

**NOTE BY THE DIRECTOR-GENERAL****REQUEST FOR THE ESTABLISHMENT OF A SPECIAL FUND
FOR CYBERSECURITY, BUSINESS CONTINUITY, AND PHYSICAL
INFRASTRUCTURE SECURITY, AND TRANSFER OF A PORTION
OF THE 2016 CASH SURPLUS FOR THIS PURPOSE**

1. The Draft Programme and Budget of the OPCW for 2019 (EC-89/CRP.1/Rev.2, dated 12 October 2018) details specific activities that will be implemented over a one-year period, in line with the programme strategies that aim to achieve the core objectives of the Organisation in the long-term. The activities included in this Programme and Budget fit within the framework of the Organisation's strategic vision, are foreseen in advance, and are formulated with a high degree of certainty that they will be implemented. The nature, scope, and duration of the activities are normally well defined, and the resources required to implement them can be estimated with a high level of accuracy.
2. In its reporting to the Director-General, the Office of Internal Oversight identified a number of critical-level findings and recommendations relating to the Organisation's business continuity planning. The Organisation is taking active steps to address these recommendations and, in doing so, requires sufficient and timely availability of funding.
3. The Technical Secretariat (hereinafter "the Secretariat") is of the view that the OPCW must continue to adapt to emerging security challenges and new threats. In this regard, the areas of cybersecurity, business continuity, and physical infrastructure security are of increasing importance and criticality.
4. Taking into consideration the emphasis made by the States Parties during the Programme and Budget consultations for the Draft Programme and Budget of the OPCW for 2019 (EC-89/CRP.1/Rev.2) regarding the increase in financial requirements and the impact on the assessed contributions of States Parties, the Secretariat proposes the establishment of a special fund for cybersecurity, business continuity, and physical infrastructure security, to be financed using a portion of the 2016 cash surplus as a means to mitigate financing these needs through assessed contributions for 2019.
5. The Draft Programme and Budget for 2019 (EC-89/CRP.1/Rev.2) includes an extraordinary provision for priority investment in these areas of high organisational risk relating to cybersecurity, business continuity, and physical infrastructure security, proposed to be funded through a portion of the 2016 cash surplus.



6. The Executive Council is requested to consider this proposal and recommend to the Conference of the States Parties at its Twenty-Third Session that it approve the transfer of a portion of the 2016 cash surplus in the amount of EUR 777,175 to the proposed special fund.

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