectively, were approved by the Conference at its Third Session in November 1998.

Programme and budget

- 6.3 The Organisation experienced some difficulty in drawing up its programme and budget for 1998. Data from the Preparatory Commission and from the first few months of the Organisation's life proved to be of only limited value in preparing estimates for 1998. Lack of historical data therefore required the Secretariat to use ranges of estimates to predict costs. Moreover, the absence of agreement on a number of factors affecting inspection operations complicated efforts to draw up a precise budget. These factors included lack of agreement on the use of sequential inspections for inspections conducted under Articles IV and V of the Convention, which required the estimation of the cost of inspections on the basis of single inspections - a considerably more expensive process than estimates based on sequential inspections. Until the Third Session of the Conference, towards the end of the period under review, there was also a lack of agreement on the costs of verification under Articles IV and V. The budget for 1998 amounted to NLG 140.8 million, offset by miscellaneous income of NLG 18.3 million, leaving an amount of NLG 122.4 million to be assessed to States Parties. In the event, because of the factors outlined above, the amount appropriated for 1998 exceeded actual expenditure in that year by about NLG 20 million. The unspent balance will be refunded to States Parties.

- 6.4 Of the overall amount authorised for 1998, 59% was allocated to “verification costs” - the primary function of the Organisation, and 3.5% was earmarked for “International Cooperation and Assistance”, while 2% was allocated to External Relations, 13% to Executive Management (which, in addition to the Offices of the Director-General and the Deputy Director-General, includes the Offices of Internal Oversight, of the Legal Adviser, of the Policy-Making Organs and Subsidiary Bodies, and of Special Projects, as well as the Security Office and the Health and Safety Branch), and 13% to Common Services Not Distributed to Programmes. About 9.5% was allocated to actual administration costs.
- 6.5 During the period under review the Secretariat collected 79.2% of the total contributions of NLG 122,825,556 that were actually assessed for 1998, including those States Parties which had joined the Convention after the approval of the scale of assessments for 1998. As of 31 December only 55 of the 121 States Parties, or 45.5%, had paid their 1998 contributions in full. The unpaid balance of NLG 25,526,693 related to 66 States Parties of which 37, or 30.5%, had not paid anything at all for 1998, despite one appeal by the Conference, and repeated appeals by the Council and the Director-General, for those States Parties whose assessed contributions were still outstanding, in whole or in part, to meet their financial obligations as soon as possible. As of 31 December the Secretariat had not received any contribution to either the OPCW budgets for 1997 and 1998 or the Working Capital Fund from a total of 25 States Parties.
- 6.6 The Secretariat continued to refine its inspection methodology on the basis of experience gained during the year. As a result of these efforts - primarily the implementation of the concept of sequential inspections and the reduction of team sizes and time spent on site, as well as of the careful planning and conduct of inspections considerable savings could be achieved in the OPCW budget, to the benefit of all States Parties, as well as cumulative savings in terms of reimbursable costs of chemical weapons inspections in all States Parties which had declared the possession of chemical weapons decreased in 1998, by comparison with the initial estimates developed during the Preparatory Commission, by almost NLG 10 million, or 43%, in terms of inspector days, by almost 23,000, or 55%, and in travel costs, by NLG 5 million, or 85%.
- 6.7 Annex 13 to this report contains six appendices with audited information on the financial situation as of 31 December 1998 a statement of income and expenditure and changes in reserves and fund balances for all funds; a statement of assets, liabilities and reserves and fund balances for all funds; a statement of cash flow; a statement of appropriations; the status of investments; and the status of contributions.

Human Resources

- 6.8 Three hundred and thirty-nine posts in the professional and higher categories and 152 posts in the General Service category were authorised in the OPCW Programme and Budget for 1998.
- 6.9 In the period under review 39 fixed-term professional and higher category posts and 40 fixed-term General Service category posts were advertised, resulting in a total of 51 appointments.
- 6.10 At the end of the period under review - the second year of operation of the OPCW - 3.2% of approved fixed-term posts were vacant.
- 6.11 The Secretariat had considerable difficulty in attracting suitably qualified candidates in two areas: linguists and information systems staff. The OPCW's requirement for its linguists to both translate and interpret continued to be a major problem for the filling of such posts.
- 6.12 Six temporary assistance contract vacancies for the professional and higher categories and 21 temporary assistance contract vacancies for the General Service category were advertised. The Secretariat advertised 38 short-term posts in the General Service category. Fixed-term contracts were offered to 82 inspector trainees in July, and an additional six fixed-term contracts were subsequently offered to inspectors from Training Group A whose countries had ratified during 1998.
- 6.13 As of 31 December, 323 of the posts in the professional and higher categories had been filled by staff members from 65 States Parties, and 150 of the posts in the General Service category had also been filled. As of the same date, the regional breakdown of nationalities represented in the professional and higher categories was as follows: Africa: 8%; Asia: 24%; Eastern Europe: 22%; Latin America and the Caribbean: 12%; and WEOG: 34%.
- 6.14 The breakdown by gender and category was as follows: female staff in the professional and higher categories: 43; male staff in the professional and higher categories: 280; female staff in the General Service category: 82; and male staff in the General Service category: 68.
- 6.15 The proportion of female staff members in the professional and higher categories declined from 16% in 1997 to 13% in 1998.

Training

- 6.16 During the period under review, the Training and Staff Development Branch was mandated to lay the foundations for a staff development, training and professional support system to provide the Organisation with staff members with the full range of knowledge and skills required for them to achieve the current purpose of their post. The development and implementation of customised training and staff development programmes and activities targeted the following four main areas:
- (a) Training Group B for inspector candidates

eighty-two inspector candidates from 36 States Parties, distributed across four specialities (chemical weapons/munitions specialists, chemical production technologists and logisticians, and paramedics), were trained in the context of a programme which differed significantly from Training Group A, and which involved in particular the active participation of staff from the Inspectorate and from the Verification Division. Eighty of these trainees were recruited as OPCW inspectors/inspection assistants;

(b) People management programme

a leadership development programme was designed and implemented with a view to increasing the capacity of senior managers to manage the human, financial and material resources entrusted to them. There was a further initiative in the field of performance management and appraisal: a new performance management and appraisal system was developed, and the corresponding consultative and training programme will continue into 1999;

(c) Upgrading of substantive and specific skills

appropriate training programmes and activities, as well as seminars and conferences, both internal and external, have been offered to all divisions and branches, in accordance with the needs which had been identified; and

(d) Library and Learning Resource Centre

the development of a modern library began in 1998, with a view to progressively transforming it into a centre for documentation from all over the world for all information related to the implementation of the Convention.

OPCW building

- 6.17 The smooth transition and move into the new purpose-built headquarters building from the former premises at Laan van Meerdervoort and the Aegon building was a significant achievement. The relocation of staff and equipment commenced on 27 March and concluded on 6 April, when the Secretariat was fully operational in its new premises. With the exception of the OPCW Laboratory and Equipment Store in Rijswijk, the Secretariat was housed under one roof for the first time since EIF.
- 6.18 The official inauguration of the new building was undertaken on 20 May by Her Majesty, Queen Beatrix of the Netherlands, and was attended by approximately 700 guests. A plaque commemorating the event was unveiled by the Queen to mark her visit. The new building has provided an excellent working environment for both delegations and staff members.
- 6.19 On 31 December, and in accordance with the relevant decision of the Council at its Twelfth Session (EC-XII/DEC.2, dated 9 December 1998), the Secretariat terminated the contract with the sole supplier which had been entered into on 1 September 1997, and which was due to expire in 2005. The termination of the contract followed an offer to be released from the contract upon the payment by the OPCW of 2.5 million

guilders for the furniture and equipment provided in the period February 1993 to December 1998. In adopting the above-mentioned decision on the early termination of the contract with the sole supplier, the Council noted, inter alia, that the Government of the Kingdom of the Netherlands did not intend to designate any other sole supplier.

Procurement

- 6.20 A total of 1,113 purchase orders or contracts were issued by the Procurement unit, with an average of 93 orders/contracts being prepared in each month. The total expenditure administered by the Procurement unit amounted to approximately NLG 18.5 million, which did not include non-valued purchase orders/contracts. Procurement activities continued to focus on the needs of the OPCW Laboratory, the Inspectorate, the Information Systems Branch, and the Procurement and Support Services Branch. Several of the orders/contracts to be concluded concerned the move to the new OPCW building, and included the associated contracts with the bank, caterer, duty-free shop, and travel agency, all of which (with the exception of the bank) were functioning in the new building at the end of the period under review.

Information systems

- 6.21 For the Information Systems Branch 1998 was dominated by the move to the new OPCW headquarters building, as well as by the implementation of some applications within the security-critical network and the security non-critical network. After months of planning and carefully staged implementation, the complete information systems infrastructure was successfully moved to the new building. As required, all networks, systems, and applications could be reinstalled with the appropriate level of security. The external audit team subsequently confirmed the integrity of the systems that had been moved, and was able to continue its work with the auditing of the security-critical network and its first application, the VIS-EDMS (electronic document management system for the verification information system).
- 6.22 Some of the critical administrative functions of the OPCW are making use of the administrative information management (AIM) system, which provides more appropriate tools for managing Human Resources and Budget and Finance areas of responsibility. Since the introduction of the correspondence management system (CMS), all OPCW correspondence has been electronically managed. The CMS allows for the storage of electronic images of all official correspondence, as well as the implementation of a structured archive of all original documents of the Organisation, and also makes efficient indexing and search capabilities available to the user community.

7. INTERNAL OVERSIGHT

- 7.1 The Office of Internal Oversight was fully established during the year 1998: the recruitment of the professional staff members of the office was concluded, and the internal audit procedures were established. In the fulfilment of its oversight responsibilities this office provided analyses, appraisals and advice.
- 7.2 The Office of Internal Oversight implemented its annual programme of work, which had been approved by the Director-General. A tracking system to monitor the implementation of the recommendations of the office was also set up.
- 7.3 During the period under review the internal and confidentiality auditors were consulted with, and advised management on, specific issues. They also participated in the meetings of the working groups established by management to prepare and update administrative issuances and the Manual of Confidentiality Procedure. Nine reports were produced in the fields of financial and confidentiality audits.
- 7.4 The Office of Internal Oversight initiated the process which will ensure the establishment of a quality assurance system within the Secretariat. The quality assurance manager initially conducted a quality assurance audit of the Secretariat, on the basis of which a "gap analysis" report was written in March 1998. This report measured the operational efficiency of the Secretariat in relation to the requirements of ISO 9001. The current quality system of the OPCW Laboratory was assessed by an external consultant in December 1998. The quality assurance manager conducted quality assurance awareness seminars which were attended by the majority of the OPCW staff members. In accordance with the recommendations contained in the "gap analysis" report, a three-year plan and strategy document for the implementation of the quality assurance regime was developed and approved. This document defined the preconditions for the effective implementation of the quality system, and recommended the international quality management standards to be followed - ISO Guide 9001 for the Secretariat as a whole, and ISO Guides 25 and 43 for the OPCW Laboratory.
- 7.5 A Quality Steering Committee was formed to oversee the implementation of the quality system in the Secretariat as part of the above-mentioned plan and strategy. The Committee decided, inter alia, to implement the quality system in phases, with the accreditation of the OPCW Laboratory as the first priority.
- 7.6 During 1998 the quality policy statement was approved and signed by the Director-General. The quality objectives for 1998 - 2000 were also approved.
- 7.7 In accordance with Financial Regulation 12.5, a separate summary report on the activities of the Office of Internal Oversight in the year 1998 will be submitted to the Conference at its Fourth Session.

Annexes: (English only)

Annex 1

**LIST OF STATES PARTIES TO THE CHEMICAL WEAPONS CONVENTION
(as of 31 December 1998)**

- | | | |
|----------------------------|--------------------------------------|---|
| 1. Albania | 43. Greece | 84. Philippines |
| 2. Algeria | 44. Guinea | 85. Poland |
| 3. Argentina | 45. Guyana | 86. Portugal |
| 4. Armenia | 46. Hungary | 87. Qatar |
| 5. Australia | 47. Iceland | 88. Republic of Korea |
| 6. Austria | 48. India | 89. Republic of Moldova |
| 7. Bahrain | 49. Indonesia | 90. Romania |
| 8. Bangladesh | 50. Iran (Islamic Republic of) | 91. Russian Federation |
| 9. Belarus | 51. Ireland | 92. Saint Lucia |
| 10. Belgium | 52. Italy | 93. Saudi Arabia |
| 11. Benin | 53. Japan | 94. Senegal |
| 12. Bolivia | 54. Jordan | 95. Seychelles |
| 13. Bosnia and Herzegovina | 55. Kenya | 96. Singapore |
| 14. Botswana | 56. Kuwait | 97. Slovakia |
| 15. Brazil | 57. Lao People's Democratic Republic | 98. Slovenia |
| 16. Brunei Darussalam | 58. Latvia | 99. South Africa |
| 17. Bulgaria | 59. Lesotho | 100. Spain |
| 18. Burkina Faso | 60. Lithuania | 101. Sri Lanka |
| 19. Burundi | 61. Luxembourg | 102. Suriname |
| 20. Cameroon | 62. Malawi | 103. Swaziland |
| 21. Canada | 63. Maldives | 104. Sweden |
| 22. Chile | 64. Mali | 105. Switzerland |
| 23. China | 65. Malta | 106. Tajikistan |
| 24. Cook Islands | 66. Mauritania | 107. The former Yugoslav Republic of Macedonia |
| 25. Costa Rica | 67. Mauritius | 108. Togo |
| 26. Côte d'Ivoire | 68. Mexico | 109. Trinidad and Tobago |
| 27. Croatia | 69. Monaco | 110. Tunisia |
| 28. Cuba | 70. Mongolia | 111. Turkey |
| 29. Cyprus | 71. Morocco | 112. Turkmenistan |
| 30. Czech Republic | 72. Namibia | 113. Ukraine |
| 31. Denmark | 73. Nepal | 114. United Kingdom of Great Britain and Northern Ireland |
| 32. Ecuador | 74. Netherlands | 115. United Republic of Tanzania |
| 33. El Salvador | 75. New Zealand | 116. United States of America |
| 34. Equatorial Guinea | 76. Niger | 117. Uruguay |
| 35. Ethiopia | 77. Norway | 118. Uzbekistan |
| 36. Fiji | 78. Oman | 119. Venezuela |
| 37. Finland | 79. Pakistan | 120. Viet Nam |
| 38. France | 80. Panama | 121. Zimbabwe |
| 39. Gambia | 81. Papua New Guinea | |
| 40. Georgia | 82. Paraguay | |
| 41. Germany | 83. Peru | |
| 42. Ghana | | |

Annex 2

**SIGNATORY STATES WHICH HAD NOT YET RATIFIED THE
CHEMICAL WEAPONS CONVENTION
(as of 31 December 1998)**

- | | |
|--------------------------------------|--------------------------|
| 1. Afghanistan | 41. Samoa |
| 2. Azerbaijan | 42. San Marino |
| 3. Bahamas | 43. Sierra Leone |
| 4. Bhutan | 44. Thailand |
| 5. Cambodia | 45. Uganda |
| 6. Cape Verde | 46. United Arab Emirates |
| 7. Central African Republic | 47. Yemen |
| 8. Chad | 48. Zambia |
| 9. Colombia | |
| 10. Comoros | |
| 11. Congo | |
| 12. Democratic Republic of the Congo | |
| 13. Djibouti | |
| 14. Dominica | |
| 15. Dominican Republic | |
| 16. Estonia | |
| 17. Gabon | |
| 18. Grenada | |
| 19. Guatemala | |
| 20. Guinea-Bissau | |
| 21. Haiti | |
| 22. Holy See | |
| 23. Honduras | |
| 24. Israel | |
| 25. Jamaica | |
| 26. Kazakhstan | |
| 27. Kyrgyzstan | |
| 28. Liberia | |
| 29. Liechtenstein | |
| 30. Madagascar | |
| 31. Malaysia | |
| 32. Marshall Islands | |
| 33. Micronesia (Federated States of) | |
| 34. Myanmar | |
| 35. Nauru | |
| 36. Nicaragua | |
| 37. Nigeria | |
| 38. Rwanda | |
| 39. Saint Kitts and Nevis | |
| 40. Saint Vincent and the Grenadines | |

Annex 3

COMPOSITION OF THE EXECUTIVE COUNCIL DURING 1998

1. Between the First Session of the Conference in May 1997, and 11 May 1998, the composition of the Council was as follows:

Africa:	Algeria, Cameroon, Côte d'Ivoire, Ethiopia, Kenya, Morocco, South Africa, Tunisia, Zimbabwe;
Asia:	Bangladesh, China, India, Japan, Oman, Philippines, Republic of Korea, Saudi Arabia, Sri Lanka;
Eastern Europe:	Belarus, Bulgaria, Hungary, Poland, Romania;
Latin America and Caribbean:	Argentina, Brazil, Chile, Ecuador, Mexico, Peru, Suriname, Uruguay;
WEOG:	Australia, France, Germany, Italy, Malta, Netherlands, Norway, Spain, United Kingdom of Great Britain and Northern Ireland, United States of America.

2. From 12 May 1998 until after the end of the period under review, the composition of the Council was as follows:

Africa:	Algeria, Cameroon, Côte d'Ivoire, Ethiopia, Kenya, Morocco, South Africa, Tunisia, Zimbabwe;
Asia:	China, India, Iran (Islamic Republic of), Japan, Republic of Korea, Pakistan, Philippines, Saudi Arabia, Sri Lanka;
Eastern Europe:	Czech Republic, Hungary, Poland, Russian Federation, Slovakia;
Latin America and Caribbean:	Argentina, Brazil, Chile, Cuba, Ecuador, Mexico, Peru, Venezuela;
WEOG:	Australia, Belgium, Finland, France, Germany, Italy, Spain, Switzerland, United Kingdom of Great Britain and Northern Ireland, United States of America.

Annex 4

INITIAL DECLARATIONS/NOTIFICATIONS AND OTHER INFORMATION PROVIDED BY STATES PARTIES TO THE SECRETARIAT AFTER EIF

Information as of 31 December 1998

State Party	Initial Declaration Due	Date of Submission *1	Articles/Parts of the Verification Annex (VA) *2	NA Details *3	Implementing Legislation *4	No. of Points of Entry *5	Standing Diplomatic Clearance No. for non-scheduled flights *6
1 Albania *7	29-May-97	27-Aug/27-Oct-98	III	NA identified			
2 Algeria	29-May-97	28-May-97	III, VI	NA identified		1	provided information
3 Argentina	29-May-97	28-May-97	III, VI	NA identified	submitted	1	provided information
4 Armenia	29-May-97	26-May-97	III, VI	NA identified		1	
5 Australia	29-May-97	26-May-97	III, VI	NA identified	submitted	3	provided information**6
6 Austria	29-May-97	10-Jun-97	III, VI	NA identified	submitted	2	provided information
7 Bahrain	29-May-97			NA identified			
8 Bangladesh	29-May-97	2-Sep-97	III, VI				
9 Belarus	29-May-97	8-May / 5-Jun 97	III, VI	NA identified	submitted	1	provided information
10 Belgium	29-May-97	26-Jun/08-Sep 97	III, VI, VA-IV(B)	NA identified	submitted	3	provided information
11 Benin	13-Jul-98						
12 Bolivia	13-Oct-98						
13 Bosnia and Herzegovina	29-May-97						
14 Botswana	30-Oct-98						
15 Brazil	29-May-97	23-May / 25-Jun 97	III, VI	NA identified	submitted	3	provided information
16 Brunei Darussalam	26-Sep-97						
17 Bulgaria	29-May-97	29-May-97	III, VI	NA identified	submitted	1	provided information***6
18 Burkina Faso	6-Sep-97			NA identified			
19 Burundi	3-Nov-98						
20 Cameroon	29-May-97						
21 Canada	29-May-97	29-May-97	III, VI	NA identified		5	provided information**6
22 Chile	29-May-97	28-May-97	III, VI	NA identified	submitted	1	provided information
23 China	29-May-97	29-May-97	III, V, VI, VA-IV(B)	NA identified	submitted	1	
24 Cook Islands	29-May-97	21-Aug-97	III, VI	NA identified		1	
25 Costa Rica	29-May-97						
26 Cote d'Ivoire	29-May-97	13-Aug-97	III	NA identified			
27 Croatia	29-May-97	29-Oct-97	III, VI	NA identified	submitted	2	provided information**6
28 Cuba	28-Jun-97	18-Jul-97	III, VI	NA identified		1	provided information***6
29 Cyprus	27-Oct-98			NA identified		3	
30 Czech Republic	29-May-97	4-Jun-97	III, VI	NA identified	submitted	1	provided information

INITIAL DECLARATIONS/NOTIFICATIONS AND OTHER INFORMATION PROVIDED BY STATES PARTIES TO THE SECRETARIAT AFTER EIF

Information as of 31 December 1998

State Party	Initial Declaration Due	Date of Submission *1	Articles/Parts of the Verification Annex (VA) *2	NA Details *3	Implementing Legislation *4	No. of Points of Entry *5	Standing Diplomatic Clearance No. for non-scheduled flights *6
Denmark	29-May-97	2-Jun-97	III, VI	NA identified	submitted	1	provided information**6
Ecuador	29-May-97	9-May/12-Aug 97	III, VI	NA identified			
El Salvador	29-May-97	28-May-97	III, VI	NA identified			
Equatorial Guinea	29-May-97						
Ethiopia	29-May-97	18-Jul-97	III, VI	NA identified		1	
Fiji	29-May-97	4-Aug-97	III, VI	NA identified			
Finland	29-May-97	27-May-97	III, VI	NA identified	submitted	1	provided information **6
France	29-May-97	28-May-97	III, V, VI, VA-IV(B)	NA identified	submitted	17	provided information***6
Gambia	18-Jul-98						
Georgia	29-May-97	11-Sep-97	III, VI	NA identified			
Germany	29-May-97	29-May-97	III, VI, VA-IV(B)	NA identified	submitted	2	provided information
Ghana	7-Sep-97			NA identified			
Greece	29-May-97	8-Jul-97	III, VI	NA identified		3	provided information
Guinea	8-Aug-97						
Guyana	11-Nov-97						
Hungary	29-May-97	29-May-97	III, VI	NA identified	submitted	2	provided information
Iceland	29-May-97	27-Oct-98	III, VI	NA identified		1	
India	29-May-97	28 May/25 Jun 97	III, IV, V, VI	NA identified		1	provided information***6
Indonesia	11-Jan-99			NA identified			
Iran (Islamic Republic of)	2-Jan-98	17-Nov-98		NA identified		1	provided information
Ireland	29-May-97	29-May-97	III, VI	NA identified	submitted	2	
Italy	29-May-97	28-May-97	III, VI, VA-IV(B)	NA identified	submitted	4	provided information
Japan	29-May-97	29-May / 17-Jun 97	III, V, VI, VA-IV(B)	NA identified	submitted	2	provided information
Jordan	28-Dec-97	14-May-98	III, VI	NA identified		1	provided information
Kenya	29-May-97	6-Sep-97	III, VI	NA identified		2	
Kuwait	28-Jul-97						
Laos	29-May-97						
Laos People's Democratic Rep.	29-May-97	7-Oct-97	III, VI	NA identified	submitted	1	provided information
Latvia	29-May-97	11-Jul-97	III, VI	NA identified			
Lesotho	14-Jun-98	17-Jun-98	III, VI	NA identified	submitted	1	provided information
Lithuania	29-May-97	31-Jul-97	III, VI	NA identified	submitted	1	
Luxembourg	10-Aug-98						
Malawi							

Annex

INITIAL DECLARATIONS/ NOTIFICATIONS AND OTHER INFORMATION PROVIDED BY STATES PARTIES TO THE SECRETARIAT AFTER EIF

Information as of 31 December 1998

State Party	Initial Declaration Due	Date of Submission *1	Articles/Parts of the Verification Annex (VA) *2	NA Details *3	Implementing Legislation *4	No. of Points of Entry *5	Standing Diplomatic Clearance No. for non-scheduled flights *6
63 Maldives	29-May-97	21-Jan-98	III, VI	NA identified			
64 Mali	29-May-97			NA identified			
65 Malta	29-May-97	22 Jul / 28 Jul 97	III, VI	NA identified	submitted	4	provided information
66 Mauritania	10-Apr-98						
67 Mauritius	29-May-97	5-Sep-97	III	NA identified		1	
68 Mexico	29-May-97	11 Jul / 14 Oct 97	III, VI	NA identified		1	provided information**6
69 Monaco	29-May-97	4-Jul-97	III, VI	NA identified	submitted	1	provided information
70 Mongolia	29-May-97	26-Jan-98	III	NA identified		1	provided information**6
71 Morocco	29-May-97	2-Jun / 9-Jun 97	III, VI	NA identified	submitted	8	provided information
72 Namibia	29-May-97			NA identified			
73 Nepal	17-Jan-98	16-Jan-98	III	NA identified			
74 Netherlands	29-May-97	28 May / 27 Jun 97	III, VI	NA identified	submitted	6	
75 New Zealand	29-May-97	29-May-97	III, VI	NA identified	submitted	1	provided information**6
76 Niger	29-May-97	2-Dec-97	III, VI	NA identified			
77 Norway	29-May-97	5-Jun-97	III, VI	NA identified	submitted	1	provided information**6
78 Oman	29-May-97	23-Sep-97	III, VI	NA identified	submitted	1	provided information**6
79 Pakistan	27-Dec-97	20-Jan-98	III, VI	NA identified		1	provided information
80 Panama	6-Dec-98	20-Oct-98	III,VI, VA-IV(B)	NA identified	submitted		
81 Papua New Guinea	29-May-97						
82 Paraguay	29-May-97						
83 Peru	29-May-97	27-May / 23-Jun 97	III, VI	NA identified	submitted	1	provided information***6
84 Philippines	29-May-97	3-Jul-97	III, VI	NA identified		2	provided information**6
85 Poland *8	29-May-97	22-May-97	III, VI, VA-IV(B)	NA identified		1	provided information***6
86 Portugal	29-May-97	30-Jul-97	III, VI	NA identified		3	provided information**6
87 Qatar	2-Nov-97						
88 Republic of Korea	29-May-97	29-May-97		NA identified	submitted	1	provided information
89 Republic of Moldova	29-May-97						
90 Romania	29-May-97	27-May-97	III, VI	NA identified	submitted	2	provided information
91 Russian Federation	4-Jan-98	3-Jan-98	III, IV, V, VI	NA identified	submitted		
92 Saint Lucia	29-May-97						
93 Saudi Arabia	29-May-97	26-Aug-97	III, VI	NA identified			
94 Senegal	18-Oct-98	8-Nov-98	VI				

INITIAL DECLARATIONS/NOTIFICATIONS AND OTHER INFORMATION PROVIDED BY STATES PARTIES TO THE SECRETARIAT AFTER EIF

Information as of 31 December 1998

State Party	Initial Declaration Due	Date of Submission *1	Articles/Parts of the Verification Annex (VA) *2	NA Details *3	Implementing Legislation *4	No. of Points of Entry *5	Standing Diplomatic Clearance No. for non-scheduled flights *6
95 Seychelles	29-May-97	1-Jul-97	III				
96 Singapore	20-Jul-97	24-Jul/17-Oct 97	III, VI	NA identified		1	provided information**6
97 Slovakia *8	29-May-97	19-Jun-97	III, VI	NA identified	submitted	2	provided information***6
98 Slovenia	11-Aug-97	11-Aug, 6-Nov-1997	III, VI	NA identified		9	provided information
99 South Africa	29-May-97	29-May-97	III, VI	NA identified	submitted	1	provided information**6
100 Spain	29-May-97	30-May-97	III, VI	NA identified		1	provided information
101 Sri Lanka	29-May-97	19-Sep-97	III, VI				
102 Suriname	29-May-97	4-Jul-97	III				
103 Swaziland	29-May-97						
104 Sweden	29-May-97	20-May / 29-May 97	III, VI	NA identified	submitted	2	provided information**6
105 Switzerland	29-May-97	28-May-97	III, VI	NA identified	submitted	1	provided information***6
106 Tajikistan	29-May-97	28-Oct-97	III, VI				
107 The former Yugoslav Republic of Macedonia	19-Aug-97	3-Oct-97	III, VI			3	
108 Togo	29-May-97						
109 Trinidad and Tobago	23-Aug-97						
110 Tunisia	29-May-97	13-Nov-97	III, VI	NA identified		1	provided information **6
111 Turkey	11-Jul-97	14-Jul-97	III, VI	NA identified	submitted	2	provided information
112 Turkmenistan	29-May-97						
113 Ukraine	15-Dec-98			NA identified		1	
114 United Kingdom	29-May-97	27-May-97	III, V, VI, VA-IV(B)	NA identified	submitted	6	provided information**6
115 United Republic of Tanzania	24-Aug-98						
116 United States of America	29-May-97	29-May-97	III, IV, V VA-VI	NA identified	submitted	2	provided information***6
117 Uruguay	29-May-97	3-Dec-97	III, VI				
118 Uzbekistan	29-May-97	16-Oct-97	III, VI	NA identified			
119 Venezuela	1-Feb-98	7-Apr-98	III, VI				
120 Viet Nam	29-Nov-98			NA identified			
121 Zimbabwe	29-May-97	4-Dec-97	III, VI	NA identified			

*1 Reflects the date on which the Secretariat received the declaration

*2 Information from declarations of States Parties as of 31 December 1998

*3 Two States Parties have requested that information pertaining to their declarations and to inspections carried out on their territories should not be included in this document

*4 National Authority details (Article VII, paragraph 4)

Annex

INITIAL DECLARATIONS/NOTIFICATIONS AND OTHER INFORMATION PROVIDED BY STATES PARTIES TO THE SECRETARIAT AFTER EIF

Information as of 31 December 1998

State Party	Initial Declaration Due	Date of Submission *1	Articles/Parts of the Verification Annex (VA) *2	NA Details *3	Implementing Legislation *4	No. of Points of Entry *5	Standing Diplomatic Clearance No. for non-scheduled flights *6
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*4 Legislative and administrative measures (Article VII, paragraph 5) submitted to the Secretariat

*5 Point of entry (VA, Part II, paragraph 16).

*6 Standing diplomatic clearance number for non-scheduled aircraft (VA, Part II, paragraph 22)

**6 No standing diplomatic clearance number can be issued. Flight clearances issued on an individual basis.

***6 Diplomatic clearance number/information for 1997.

*7 Clarification on declarations is being sought in relation to the items declared

*8 Clarification is being sought in relation to the status of the items declared.

Annex 6

**INVOICES ISSUED TO STATES PARTIES
UNDER ARTICLES IV AND V OF THE CONVENTION
as of 31 December 1998**

Member State	1998
United States of America	7,027,229
Russian Federation	865,908
Japan	107,689
India	76,131
UK	13,839
France	11,891
A State Party	82,233
Total	8,184,920

Annex 7
INTERNATIONAL AGREEMENTS REGISTERED IN 1998

OPCW registration number	Subject of agreement	Parties	Date of		Publications containing the text
			Signature	Entry into force	
IAR 15	Training agreement	Italy OPCW	29-04-98	29-04-98	Annex 2 to EC-X/DG.1
IAR 16	Training agreement	Spain OPCW	12-05-98	12-05-98	Annex 4 to EC-X/DG.1
IAR 17	Training agreement	China OPCW	14-05-98	14-05-98	Annex 1 to EC-X/DG.1
IAR 18	Training agreement	Romania OPCW	15-05-98 05-05-98	15-05-98	Annex 3 to EC-X/DG.1
IAR 19	Training agreement	Germany OPCW	24-03-98 02-03-98	09-03-98	Annex to EC-XI/DG.2
IAR 20	Facility agreement: CWPF / BZ Production Facility at the Pine Bluff Chemical Activity	United States of America OPCW	15-06-98	15-06-98	Annex 1 to EC-IX/DEC.1/Rev.1, Annex 1 to EC-IX/DEC/CRP.1 and Rev.1
IAR 21	Facility agreement: CWPF / QL Production and Fill Facility at the Pine Bluff Chemical Activity	United States of America OPCW	15-06-98	15-06-98	Annex 2 to EC-IX/DEC.1/Rev.1, Annex 2 to EC-IX/DEC/CRP.1 and Rev.1
IAR 22	Facility agreement: CWPF / DC Production Facility at the Pine Bluff Chemical Activity	United States of America OPCW	15-06-98	15-06-98	Annex 3 to EC-IX/DEC.1/Rev.1, Annex 3 to EC-IX/DEC/CRP.1 and Rev.1
IAR 23	Facility agreement: CWPF / DF Production and Fill Facility at the Pine Bluff Chemical Activity	United States of America OPCW	15-06-98	15-06-98	Annex 4 to EC-IX/DEC.1/Rev.1, Annex 4 to EC-IX/DEC/CRP.1 and Rev.1
IAR 24	Facility agreement: CWPF / GB Production and Fill Facility at Rocky Mountain Arsenal	United States of America OPCW	15-06-98	15-06-98	Annex 5 to EC-IX/DEC.1/Rev.1, Annex 5 to EC-IX/DEC/CRP.1 and Rev.1

IAR 25	Facility agreement: CWPF / VX Production and Fill Facility at the Newport Chemical Depot	United States of America OPCW	15-06-98	15-06-98	Annex 6 to EC-IX/DEC.1/Rev.1, Annex 6 to EC-IX/DEC/CRP.1 and Rev.1
IAR 26	Facility agreement: CWPF / HD Fill Facility (Production Facility) at Rocky Mountain Arsenal	United States of America OPCW	15-06-98	15-06-98	Annex 7 to EC-IX/DEC.1/Rev.1, Annex 7 to EC-IX/DEC/CRP.1 and Rev.1
IAR 27	Facility agreement: CWPF / HD Distillation Facility (Production Facility) at Rocky Mountain Arsenal	United States of America OPCW	15-06-98	15-06-98	Annex 8 to EC-IX/DEC.1/Rev.1, Annex 8 to EC-IX/DEC/CRP.1 and Rev.1
IAR 28	Facility agreement: CWPF / Pilot Plant (Production Facility) at Aberdeen Proving Ground	United States of America OPCW	15-06-98	15-06-98	Annex 9 to EC-IX/DEC.1/Rev.1, Annex 9 to EC-IX/DEC/CRP.1 and Rev.1
IAR 29	Facility agreement: CWSF / Anniston Chemical Activity	United States of America OPCW	15-06-98	15-06-98	Annex 1 to EC-IX/DEC.2/Rev.1, Annex 1 to EC-IX/DEC/CRP.2
IAR 30	Facility agreement: CWSF / Building 50-910, Pine Bluff Chemical Activity, Pine Bluff Arsenal	United States of America OPCW	15-06-98	15-06-98	Annex 2 to EC-IX/DEC.2/Rev.1, Annex 2 to EC-IX/DEC/CRP.2
IAR 31	Facility agreement: CWSF / Bond Road Exclusion Area, Pine Bluff Chemical Activity, Pine Bluff Arsenal	United States of America OPCW	15-06-98	15-06-98	Annex 3 to EC-IX/DEC.2/Rev.1, Annex 3 to EC-IX/DEC/CRP.2
IAR 32	Facility agreement: CWSF / Pueblo Chemical Depot	United States of America OPCW	15-06-98	15-06-98	Annex 4 to EC-IX/DEC.2/Rev.1, Annex 4 to EC-IX/DEC/CRP.2
IAR 33	Facility agreement: CWSF / U.S. Army Umatilla Chemical Depot	United States of America OPCW	15-06-98	15-06-98	Annex 5 to EC-IX/DEC.2/Rev.1, Annex 5 to EC-IX/DEC/CRP.2

IAR 34	Facility agreement: CWSF / U.S. Army Chemical Activity, Pacific	United States of America OPCW	15-06-98	15-06-98	Annex 6 to EC-IX/DEC.2/Rev.1, Annex 6 to EC-IX/DEC/CRP.2
IAR 35	Facility agreement: CWSF / Newport Chemical Depot	United States of America OPCW	15-06-98	15-06-98	Annex 7 to EC-IX/DEC.2/Rev.1, Annex 7 to EC-IX/DEC/CRP.2
IAR 36	Facility agreement: CWSF / Blue Grass Chemical Activity	United States of America OPCW	15-06-98	15-06-98	Annex 8 to EC-IX/DEC.2/Rev.1, Annex 8 to EC-IX/DEC/CRP.2
IAR 37	Facility agreement: CWSF / E-1454 (N-Field), Edgewood Chemical Activity	United States of America OPCW	15-06-98	15-06-98	Annex 9 to EC-IX/DEC.2/Rev.1, Annex 9 to EC-IX/DEC/CRP.2
IAR 38	Facility agreement: CWSF / Deseret Chemical Depot	United States of America OPCW	15-06-98	15-06-98	Annex 10 to EC-IX/DEC.2/Rev.1, Annex 10 to EC-IX/DEC/CRP.2
IAR 39	Facility agreement: CWSF / Chemical Agent Storage Yard (CASY), Edgewood Chemical Activity	United States of America OPCW	15-06-98	15-06-98	Annex 11 to EC-IX/DEC.2/Rev.1, Annex 11 to EC-IX/DEC/CRP.2
IAR 40	Facility agreement: CWSF / Dugway Proving Ground	United States of America OPCW	15-06-98	15-06-98	Annex 12 to EC-IX/DEC.2/Rev.1, Annex 12 to EC-IX/DEC/CRP.2

IAR 41	Facility agreement: CWSF / Building E3832, Chemical Transfer Facility (CTF), Edgewood Chemical Activity	United States of America OPCW	15-06-98	15-06-98	15-06-98	Annex 13 to EC-IX/DEC.2/Rev.1, Annex 13 to EC-IX/DEC/CRP.2
IAR 42	Facility agreement: Part IV(B) facility	Italy OPCW	15-06-98	15-06-98	04-11-98	Annex to EC-IX/DEC.6, Annex to EC-IX/DEC/CRP.6
IAR 43	Facility agreement: Schedule 1 / protective purposes	Norway OPCW	24-06-98	24-06-98	13-10-98	Annex to EC-IX/DEC.5, Annex to EC-IX/DEC/CRP.5 and Rev.1
IAR 44	Facility agreement: Schedule 1 / SSSF	Finland OPCW	24-09-98	24-09-98	24-09-98	EC-XI/DEC.3, Annex 1 to EC-X/DEC/CRP.6 and Corr.1 and Corr.2
IAR 45	Facility agreement: Schedule 1 / research, medical and pharmaceutical purposes	Finland OPCW	24-09-98	24-09-98	24-09-98	EC-XI/DEC.3, Annex 2 to EC-X/DEC/CRP.6 and Corr.1 and Corr.2
IAR 46	Facility arrangement: Schedule 1 / SSSF	Canada OPCW	25-09-98	25-09-98	25-09-98	EC-X/DEC.2, EC-X/DEC/CRP.4
IAR 47	Facility agreement: Schedule 1 / protective purposes	the Netherlands OPCW	12-10-98	12-10-98	[not yet in force]	Annex to EC-IX/DEC.4, Annex to EC-IX/DEC/CRP.4 and Rev.1
IAR 48	Registry Agreement (Confidentiality Commission)	1. Permanent Court of Arbitration 2. OPCW	09-12-98	09-12-98	[not yet in force]	Annex to EC-XII/DEC.6

Annex 8

LIST OF DESIGNATED LABORATORIES, AS OF 31 DECEMBER 1998

State Party	Laboratory
China	The Laboratory of Analytical Chemistry Research Institute of Chemical Defence
Finland	Finnish Institute for Verification of the Chemical Weapons Convention, VERIFIN
Republic of Korea	GSRDC-4 Laboratory Agency for Defence Development
Netherlands	TNO-Prins Maurits Laboratory
Sweden	Swedish Defence Research Establishment, FOA, Division of NBC Defence
Switzerland	Defence Procurement Agency, NC-Laboratory Spiez
United States of America	U.S. Army Materiel Command Treaty Laboratory of APG Edgewood Area

Annex 9

**CONTRIBUTIONS TO THE VOLUNTARY FUND FOR ASSISTANCE RECEIVED
AS OF 31 DECEMBER 1998**

State Party	Amount paid (NLG)
Belgium	54,581
Canada	50,000
Chile	20,173
Denmark	16,427
Finland	55,828
Hungary	9,600
Ireland	25,000
Italy	380,013
Luxembourg	27,302
Netherlands	75,000
New Zealand	15,949
Norway	50,000
Oman	20,400
Peru	10,200
Republic of Korea	79,849
Slovenia	5,067
Sweden	25,545
Switzerland	108,127
Turkey	24,480
Total	1,053,541

Annex 10

TWELVE EXPERTS ASSISTING STATES PARTIES TO PREPARE DECLARATIONS

	NAME/POST	INSTITUTION	COUNTRY
1	Dr Robert Mathews	Aeronautical & Maritime Research Laboratory	Australia
2	Ms Xiang Shenyi Deputy Chief	National CWC Implementation Office	China
3	Mr José Fidel Santana Specialist of Chemicals	Autoridad Nacional para las Armas Químicas	Cuba
4	Mr Sebastien Reversat Specialist	IPSN/DSMR/SACI	France
5	Mr Bernhard Odernheimer		Germany
6	Mr Phanindra N. Maji Project Officer	Ministry of Chemical and Fertilisers	India
7	Mr Said Al-Zedjali Director of Department of Chemical Substances	Ministry of Regional Municipalities and Environments	Oman
8	Ms Krystin Kee Manager for Verification	Singapore Trade Development Board-National Authority (CWC)	Singapore
9	Mr Heiner Staub	AC-Laboratory Spiez	Switzerland
10	Ms Celeste de Britto Evaluation Officer	OPCW	
11	Mr Kangi Makiyama Evaluation Officer	OPCW	
12	Ms Ioanna Iliopulos Evaluation Officer	OPCW	

Annex 11

**OFFICIAL VISITS BY THE DIRECTOR-GENERAL AND
THE DEPUTY DIRECTOR-GENERAL IN 1998**

	Director-General	Deputy Director-General
Official visits		
Bulgaria	19 - 20 January	
Hungary	26 - 27 April	
Spain	11 - 13 May	
Jordan	24 June	
Slovak Republic	29 June - 1 July	
China	26 October - 1 November	
Republic of Korea	24 - 30 November	
Japan	30 November - 5 December	
Brazil		13 - 18 September
Uzbekistan		23 - 24 September
Kazakhstan		25 - 27 September
Russian Federation		28 September
Malaysia		30 November
Singapore		1 - 2 December
Indonesia		3 December

Annex 12

REGIONAL SEMINARS CO-HOSTED BY THE SECRETARIAT IN 1998

Asian Seminar on Industrial Verification, Tokyo, Japan, 18 - 19 March 1998

Regional Seminar, Amman, Jordan, 24 - 25 June 1998

Regional Seminar, Beijing, China, 9 - 13 September 1998

Regional Seminar, Castries, St. Lucia, 4 - 5 November 1998

Annex 13, Appendix 1
STATEMENT OF INCOME AND EXPENDITURE AND CHANGES IN RESERVES AND FUND BALANCES
All Funds for the period ending 31 December 1998
(Expressed in Netherlands guilders)

	General Fund (Notes 4 - 8)		Working Capital Fund (Notes 24,25)		Trust Funds (Statement V)		TOTAL	
	31-Dec-98	31-Dec-97	31-Dec-98	31-Dec-97	31-Dec-98	31-Dec-97	31-Dec-98	31-Dec-97
INCOME								
Assessed contributions	122,444,500	86,613,864	-	-	-	-	122,444,500	86,613,864
Voluntary contributions	-	-	-	-	830,225	483,951	830,225	483,951
Other/Miscellaneous income	-	-	-	-	-	-	-	-
Allocations from other funds	-	-	-	-	-	-	-	-
Assessed contributions - new Member States	381,056	1,372,700	-	-	-	-	381,056	1,372,700
Interest income	2,833,289	819,086	-	-	27,577	5,912	2,860,866	824,998
Currency exchange adjustments	-	-	-	-	-	802	-	802
Other	11,837,111	-	-	-	5	-	11,837,116	-
TOTAL INCOME	137,495,956	88,805,650	-	-	857,807	490,665	138,353,763	89,296,315
EXPENDITURE	122,174,753	52,702,824	-	-	1,573	208,601	122,176,326	52,911,425
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	15,321,203	36,102,826	-	-	856,234	282,064	16,177,437	36,384,890
Prior period adjustments	112,754	856	-	-	(88)	-	112,666	856
NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	15,433,957	36,103,682	-	-	856,146	282,064	16,290,103	36,385,746
Savings on prior periods' obligations	2,851,871	-	-	-	-	61,988	2,851,871	61,988
Transfers to/from other funds	2,032,132	-	-	-	-	-	2,032,132	-
Credits to Member States	(13,975,012)	-	-	-	(31,660)	-	(14,006,672)	-
Other adjustments to reserves and fund balances	-	-	182,580	-	-	-	182,580	-
Reserves and fund balances, beginning of period	50,755,860	14,652,178	10,388,486	10,388,486	457,864	113,812	61,602,210	25,154,476
RESERVES AND FUND BALANCES, END OF PERIOD	57,098,808	50,755,860	10,571,066	10,388,486	1,282,350	457,864	68,952,224	61,602,210

Annex 13, Appendix 2
STATEMENT OF ASSETS, LIABILITIES AND RESERVES AND FUND BALANCES
All Funds as at 31 December 1998
(Expressed in Netherlands guilders)

	General Fund (Notes 9 - 17)	Working Capital Fund (Notes 24,25)	Trust Funds (Statement VI)	TOTAL
	31-Dec-98	31-Dec-97	31-Dec-98	31-Dec-97
ASSETS				
Cash and term deposits	43,056,198	49,131,828	1,250,194	54,748,898
Accounts receivable	28,303,111	17,209,719	-	28,303,111
Assessed contributions receivable from Member States	-	-	-	-
Voluntary contributions receivable	-	-	-	-
Advances receivable	6,112	192,803	21,234	27,346
Inter-fund balances	10,406,260	2,327,724	-	10,417,182
Inter-entity balances	3,919,004	1,060,015	10,922	3,919,004
Other	85,690,685	69,922,089	-	85,690,685
TOTAL ASSETS	10,577,178	10,389,542	1,282,350	80,866,921
LIABILITIES				
Contributions or payments received in advance	10,352,010	1,403,337	-	10,352,010
Borrowings payable within one year	-	-	-	-
Unliquidated obligations	11,175,035	14,504,531	-	11,175,035
Accounts payable	1,290,758	1,621,743	-	1,296,870
Inter-fund balances	-	284,537	-	284,537
Inter-entity balances	5,774,074	1,352,081	-	5,774,074
Other	-	-	-	-
Other liabilities	-	-	-	-
Borrowings payable after one year	-	-	-	-
TOTAL LIABILITIES	28,591,877	19,166,229	97,426	19,264,711
RESERVES AND FUND BALANCES				
Fund balances	57,098,808	50,755,860	1,282,350	68,952,224
TOTAL RESERVES AND FUND BALANCES	57,098,808	50,755,860	1,282,350	61,602,210
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	85,690,685	69,922,089	1,282,350	80,866,921

Annex 13, Appendix 3
STATEMENT OF CASH FLOW
for the period ending 31 December 1998
(Expressed in Netherlands guilders)

	31.12.1998	31.12.1997
Cash flows from operating activities		
Net excess (shortfall) of income over expenditure	15,433,957	36,103,682
(Increase) decrease in contributions receivable	(11,093,392)	618,399
(Increase) decrease in other accounts receivable	(8,078,536)	(890,611)
(Increase) decrease in other assets	(2,858,989)	(378,164)
Increase (decrease) in contributions or payments received in advance	8,948,673	391,371
Increase (decrease) in accounts payable	4,421,993	195,570
Increase (decrease) in unliquidated obligations	(3,329,496)	2,673,856
Increase (decrease) in other liabilities	-	-
Less: Interest income	(2,833,289)	(819,086)
Plus: Interest expense	-	-
Net Cash from operating activities	610,921	37,895,017
Cash flows from investing and financing activities		
(Increase) decrease in investments	-	-
(Increase) decrease in inter-fund balances receivable	186,691	(138,620)
(Increase) decrease in inter-entity balances receivable	-	995,030
Increase (decrease) in inter-fund balances payable	(330,985)	1,536,217
Increase (decrease) in inter-entity balances payable	(284,537)	(651,143)
Increase (decrease) in borrowings	-	(50,000)
Plus: Interest income	2,833,289	819,086
Less: Interest expense	-	-
Net cash from investing and financing activities	2,404,458	2,510,570
Cash flows from other sources		
Savings on or cancellation of prior periods' obligations	2,851,871	-
Transfers (to)/from reserves	-	-
Transfers (to)/from other funds	2,032,132	-
Credits to Member States	(13,975,012)	-
Other adjustments to reserves and fund balances	-	-
Net cash from other sources	(9,091,009)	
Net increase (decrease) in cash and term deposits	(6,075,630)	40,405,587
Cash and term deposits, beginning of period	49,131,828	8,726,241
Cash and term deposits, end of period	43,056,198	49,131,828

Annex 13, Appendix 4
STATEMENT OF APPROPRIATIONS FOR THE PERIOD ENDING 31 DECEMBER 1998
(Expressed in Netherlands guilders)

Appropriation Section	Appropriations			Expenditure			Balance of Appropriations
	Original	Transfers	Revised	Disbursements	Unliquidated Obligations	Total	
Programme A.1 Executive Management	17,991,500	(1,188,000)	16,803,500	15,015,247	1,083,838	16,099,085	704,415
Programme A.2 Administration	13,563,400	(118,250)	13,444,750	11,895,635	1,457,653	13,353,288	91,462
Programme A.3 External Relations	2,918,400	(156,000)	2,762,400	2,487,373	183,808	2,671,181	91,219
Programme A.4 International Cooperation and Assistance	4,996,400	(97,300)	4,899,100	3,209,611	499,088	3,708,699	1,190,401
Programme A.5 Common Services not Distributed to Programmes	17,999,000	1,559,550	19,558,550	15,784,619	2,454,810	18,239,429	1,319,121
Total Administration and Other Costs	57,468,300	-	57,468,300	48,392,485	5,679,197	54,071,682	3,396,618
Programme V.1 Verification	18,912,100	-	18,912,100	11,806,609	3,265,919	15,072,528	3,839,572
Programme V.2 Verification - Inspection Personnel Management and Field Operations	64,416,600	-	64,416,600	50,800,624	2,229,919	53,030,543	11,386,057
Total Verification Costs	83,328,700	-	83,328,700	62,607,233	5,495,838	68,103,071	15,225,629
TOTAL Regular budget	140,797,000	-	140,797,000	110,999,718	11,175,035	122,174,753	18,622,247

**Annex 13, Appendix 5
UNAUDITED STATUS OF INVESTMENTS AS OF 31 DECEMBER 1998**

Bank	Location	Principal Amount		Placement Date	Maturity Date	Days Invested	Interest Rate - %	Interest NLG	Principal with Interest NLG	
			NLG							
General Fund OPCW										
Rabo Bank (OPCW)	The Hague	7,000,000.00		01-Oct-98	31-Dec-98	92	3.3100%	59,212.22		7,059,212.22
ING Bank(OPCW)	The Hague	6,000,000.00		27-Oct-98	31-Dec-98	66	3.2700%	35,970.00		6,035,970.00
San Paolo Bank (OPCW)	Amsterdam	1,527,600.00		30-Oct-98	31-Dec-98	63	3.2300%	8,634.76		1,536,234.76
ING Bank(OPCW)	The Hague	2,041,533.44		17-Aug-98	31-Dec-98	137	3.4900%	27,114.40		2,068,647.84
Skandinaviska (OPCW)	London	8,000,000.00		26-Oct-98	31-Dec-98	67	3.2000%	47,644.44		8,047,644.44
Rabo Bank (OPCW)	The Hague	4,060,124.44		23-Nov-98	31-Dec-98	39	3.4200%	15,042.76		4,075,167.20
ABN AMRO (OPCW)	The Hague	2,030,090.00		24-Nov-98	31-Dec-98	38	3.3700%	7,221.48		2,037,311.48
ABN AMRO (OPCW)	The Hague	3,755,194.75		30-Nov-98	31-Dec-98	32	3.3700%	11,248.89		3,766,443.64
Rabo Bank (OPCW)	The Hague	2,059,954.99		04-Dec-98	31-Dec-98	28	3.2700%	5,239.15		2,065,194.14
ING Bank(OPCW)	The Hague	2,073,468.19		16-Dec-98	31-Dec-98	16	3.2300%	2,976.58		2,076,444.77
Sub-total		38,547,965.81						220,304.69		38,768,270.50
Working Capital OPCW										
San Paolo - Working Cap	Amsterdam	2,021,607.08		20-Jul-98	31-Dec-98	165	3.4300%	31,781.35		2,053,388.43
ABN AMRO - Working Cap	The Hague	1,038,322.24		03-Aug-98	31-Dec-98	151	3.5000%	15,243.15		1,053,565.39
Rabo Bank - Working Capital	The Hague	522,212.13		18-Dec-98	31-Dec-98	14	3.2800%	666.11		522,878.24
San Paolo - Working Cap	Amsterdam	2,508,269.89		10-Dec-98	31-Dec-98	22	3.2500%	4,981.70		2,513,251.59
ING Bank - Working Capital	The Hague	2,927,021.02		16-Dec-98	31-Dec-98	16	3.2300%	4,201.90		2,931,222.92
Sub-total		9,017,432.36						56,874.21		9,074,306.57
Voluntary Fund for Assistance										
San Paolo (VOL-ASSIT)	Amsterdam	958,254.44		05-Nov-98	31-Dec-98	57	3.2300%	4,900.67		963,155.11
Sub-total		958,254.44						4,900.67		963,155.11
Grand total		48,523,652.61						282,079.58		48,805,732.19

Annex 13, Appendix 6
UNAUDITED REPORT ON THE STATUS OF ASSESSED CONTRIBUTIONS AS OF 31 DECEMBER 1998
I. STATUS OF ASSESSED CONTRIBUTIONS OF MEMBER STATES TO THE OPCW

MEMBER STATES	PREP. COMMISSION											
	1993 CONTRIBUTION		1994-1997 CONTRIBUTION		1997 OPCW CONTRIBUTIONS		WCF CONTRIBUTIONS		1998 OPCW CONTRIBUTIONS			
	Balance Outstanding in USD	Balance Outstanding in NLG	Assessments in NLG	Collections in NLG	Balance Outstanding in NLG	Assessments in NLG	Collections in NLG	Balance Outstanding in NLG	Assessments in NLG	Collections in NLG	Balance Outstanding in NLG	Over Payments in NLG
1 Albania	-	-	8,877	8,877	-	1,000	1,000	1,000	12,244	2,049	10,195	-
2 Algeria	-	-	155,692	155,692	-	17,538	17,538	17,538	203,181	204,784	-	(1,603)
3 Argentina	-	-	467,077	467,077	-	52,614	52,614	52,614	609,544	97,951	511,593	-
4 Armenia	7,649	102,839	48,654	48,654	48,654	5,481	-	5,481	63,494	-	63,494	-
5 Australia	-	-	1,440,154	1,440,154	-	162,227	162,227	162,227	1,879,428	2,106,096	-	(226,668)
6 Austria	-	-	846,577	846,577	-	95,363	95,363	95,363	1,104,799	1,216,156	-	(111,357)
7 Bahrain	-	-	19,462	19,462	-	2,192	2,192	2,192	25,398	28,564	-	(3,166)
8 Bangladesh	-	-	8,877	8,877	-	1,000	1,000	1,000	12,244	532	11,712	-
9 Belarus	-	-	272,462	269,233	3,229	30,692	30,692	30,692	355,567	-	355,567	-
10 Belgium	-	-	982,808	982,808	-	110,709	110,709	110,709	1,282,583	1,413,998	-	(131,415)
11 Benin	-	5,896	-	-	-	1,000	-	1,000	7,143	-	7,143	-
12 Bolivia	-	-	8,877	-	8,877	1,000	1,000	1,000	4,081	2,146	1,936	-
13 Bosnia-Herzegovina	-	2,485	-	-	-	1,000	-	1,000	12,244	-	12,244	-
14 Botswana	-	-	-	-	-	1,000	-	1,000	4,081	-	4,081	-
15 Brazil	-	-	1,576,384	1,576,384	-	177,573	177,573	177,573	2,057,212	190,122	1,867,090	-
16 Brunei Darussalam	-	-	12,163	12,163	-	2,192	2,192	2,192	25,398	28,564	-	(3,166)
17 Bulgaria	-	-	77,846	77,846	-	8,769	8,769	8,769	101,591	112,660	-	(11,069)
18 Burkina Faso	887	12,898	5,548	-	5,548	1,000	-	1,000	12,244	-	12,244	-
19 Burundi	887	12,898	-	-	-	1,000	-	1,000	3,061	-	3,061	-
20 Cameroon	-	-	8,877	8,877	-	1,000	1,000	1,000	12,244	24,624	-	(12,380)
21 Canada	-	-	3,026,269	3,026,269	-	340,897	340,897	340,897	3,949,337	4,424,509	-	(475,172)
22 Chile	-	-	77,846	77,846	-	8,769	8,769	8,769	101,591	12,260	89,331	-
23 China	-	-	720,077	720,077	-	81,114	81,114	81,114	939,714	1,035,700	-	(95,986)
24 Cook Islands	-	6,953	8,877	-	8,877	1,000	-	1,000	12,244	-	12,244	-
25 Costa Rica	887	12,898	8,877	-	8,877	1,000	-	1,000	12,244	-	12,244	-
26 Cote d'Ivoire	-	-	8,877	8,877	-	1,000	1,000	1,000	12,244	14,504	-	(2,260)
27 Croatia	-	-	87,577	87,577	-	9,865	9,865	9,865	114,289	10,041	104,248	-
28 Cuba	-	-	48,654	48,654	-	5,481	5,481	5,481	63,494	16,959	46,535	-
29 Cyprus	-	-	-	-	-	3,082	3,082	3,082	12,580	2,260	10,320	-
30 Czech Republic	-	-	243,269	243,269	-	27,403	27,403	27,403	317,471	359,870	-	(42,399)
31 Denmark	-	-	700,615	700,615	-	78,921	78,921	78,921	914,316	1,023,315	-	(108,999)
32 Ecuador	-	10,562	19,462	-	19,462	2,192	-	2,192	25,398	-	25,398	-

I. STATUS OF ASSESSED CONTRIBUTIONS AS OF 31 DECEMBER 1998
UNAUDITED REPORT ON THE STATUS OF ASSESSED CONTRIBUTIONS AS OF 31 DECEMBER 1998
PREP. COMMISSION

MEMBER STATES	1993		1994-1997		1997				1998					
	CONTRIB.		CONTRIB.		OPCW		CONTRIBUTIONS		WCF		CONTRIBUTIONS		OPCW	
	Balance Outstanding in USD	Balance Outstanding in NLG	Assessments in NLG	Collections in NLG	Assessments in NLG	Collections in NLG	Balance Outstanding in NLG	Assessments in NLG	Collections in NLG	Balance Outstanding in NLG	Assessments in NLG	Collections in NLG	Balance Outstanding in NLG	Over Payments in NLG
33 El Salvador	887	12,898	8,877	-	8,877	8,877	1,000	1,000	-	12,244	-	12,244	-	-
34 Equatorial Guinea	887	12,898	8,877	-	8,877	8,877	1,000	1,000	-	12,244	-	12,244	-	-
35 Ethiopia	-	-	8,877	8,877	8,877	8,877	1,000	1,000	1,000	12,244	11,495	749	-	-
36 Fiji	-	-	8,877	8,877	8,877	8,877	1,000	1,000	1,000	12,244	497	11,747	-	-
37 Finland	-	-	603,308	603,308	603,308	603,308	67,960	67,960	67,960	787,327	867,129	-	-	(79,802)
38 France	-	-	6,247,153	6,247,153	6,247,153	6,247,153	703,716	703,716	703,716	8,152,650	8,980,843	-	-	(828,193)
39 Gambia	-	-	-	-	-	-	1,000	1,000	1,000	7,143	423	6,720	-	-
40 Georgia	18,638	193,861	107,038	-	107,038	107,038	12,057	12,057	12,057	139,687	-	139,687	-	-
41 Germany	-	-	8,816,076	8,816,076	8,816,076	8,816,076	993,094	993,094	993,094	11,505,141	12,678,545	-	-	(1,173,404)
42 Ghana	887	12,898	5,548	-	5,548	5,548	1,000	1,000	1,000	12,244	-	12,244	-	-
43 Greece	887	12,898	369,769	369,769	369,769	369,769	41,653	41,653	41,653	482,556	531,581	-	-	(49,025)
44 Guinea	887	12,898	6,658	-	6,658	6,658	1,000	1,000	1,000	12,244	-	12,244	-	-
45 Guyana	147	12,898	3,329	-	3,329	3,329	1,000	1,000	1,000	12,244	-	12,244	-	-
46 Hungary	-	-	136,231	136,231	136,231	136,231	15,346	15,346	15,346	177,784	308,251	-	-	(130,467)
47 Iceland	-	-	29,192	29,192	29,192	29,192	3,288	3,288	3,288	38,096	41,990	-	-	(3,894)
48 India	-	-	301,654	301,654	301,654	301,654	33,980	33,980	33,980	393,664	434,404	-	-	(40,740)
49 Indonesia	-	-	-	-	-	-	14,384	14,384	14,384	14,677	3,989	10,688	-	-
50 Iran (Islamic Republic of)	-	-	54,736	54,736	54,736	54,736	49,326	49,326	49,326	571,447	33,154	538,293	-	-
51 Ireland	-	-	204,346	204,346	204,346	204,346	23,019	23,019	23,019	266,675	293,632	-	-	(26,957)
52 Italy	-	-	5,108,653	5,108,653	5,108,653	5,108,653	575,469	575,469	575,469	6,666,887	7,334,853	-	-	(667,966)
53 Japan	-	-	15,228,653	15,228,653	15,228,653	15,228,653	1,715,444	1,715,444	1,715,444	19,873,671	2,310,831	17,562,840	-	-
54 Jordan	-	-	2,219	2,219	2,219	2,219	1,000	1,000	1,000	12,244	310	11,934	-	-
55 Kenya	-	-	8,877	8,877	8,877	8,877	1,000	1,000	1,000	12,244	2,382	9,862	-	-
56 Kuwait	-	6,804	161,774	161,774	161,774	161,774	20,826	20,826	20,826	241,278	266,542	-	-	(25,264)
57 Lao People's Democratic	-	-	8,877	-	8,877	8,877	1,000	1,000	1,000	12,244	-	12,244	-	-
58 Latvia	-	-	77,846	77,846	77,846	77,846	8,769	8,769	8,769	101,591	13,416	88,175	-	-
59 Lesotho	-	-	8,877	8,877	8,877	8,877	1,000	1,000	1,000	12,244	13,359	-	-	(1,115)
60 Lithuania	-	-	-	-	-	-	8,219	8,219	8,219	67,095	65,465	1,630	-	-
61 Luxembourg	-	-	68,115	68,115	68,115	68,115	7,673	7,673	7,673	88,892	10,629	78,263	-	-

I. STATUS OF ASSESSED CONTRIBUTIONS AS OF 31 DECEMBER 1998

MEMBER STATES	PREP. COMMISSION													
	1993		1994-1997		1997			1998			1998			
	CONTRIB.	CONTRIB.	CONTRIBUTIONS		CONTRIBUTIONS		CONTRIBUTIONS		CONTRIBUTIONS		CONTRIBUTIONS	CONTRIBUTIONS		
Balance Outstanding in USD	Balance Outstanding in NLG	Assessments in NLG	Collections in NLG	Balance Outstanding in NLG	Assessments in NLG	Collections in NLG	Balance Outstanding in NLG	Assessments in NLG	Collections in NLG	Balance Outstanding in NLG	Assessments in NLG	Collections in NLG	Balance Outstanding in NLG	Over Payments in NLG
62 Malawi	887	12,898												
63 Maldives	-	-	8,877	532	8,345	1,000	1,000	1,000	1,000	1,000	12,244	6,122	12,244	-
64 Mali	887	12,898	8,877	-	8,877	1,000	1,000	1,000	1,000	1,000	12,244	12,244	12,244	-
65 Malta	-	-	8,877	8,877	-	1,000	1,000	1,000	1,000	1,000	12,244	13,541	12,244	(1,297)
66 Mauritania	887	12,898	8,877	8,877	-	1,000	1,000	1,000	1,000	1,000	10,204	10,204	10,204	-
67 Mauritius	-	-	8,877	8,877	-	1,000	1,000	1,000	1,000	1,000	12,244	13,541	12,244	(1,297)
68 Mexico	-	-	768,731	768,731	-	86,594	86,594	-	-	-	1,003,209	1,086,681	-	(83,472)
69 Monaco	-	-	8,877	8,877	-	1,000	1,000	1,000	1,000	1,000	12,244	13,872	-	(1,628)
70 Mongolia	-	10,238	8,877	-	8,877	1,000	1,000	1,000	1,000	1,000	12,244	-	12,244	-
71 Morocco	-	-	29,192	29,192	-	3,288	3,288	-	-	-	38,096	45,278	-	(7,182)
72 Namibia	-	-	8,877	8,877	-	1,000	1,000	1,000	1,000	1,000	12,244	13,541	-	(1,297)
73 Nepal	-	-	1,110	1,110	-	1,000	1,000	1,000	1,000	1,000	12,244	13,396	-	(1,152)
74 Netherlands	-	-	1,547,192	1,547,192	-	174,285	174,285	-	-	-	2,019,115	2,224,414	-	(205,299)
75 New Zealand	-	-	233,538	233,538	-	26,307	26,307	-	-	-	304,772	545,050	-	(240,278)
76 Niger	887	12,898	8,877	-	8,877	1,000	1,000	1,000	1,000	1,000	12,244	-	12,244	-
77 Norway	-	-	544,923	544,923	-	61,383	61,383	-	-	-	711,135	783,724	-	(72,589)
78 Oman	-	-	38,923	38,923	-	4,385	4,385	-	-	-	50,795	55,888	-	(5,093)
79 Pakistan	-	-	14,596	14,596	-	6,576	6,576	-	-	-	76,193	84,152	-	(7,959)
80 Panama	-	-	-	-	-	1,000	1,000	-	-	-	2,041	2,919	-	(878)
81 Papua New Guinea	-	-	8,877	8,877	-	1,000	1,000	-	-	-	12,244	1,432	10,812	-
82 Paraguay	-	-	8,877	1,104	7,773	1,000	1,000	-	-	-	12,244	-	12,244	-
83 Peru	-	-	58,385	58,385	-	6,577	6,577	-	-	-	76,193	1,777	74,416	-
84 Philippines	-	-	58,385	58,385	-	6,577	6,577	-	-	-	76,193	9,297	66,896	-
85 Poland	-	-	321,115	321,115	-	36,172	36,172	-	-	-	419,061	463,851	-	(44,790)
86 Portugal	-	-	272,462	272,462	-	30,692	30,692	-	-	-	355,567	390,742	-	(35,175)
87 Qatar	-	-	14,596	14,596	-	4,385	4,385	-	-	-	50,795	48,087	-	2,708
88 Republic of Korea	-	-	797,923	797,923	-	89,883	89,883	-	-	-	1,041,305	1,502,063	-	(460,758)
89 Republic of Moldova	13,313	138,091	77,846	-	77,846	8,769	-	8,769	-	-	101,591	-	101,591	-
90 Romania	-	-	145,962	145,962	-	16,442	16,442	-	-	-	190,482	210,153	-	(19,671)
91 Russian Federation	-	-	519,380	519,380	-	468,048	468,048	-	-	-	5,422,402	3,492,990	1,929,412	-
92 Saint Lucia	-	-	8,877	8,877	-	1,000	1,000	-	-	-	12,244	3,438	8,806	-
93 Saudi Arabia	-	-	690,885	690,885	-	77,825	77,825	-	-	-	901,617	28,972	872,645	-

UNAUDITED REPORT ON THE STATUS OF ASSESSED CONTRIBUTIONS AS OF 31 DECEMBER 1998

I. STATUS OF ASSESSED CONTRIBUTIONS OF MEMBER STATES TO THE OPCW

MEMBER STATES	PREP. COMMISSION		OPCW											
	1993 CONTRIB.		1994-1997 CONTRIB.		1997 OPCW CONTRIBUTIONS			WCF CONTRIBUTIONS			1998 OPCW CONTRIBUTIONS			Over Payments in NLG
	Balance Outstanding in USD		Balance Outstanding in NLG		Assessments in NLG	Collections in NLG	Balance Outstanding in NLG	Assessments in NLG	Collections in NLG	Balance Outstanding in NLG	Assessments in NLG	Collections in NLG	Balance Outstanding in NLG	
TOTAL	57,486	823,296	87,986,564	87,450,166	536,398	10,571,066	10,436,520	134,546	122,825,556	107,601,980	25,526,693	79.2%	(10,303,116)	
PERCENTAGE OF CONTRIBUTIONS PAID:	99.3%	99.4%	99.4%	99.4%	98.7%									
NUMBER OF MEMBER STATES FULLY PAID :				77		87						55		
NUMBER OF MEMBER STATES PARTIALLY PAID :				3	19,347	1	68,605	24,397,431						
NUMBER OF MEMBER STATES NOT PAID :				25	517,051	33	65,941	1,129,262						

UNAUDITED REPORT ON THE STATUS OF ASSESSED CONTRIBUTIONS AS OF 31 DECEMBER 1998
II. STATUS OF OUTSTANDING ASSESSED CONTRIBUTIONS TO THE PREPARATORY COMMISSION
(non-members of the OPCW)

Non-members of OPCW	PREPARATORY COMMISSION							
	1993 CONTRIB. Balance Outstanding in USD	1994 CONTRIB. Balance Outstanding in NLG	1995 CONTRIB. Balance Outstanding in NLG	1996 P 1 CONTRIB. Balance Outstanding in NLG	1997 P 1 CONTRIB. Balance Outstanding in NLG	1996 P 2 CONTRIB. Balance Outstanding in NLG	1994-1997 CONTRIB. Balance Outstanding in NLG	1994-1997 CONTRIB. Over Payments in NLG
1 Afghanistan	887	3,444	2,691	2,443	1,311	3,009	12,898	-
2 Azerbaijan	19,525	75,766	43,053	28,701	14,426	35,359	197,305	-
3 Bahamas	-	-	-	-	-	-	-	(18,054)
4 Bhutan	-	-	-	-	-	-	-	-
5 Cambodia	887	3,444	2,691	2,443	1,311	3,009	12,898	-
6 Cape Verde	-	-	2,204	2,443	1,311	3,009	8,967	-
7 Central African Republic	887	3,444	2,691	2,443	1,311	3,009	12,898	-
8 Chad	-	431	2,691	2,443	1,311	3,009	9,885	-
9 Colombia	-	-	-	-	-	-	-	(16,358)
10 Comoros	887	3,444	2,691	2,443	1,311	3,009	12,898	-
11 Congo (Republic of the)	887	3,444	2,691	2,443	1,311	3,009	12,898	-
12 Dem. Rep. of the Congo	835	3,444	2,691	2,443	1,311	3,009	12,898	-
13 Djibouti	147	3,444	2,691	2,443	1,311	3,009	12,898	-
14 Dominica	-	1,475	2,691	2,443	1,311	3,009	10,929	-
15 Dominican Republic	1,775	6,888	2,691	2,443	1,311	3,009	16,342	-
16 Estonia	-	-	-	-	-	-	-	(6,149)
17 Gabon	1,775	6,888	2,691	2,443	1,311	3,009	16,342	-
18 Grenada	-	-	-	-	184	-	184	-
19 Guatemala	1,775	6,888	5,382	4,885	2,622	6,019	25,796	-
20 Guinea-Bissau	887	3,444	2,691	2,443	1,311	3,009	12,898	-
21 Haiti	887	3,444	2,691	2,443	1,311	3,009	12,898	-
22 Holy See	-	-	-	-	-	-	-	(1,297)
23 Honduras	887	3,444	2,691	2,443	1,311	3,009	12,898	-
24 Israel	-	-	-	-	-	-	-	(4,501)
25 Jamaica	-	-	-	-	-	-	-	(28)
26 Kazakhstan	29,243	120,537	69,961	48,852	24,918	60,185	324,453	-
27 Kyrgyzstan	5,322	20,664	10,763	7,962	3,935	9,809	53,133	-
28 Liberia	-	2,951	2,691	2,443	1,311	3,009	12,405	-
29 Liechtenstein	-	-	-	-	-	-	-	(1,297)
30 Madagascar	887	3,444	2,691	2,443	1,311	3,009	12,898	-
31 Malaysia	-	-	-	-	-	-	-	(21,257)
32 Marshall Islands	-	-	-	-	-	-	-	(1,370)
33 Micronesia (Fed. States of)	-	-	-	-	-	-	-	(1,724)
34 Myanmar	-	-	-	-	-	-	-	(1,954)
35 Nauru	-	-	2,618	2,443	1,311	3,009	9,381	-
36 Nicaragua	887	3,444	2,691	2,443	1,311	3,009	12,898	-
37 Nigeria	-	-	17,781	28,090	14,426	34,606	94,903	-
38 Rwanda	442	3,444	2,691	2,443	1,311	3,009	12,898	-
39 Saint Kitts and Nevis	-	-	-	2,197	1,311	3,009	6,517	-
40 Saint Vincent and the Grenadines	147	3,444	2,691	2,443	1,311	3,009	12,898	-
41 Samoa	887	3,444	2,691	2,443	1,311	3,009	12,898	-
42 San Marino	-	-	-	-	-	-	-	(2,843)
43 Sierra Leone	887	3,444	2,691	2,443	1,311	3,009	12,898	-
44 Thailand	-	-	-	-	-	-	-	(19,725)
45 Uganda	887	3,444	2,691	2,443	1,311	3,009	12,898	-
46 United Arab Emirates	8,669	-	-	41,950	24,918	57,176	124,044	-
47 Yemen	-	-	-	1,701	1,311	3,009	6,021	-
48 Zambia	835	3,444	2,691	2,443	1,311	3,009	12,898	-
TOTAL	82,021	304,480	213,655	225,413	120,826	284,397	1,148,771	(96,557)

PERCENTAGE OF CONTRIBUTIONS PAID:	52.8%	57.5%	58.0%	46.5%	45.8%	45.2%	56.5%
NUMBER OF NON-MEMBERS FULLY PAID :	15	16	15	12	12	12	
NUMBER OF NON-MEMBERS PARTIALLY PAID :	6	2	3	3	2		
NUMBER OF NON-MEMBERS NOT PAID :	19	24	27	30	34	33	

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