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MEDIUM-TERM PLAN FOR THE PERIOD FROM 2005 TO 2007

Introduction

1. This Medium-Term Plan (MTP) for the period from 2005 to 2007 has been prepared, in accordance with OPCW Financial Regulation 3.8, to accompany the 2005 draft Programme and Budget and preliminary estimates submitted to the Executive Council (hereinafter “the Council”) under Financial Regulations 3.4 and 3.7. In line with established practice, it provides a broad overview of the aims and programme priorities for the next few years and identifies desired results, and challenges and opportunities. It is purely indicative and does not prejudice the coming budget deliberations.
2. The starting point for this MTP, and indeed for the 2005 draft Programme and Budget, was the MTP issued in October 2003 (C-8/S/1, dated 24 October 2003) and the 2004 Programme and Budget (Annex to C-8/DEC.17, also dated 24 October 2003). The results that States Parties want to achieve, as expressed in the final documents of the First Special Session of the Conference of the States Parties to Review the Operation of the Chemical Weapons Convention (hereinafter “the First Review Conference”), are also reflected in this document.
3. This MTP sets the context for the 2005 draft Programme and Budget, which is being submitted in results-based budgeting (RBB) format. Accordingly, objectives and external and internal factors that influence how they can be accomplished have been included. As expected, this MTP complies with the requirements of the Chemical Weapons Convention (hereinafter “the Convention”) and with the OPCW Financial Regulations.

Objectives and performance indicators

4. The core objectives set out in table 1 are derived from the mandates in the Convention, and reflect language developed and ratified by the First Review Conference. They are objectives of the OPCW as a whole, but have been formulated in such a way as to take into account the specific responsibilities of the Technical Secretariat (hereinafter “the Secretariat”). Table 1 also lists the indicators of achievement for these objectives.



5. Similarly, performance indicators, and the supporting objectives for the Secretariat, have been formulated for each programme with a view to assessing the performance of the Secretariat whilst recognising that, in many areas, the activities of the Member States will have a bearing on the achievement of the objectives. The supporting objectives and, where possible, the performance indicators have been included in the 2005 draft Programme and Budget.
6. A significant amount of work on refining the performance indicators and setting up systems for obtaining, analysing, and reporting performance data lies ahead. More generally, there will be a need to adapt and build on the initial approach to RBB in the 2005 Programme and Budget in the coming years and in the light of experience. This work will be undertaken as a matter of priority.

TABLE 1: OBJECTIVES AND INDICATORS OF ACHIEVEMENT FOR THE 2005 OPCW PROGRAMME AND BUDGET¹

Core Objective		Indicators of Achievement ²
1.	Elimination of chemical weapons stockpiles and chemical weapons production facilities, subject to the verification measures provided for in the Convention	The indicators of achievement are as follows: (a) results of all destruction activities related to the elimination of chemical weapons and their production facilities as confirmed by systematic verification in accordance with the Convention; (b) results of conversion of chemical weapons production facilities for purposes not prohibited under the Convention as confirmed by verification in accordance with the Convention; and (c) results of systematic verification of chemical weapons storage facilities to ensure no undetected removal of chemical weapons.
2.	Non-proliferation of chemical weapons, through the application of the verification and implementation measures provided for in the Convention, which also serve to build confidence among States Parties	The indicator of achievement is the assessment of the extent to which the relevant verification and implementation provisions of the Convention are met, and in particular: (a) assessment of the extent to which the inspection aims of the systematic inspections of Schedule 1 facilities stipulated in the Convention were attained, taking into account the factors provided for in Part VI (E) of the Verification Annex;

¹ As appropriate, specific standards and benchmarks related to the indicators of achievement for the respective objectives will be developed by the Technical Secretariat and included in the OPCW programmes and budgets in subsequent years.

² Some indicators of achievement may be relevant to more than one objective.

		<p>(b) assessment of the extent to which the inspection aims of inspections of Schedule 2 facilities stipulated in the Convention were attained, taking into account the factors provided for in Part VII (B) of the Verification Annex;</p> <p>(c) assessment of the extent to which the inspection aims of inspections of Schedule 3 facilities stipulated in the Convention were attained, taking into account the factors provided for in Part VIII (B) of the Verification Annex; and</p> <p>(d) assessment of the extent to which the inspection aims of inspections of other chemical production facilities (OCPFs) stipulated in the Convention were attained, taking into account the factors provided for in Part IX (B) of the Verification Annex.</p>
3.	Assistance and protection against chemical weapons and their use or threat of use, in accordance with of Article X of the Convention	<p>The indicators of achievement are as follows:</p> <p>(a) the number, nature, and results of responses to requests for expert advice and/or assistance under Article X, paragraph 5;</p> <p>(b) the effective functioning of the data bank of protection-related information established pursuant to paragraph 5 of Article X;</p> <p>(c) the OPCW's capacity to coordinate and, as necessary, deliver assistance against chemical weapons in response to a request;</p> <p>(d) the OPCW's capacity to conduct an immediate investigation and to take emergency measures of assistance against chemical weapons in response to a request; and</p> <p>(e) the percentage of States Parties providing information annually pursuant to Article X, paragraph 4.</p>
4.	Economic and technological development through international cooperation in the field of chemical activities for purposes not prohibited under the Convention in accordance with Article XI	<p>The indicators of achievement are as follows:</p> <p>(a) the volume, quality, and results of cooperation related to peaceful uses of chemistry; and</p> <p>(b) the rate and quality of response to requests in accordance with the approved programme for international cooperation relating to peaceful uses of chemistry.</p>

Supporting Objective		Indicators of Achievement
5.	Universal adherence to the Convention	The indicators of achievement are as follows: (a) the number of States Parties; and (b) the percentage of States not Party that have reached each of two stages of interest/participation; the first level indicated by requests for information and participation, the second by requests for assistance and/or active consideration of membership by national bodies.
6.	Full and effective implementation by States Parties of the provisions of Article VII of the Convention	The indicator of achievement is the percentage of States Parties reaching each of three defined levels of implementation, based on an assessment of each State Party's compliance with a small number of key aspects of national implementation.
Operational Objective		Indicators of Achievement
7.	Full, effective and non-discriminatory implementation of all provisions of the Convention by the OPCW	The indicator of achievement is efficient and effective operation of the policy-making organs and the Secretariat in accordance with Article VIII, including through: (i) delivery of programme outputs on time and within the agreed budget; and (ii) timely and efficient preparation and conduct of meetings.

7. The first core objective relates to chemical disarmament under strict and effective international control. In accordance with the Convention and with the decisions of the Conference of the States Parties (hereinafter "the Conference"), Member States possessing chemical weapons stockpiles and/or production facilities are responsible for their elimination and for the costs of related inspections. Member States determine the actual pace of destruction or conversion, while the Conference and the Council monitor progress. The role of the Secretariat is to provide assurances to Member States, through verification, regarding the amounts of chemical weapons and the chemical weapons production capacities that have been declared, the amounts of chemical weapons that have actually been destroyed, and the amounts still remaining (including any newly declared stockpiles and production capacities).
8. The second core objective relates to assurances of the non-proliferation of chemical weapons through the application of the Convention's verification and implementation measures. The role of the Secretariat is to implement the verification measures in the Convention and to provide accurate reports on the results to the policy-making organs and the Member States in accordance with the relevant provisions of the Convention.

9. The third core objective refers to assistance and protection. The Secretariat's role is to facilitate the international-assistance response by mobilising assistance pledged by Member States in response to an appeal by the OPCW, and by coordinating its own efforts with those of other international agencies involved in an assistance operation. The Secretariat is also responsible for providing expert advice and assistance to States Parties, upon request and according to the availability of resources, on how to develop and improve their protective capacity against chemical weapons.
10. The fourth core objective is related to the economic and technological development of the States Parties through the building of skills and national capacity in the peaceful uses of chemistry. The Secretariat contributes to this objective by carrying out the Associate Programme; sponsoring conferences; providing support for small research projects, internships in relevant areas, and improvements in the technical competence of laboratories; facilitating the exchange of equipment; and carrying out programmes aimed at the development of analytical skills.
11. The two supporting objectives focus on universality and the full and effective national implementation of the Convention, since these are important for the achievement of the core objectives. In both areas, action plans have been adopted by the Conference, and Member States play a significant part in carrying these out. The Secretariat is required to analyse the situation country by country, to focus its efforts on the specific requirements of countries and regions, and to facilitate the assistance between Member States. The Secretariat will report regularly on the progress that is made under both action plans. Success will depend on concerted efforts by the Secretariat, the policy-making organs, and the Member States.
12. The operational objective relates to the internal management of the Secretariat and to its support for the policy-making organs. Member States expect the Secretariat to perform effectively and efficiently. The Director-General, with the support of his senior management team, is responsible for ensuring that the Secretariat performs to the requisite standards. Individual staff members are obliged to perform to the best of their abilities and to be committed to delivering the necessary results. In order for the OPCW to be totally effective, concerted and well-focussed efforts by the Secretariat and the policy-making organs will also be required.

External factors

13. Certain developments in the external environment in which the OPCW operates may help it improve its performance against the above-mentioned objectives, while others may hinder it. Some possible developments are touched on below.
14. The pace of destruction of chemical weapons and of the destruction or conversion of chemical weapons production facilities is governed by strict deadlines, but experience has shown that it cannot be predicted with certainty on a yearly basis. In any case, at some point chemical weapons destruction is likely to speed up. New Member States with chemical weapons stockpiles and/or CWPFs may also join the Convention. The Secretariat has to be prepared to meet the additional demands for verification and inspection that may result. The accession of the Libyan Arab Jamahiriya in 2004 is one such example.

15. Economic pressures suggest that governments will continue to aim to control public expenditures and that any budget increases will need to be strictly substantiated. The Secretariat's working assumption is that it should aim to achieve the results that Member States call for with the minimum resources needed. However, adequate resources must be provided by Member States if core activities are to be carried out effectively. For example, as indicated below, an increase in verification activities is likely and will need to be adequately funded throughout the period covered by this MTP.
16. If the chemical industry continues to grow and to locate production in developing countries, the OPCW is likely to face a wider geographical spread of relevant facilities and an increasing potential for small-scale production. Such developments would tend to lead to an increase in the number of inspectable facilities in Member States. Work is also likely to be affected by developments in science and technology, which could both increase the complexity of verification activities and offer scope for increasing their effectiveness and efficiency.
17. The First Review Conference agreed on three principles with respect to the OPCW's role in facilitating the efficient delivery of assistance (paragraph 7.100 of RC-1/5). More work will be required during the period covered by this MTP so that a final agreement can be reached on the overall role of the OPCW concerning the delivery of assistance under Article X.
18. The First Review Conference also stressed the importance of international cooperation and its valuable contribution to the promotion of the Convention as a whole (paragraph 7.108 of RC-1/5); and it recognised the need for the full implementation of Article XI and for adequate funding of international-cooperation programmes "based on the States Parties' needs and on how the programme addresses these needs, bearing in mind overall resource constraints" (subparagraph 7.108(e)). More work needs to be done during the period covered by this MTP to develop and apply guiding principles for these programmes.
19. In accordance with the recommendations of the First Review Conference, the action plans on universality and on national implementation measures have been adopted. The achievement of results in relation to both plans will depend on activities undertaken by the Secretariat and by the Member States themselves, and the period in which the results will be achieved will broadly coincide with that covered by this MTP.
20. The Secretariat will continue to conduct activities in support of the global struggle against terrorism, within the framework of the decision the Council adopted on the matter in 2001 (EC-XXVII/DEC.5, dated 7 December 2001). Efforts will be concentrated on promoting universal adherence to the Convention and on enhancing its full and effective implementation.

Internal considerations

21. Identifying major strengths and weaknesses in the way the Secretariat is currently operating helps to identify the issues and problems that must be addressed if the Secretariat's performance against the aforementioned objectives is to be improved.

22. The First Review Conference concluded that Secretariat staff were dedicated, qualified, and well-trained, and had the equipment and procedures they needed to carry out their tasks. The OPCW has established an effective international verification system, and efforts to improve it are continually undertaken. The OPCW remains strongly committed to protecting confidentiality thoroughly, and the Secretariat will continue to improve the implementation of the confidentiality regime.
23. Broader structural problems and constraints that merit attention by the Secretariat and the policy-making organs include the late receipt of assessed contributions and reimbursements, cash-flow difficulties, and constraints on annual budget-setting. Some of these issues will need to be addressed as part of the step-wise move towards RBB. Others, such as the proposed stabilisation mechanism, will flow from decisions taken by the Eighth Session of the Conference and facilitation work by the Council.
24. Other practical issues and challenges facing the Secretariat in its efforts further to improve performance further include:
 - (a) continuing with the introduction and full development of RBB;
 - (b) applying information technology more effectively;
 - (c) implementing the OPCW policy on tenure whilst maintaining the Organisation's financial stability and operational effectiveness;
 - (d) ensuring adequate coordination and teamwork within and across the units of the Secretariat, and seeing to it that its operations are effective, including by continuing to provide an effective training regime for new inspectors, and developing focussed training for other staff members;
 - (e) improving the Performance Management and Appraisal System; and
 - (f) providing additional flexibility to the Director-General in the classification and reclassification of posts.

Issues identified from an analysis of external factors

25. The external trends and pressures and the internal strengths and weaknesses described above suggest that a number of important strategic, organisational, and management issues need to be addressed during the period covered by this MTP, including the following:
 - (a) verification arrangements;
 - (b) the action plan on universality;
 - (c) the action plan regarding the implementation of Article VII obligations;
 - (d) information management;
 - (e) the tenure policy;

- (f) administrative procedures;
 - (g) OPCW Financial Regulations, and a review of OPCW Interim Staff Rules where applicable;
 - (h) the implementation of the Programme and Budget; and
 - (i) resources and their allocation.
26. Proposals are set out below on how the Secretariat might follow up on these issues, in accordance with the decisions of Member States, and bearing in mind the desired results and, where possible, the resource implications.

Issue A: verification arrangements

27. The expected increase in the number of continuously operating chemical weapons destruction facilities (CWDFs) during the period from 2005 to 2007, and consequently in the number of inspectors required to verify destruction at these facilities, means that the costs of verification are likely to increase sharply unless measures are taken to minimise requirements for additional inspectors. The Secretariat will therefore continue to look at ways of optimising the conduct of inspections and, initially in consultation with the possessor States Parties, to study options for changing the methods for conducting inspections—options that might be presented to Member States for approval.

Issue B: the action plan for universality

28. Following a call by the First Review Conference, in October 2003 the Council adopted a plan of action to encourage further, and in a systematic and coordinated manner, adherence to the Convention (EC-M-23/DEC.3, dated 24 October 2003). This plan requested the Secretariat, in consultation with Member States, to prepare a comprehensive annual plan of universality-related activities, to provide information containing up-to-date details on the status of States not Party *vis-à-vis* the Convention, to implement the activities set out in the document of planned activities within the constraints imposed by approved resources, and to report annually to the Conference on the progress made. The External Relations Division acts as the focal point within the Secretariat for delivering the action plan, drawing as necessary on resources from other Divisions.

Issue C: the action plan regarding the implementation of Article VII obligations

29. Following another call by the First Review Conference, in October 2003 the Conference adopted an action plan on Article VII obligations (C-8/DEC.16, dated 24 October 2003), which aims at the enactment of the necessary legislation and the adoption of the required administrative measures by all States Parties no later than the Tenth Session of the Conference, scheduled for November 2005. Member States have agreed to inform the Secretariat about their steps and targets, as well as about their requirements for assistance or the support they would be ready to offer to other Member States. The Secretariat was requested, *inter alia*, to develop and improve its implementation-support programme further and to report to the Council and the

Conference on the progress achieved. Several Member States have offered assistance to other Member States to improve national implementation. An OPCW Network of Legal Experts has been established to facilitate support for the drafting of implementing legislation and regulations between Member States. A task force has been set up to coordinate activities under the action plan, which will draw on resources across the Secretariat.

Issue D: information management

30. The First Review Conference stressed that the Secretariat should seek to apply information technology (IT) more effectively to improve the functioning of the OPCW. The Secretariat's strategic plan on IT contains the following key elements:
- (a) to manage current IT systems effectively and introduce new initiatives that demonstrably support the OPCW's required core functions;
 - (b) to provide, operate, and support effective information systems and a telecommunications-technology infrastructure in accordance with appropriate internationally recognised security and quality-performance standards; and
 - (c) to increase the technical ability of the OPCW and its many constituents to use digital means to communicate, manage information, secure data, and conduct their business.
31. The systematic application of best practices in the selection and management of IT and related services will enable both the Member States and the Secretariat to share the information they require to implement the Convention. A key objective will be to ensure that the necessary systems for the effective operation and proper functioning of the RBB process are delivered in a coherent and integrated way.
32. Efficient deployment of new IT will enable the OPCW to safeguard sensitive and confidential information better and in a more efficient manner, and to reduce its dependence on manual handling procedures and redundant business practices.

Issue E: the OPCW tenure policy

33. In 2003, the Secretariat began implementing the tenure policy in accordance with decisions of the Council (EC-M-22/DEC.1, dated 28 March 2003) and the Conference (C-SS-2/DEC.1, dated 30 April 2003). The Director-General presented a first status report to the Council in March 2004 (EC-36/DG.17, dated 9 March 2004) covering, *inter alia*, the operational impact of the policy up until the date of the report, the resource costs associated with the policy, and the case for a system of transition support for staff members affected by it. The Council welcomed the report (EC-36/3, dated 26 March 2004). In accordance with the Council's decision, the Director-General will continue to monitor the operational impact of implementing the tenure policy, including on the Secretariat's ability to recruit and retain new staff members of the requisite calibre; he will also continue to monitor the trend of natural attrition and to report to Member States.

Issue F: administrative procedures

34. The Secretariat is looking at a number of opportunities for savings in this area, as set out in C-8/DG.6 and Rev.1, both dated 24 October 2003. It is expected that much of the almost EUR 1.4 million in savings that the Director-General has undertaken to deliver in 2004 will represent recurring savings that can be carried forward into future years. The Secretariat will continue its rigorous efforts to build on these measures and to identify further ways of improving the efficient use of resources.

Issue G: financial regulations

35. RBB is being introduced, in full accordance with the OPCW Financial Regulations. The Secretariat will also continue to be guided by, and to apply as appropriate, the recommendations of Advisory Body for Administrative and Financial Matters (ABAF). The Secretariat also intends to be alert for ways in which the effective use of financial and human resources could be improved and better value for money achieved. As necessary, and after consultation with the ABAF the Secretariat intends to bring forward proposals to that end within the period covered by this MTP.

Issue H: implementation of the Programme and Budget

36. The effectiveness of RBB will depend heavily on the existence of effective arrangements for monitoring and evaluating the implementation within the Secretariat of the Programme and Budget in support of the Director-General's strategic management role and responsibilities. In order to focus on results, to monitor progress towards them during the course of the budget year, and to take steps, where necessary, to keep on target and ensure that the OPCW continues to work effectively during periods of change, the Director-General intends, within the period covered by this MTP, to do the following:
- (a) lead quarterly performance reviews by top management against the approved Programme and Budget; and
 - (b) establish adequate support, through mentoring, training, and the provision of advice, to management, programme managers, budget holders, finance staff, and operational planners in the implementation of RBB.

Tentative assumptions on resources and their allocation

Baseline resource assumptions

37. The tentative initial assumption underlying preparation of the 2005 draft Programme and Budget was that the Secretariat should maintain the 2004 levels of programme delivery with no real increase in funding beyond the budget agreed for 2004. Table 2 outlines the resource baseline, or starting point, for the development of the 2005 Programme and Budget, in 2004 prices.

TABLE 2: BASELINE BUDGET ASSUMPTIONS, IN 2004 PRICES

Description	2004	2005	2006	2007
Salaries and common staff costs	49,506,036	49,506,036	49,506,036	49,506,036
Other resources	24,785,498	24,785,498	24,785,498	24,785,498
Initial regular budget	74,291,534	74,291,534	74,291,534	74,291,534
Less agreed efficiency savings	(1,138,144)	(1,138,144)	(1,138,144)	(1,138,144)
Agreed regular budget	73,153,390	73,153,390	73,153,390	73,153,390
Less verification payments and bank interest	(4,500,000)	(4,500,000)	(4,500,000)	(4,500,000)
Assessment to Member States	68,653,390	68,653,390	68,653,390	68,653,390

38. The agreed efficiency savings were originally to be made through salaries and staff costs (EUR 972,807) and other costs (EUR 165,337). In addition to these savings, a further EUR 250,000 of savings in other areas has been planned for 2004 and the forward years to fund increased activities in international cooperation and assistance.
39. The baseline budget depicted in table 2 maintains the estimates for 2005 to 2007 in 2004 prices for comparative purposes. To maintain this funding baseline in real terms, or simply to maintain the “spending power” of the OPCW’s 2004 Programme and Budget, initial adjustments will need to be made for budget parameters such as regular movements in price indexation, foreign-currency exchange rates, and statutory increases in staff costs. These adjustments in developing the 2005 Programme and Budget will maintain the existing funding estimates in real terms by converting them to 2005 prices.
40. This baseline budget also reflects the staffing numbers in the approved 2004 Programme and Budget, namely, funding for some 478 staff in posts (amounting to 470 full-time equivalent staff members). This is within the approved limits of a total of 507 established posts for the Secretariat. As in previous budget rounds, adjustments to these figures would need to be made, as appropriate, in light of developments and changes to priorities.
41. As discussed below, delivering the core programme within these financial and staffing levels would represent a major challenge. The extent to which it has proved possible to meet the starting assumption is described in the 2005 draft Programme and Budget, which the Director-General has put forward.

Requirements within the baseline

42. The Secretariat must fulfil its responsibilities for the verification of chemical weapons disarmament activities. The destruction of chemical weapons must neither be delayed nor proceed without adequate verification should the Secretariat be unable to deploy the necessary verification resources. In addition to verification of chemical weapons

disarmament, verification and inspection resources need to be focussed on providing assurances with respect to non-proliferation, including through Article VI inspections. In addition, the ability and readiness of the Secretariat to conduct challenge inspections and investigations of alleged use have to be preserved. As noted above, the Secretariat is also required to support States Parties by implementing programmes to strengthen their protective capacity against chemical weapons, to strengthen national implementation (the action plan on Article VII obligations), and to facilitate international cooperation in the peaceful uses of chemistry. There is also a need to devote efforts to advancing universality (the action plan on universality).

Results achievable against the core objectives shown in table 1

43. As regards core objective 1 (the elimination of chemical weapons stockpiles and production capacities) and 2 (the non-proliferation of chemical weapons through verification), the starting point is to consider the likely workload in relation to the verification of chemical weapons disarmament. Table 3, which is based on the status of participation in the Convention and on the figures supplied by States Parties as at April 2004, shows the projected numbers of inspectable facilities under Articles IV and V for each of the years covered by this MTP.

TABLE 3: PROJECTED NUMBER OF ARTICLE IV AND V INSPECTABLE FACILITIES

Type of Facility	2004	2005	2006	2007
CWDFs (continuous)	7	8	8	7
CWDFs (non-continuous)	8	12	13	12
CWPFs	32	29	28	27
CWSFs ³	33	31	30	30
OACW ⁴ sites	36	36	36	36

44. From the figures in table 3, it is possible to calculate the number of inspector days required to undertake the implied number of inspections. In its calculations, the Secretariat has assumed inspection-team sizes agreed with States Parties, and an average of 130 inspection days per inspector per annum. The projected requirements for inspector days are shown in table 4.

TABLE 4: PROJECTED REQUIREMENT FOR INSPECTOR DAYS FOR ARTICLE IV AND V INSPECTIONS

Type of Facility	2004	2005	2006	2007
CWDFs	17,947	19,899	20,793	20,984
CWPFs	505	585	344	385
CWSFs	980	934	980	980
OACW sites	292	264	196	196
Total	19,724	21,682	22,313	22,545

³ Chemical weapons storage facilities

⁴ Old and abandoned chemical weapons

45. Actual levels of chemical weapons destruction activity do not depend on the Secretariat and are subject to considerable uncertainty. If the level of actual inspection activity were to be at the upper end of the range of uncertainty, the ability to achieve the desired levels of results with regard to both objectives 1 and 2, given the present number of inspectors and current inspection methods, would be significantly compromised. Accordingly, after consultations with the possessor States Parties on their destruction plans, the Secretariat has discounted the projected number of continuous CWDF inspections/rotations for 2005 by 10%. This figure (which is reflected in table 4) is based on the Secretariat's assessment that the levels of destruction activity possessor States Parties have planned or assumed will come closer to the actual situation the Secretariat will face during the period covered by this MTP, and that these levels will provide a more realistic basis for assessing the number of inspectors required to perform all inspection assignments. The Secretariat's ability to deliver both the required number of Article IV, Article V, and VI inspections and the results of these inspections will also depend heavily on its ability to identify and implement ways of further improving the cost-effectiveness of inspection activities (see paragraph 51 below).
46. The level of inspection activity under Article VI is another key determinant of the level of inspection resources required. Over 4400 inspectable industry facilities have been declared so far; and the number may well grow. One hundred and thirty-two Article VI inspections were included in the 2003 Programme and Budget—and that number was increased to 150 in the 2004 budget. Of these, 70 were inspections of other chemical production facilities. It is possible that this figure will grow in 2005 and in subsequent years. In addressing the number of inspections to be included for the 2005 Programme and Budget, Member States need to consider whether the small percentage of sites of potential interest that are actually inspected is sufficient in terms of deterrence and credibility.
47. The third core objective relates to assistance and protection. A quantitative assessment of the OPCW's current ability to provide assistance and of the desired standard in this regard is not yet available. Discussions are continuing in the Council on the nature of the desirable OPCW assistance capability. The Secretariat expects to achieve more predictability by increasing the number and scope of bilateral agreements for the procurement, upon demand, of assistance. It also anticipates that Member States will provide additional detail on the kind of assistance they might provide in response to an appeal by the OPCW. Such information would facilitate the Secretariat's efforts to provide expert advice and assistance to States Parties that wish to develop and improve their protective capacity against chemical weapons, and to reduce the current response time. The Secretariat also recognises that it may be able to facilitate exchanges between Member States, which may also contribute to reducing the backlog of requests for expert advice on national-protection programmes.
48. The fourth core objective (international cooperation in the peaceful uses of chemistry) covers programmes such as internships, conference support, the Associate Programme, research support, laboratory assistance, equipment exchange, and the development of analytical skills. The Secretariat will need to match requests for support in this area to the available resources, develop and apply a method to evaluate the programmes, and look at priorities carefully.

49. A supporting objective is to achieve the universality of the Convention. Since the Council met for its Thirty-Sixth Session, membership has risen to 167, leaving 27 States not Party. The Secretariat will aim to bring several of the remaining 27 States not Party into the realm of the Convention by the end of 2007 and to increase the proportion of remaining States not Party that maintain a dialogue with the OPCW and participate in some of its activities. This outcome assumes that the action plan on universality will be strongly supported by States Parties, which will play a key role in persuading States not Party of the benefits of membership.
50. The other supporting objective is to advance full and effective national implementation. Within the baseline budget, the Secretariat will seek to raise considerably the number of Member States that have designated or established their National Authorities and have implementing legislation in place, and to raise the percentage of National Authorities that are operating to a satisfactory standard. The Secretariat will need to set and maintain clear targets in order to balance growing demands with resource constraints. The Secretariat recognises the impact that Member States' bilateral-outreach programmes have on the development and application of national-implementation measures by other Member States; and these programmes may also contribute to a reduction in the backlog of requests for implementation support.
51. The operational objective relates to effective and efficient operation of the Secretariat. The decision on the 2004 Programme and Budget already requires the Secretariat to find savings of some EUR 1,400,000, or about 2% of the total budget, from improved efficiency (C-8/DG.6, and Rev.1).
52. Additionally, the Secretariat will do its utmost to achieve better value for money in the use of its resources, drawing on the recommendations made by States Parties and the External Auditor, as well as the Office of Internal Oversight.
53. In particular, the Secretariat plans to:
 - (a) continue its efforts to improve efficiency and realise value for money;
 - (b) increase the availability of information, particularly on-line, to programme managers;
 - (c) review and update the present strategy for human-resources management, including a focussed programme of training and development;
 - (d) ensure adequate coordination and teamwork within and across its units;
 - (e) strengthen the implementation process for the Programme and Budget; and
 - (f) increase the availability of software and improve common databases and information systems.
54. The Secretariat will also continue to look at optimising verification activities in particular, but not just in respect of verifying the destruction of chemical weapons. At this stage, it is not possible to quantify the possible savings. However, options the

Secretariat will propose to study (with a view to submitting formal proposals to States Parties for approval as and when appropriate) might include the following:

- (a) reducing the size of inspection teams;
 - (b) introducing monitoring equipment for verification purposes, especially at CWDFs;
 - (c) reducing the duration of inspections;
 - (d) conducting sequential inspections; and
 - (e) building on the on-call-inspector scheme (under the Special Service Agreement) for inspections at CWDFs, assuming that the current trial proves a success.
55. The Secretariat may also want to refine further the parameters of the verification system whilst maintaining adequate levels of assurance and integrity of the system. Such changes would require detailed consideration by States Parties, and therefore their impact on future resource savings cannot be foreseen at this stage.

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