
Hungary

**STATEMENT ON BEHALF OF THE EUROPEAN UNION DURING THE
SIXTEENTH JOINT MEETING OF WORKING GROUPS A AND B
ON 28 FEBRUARY 2011**

1. I have the honour to speak on behalf of the European Union. The Candidate Countries Turkey, Croatia, The former Yugoslav Republic of Macedonia and Iceland¹, the Countries of the Stabilization and Association Process and potential candidates Albania, Bosnia and Herzegovina, Montenegro and Serbia, the EFTA country Norway, a member of the European Economic Area, as well as Ukraine, the Republic of Moldova, Armenia and Georgia associate themselves with this statement.
2. The EU wishes to thank the Executive Secretary for his opening remarks, and the Chairs of Working Group A and Working Group B and the PTS for their dedicated work in preparation of this meeting.

Mr Chairperson,

3. At the outset, the EU underlines that it remains convinced of the purpose and potential of the format of joint Working Group A and B meetings. Their added value should lie in integrating discussions on overlapping agenda items by looking at administrative and budgetary issues from a technical point of view. This would enable better informed decisions that are tailored to efficient implementation of the verification related Major Programmes.
4. To ensure that the verification regime is fully operational at CTBT's entry into force, careful prioritization and more effective and efficient use of available resources are essential. In the context of the preparation of future budgets, examination of reallocation of financial and human resources across the PTS should not be excluded. The three priorities for funding should be: operation, maintenance and completion of the IMS

¹ Croatia and The former Yugoslav Republic of Macedonia continue to be part of the Stabilization and Association Process. Iceland remains an EFTA country and member of the European Economic Area.

station network; enhancing data analysis; and the upgrading of the OSI regime, through the implementation of the OSI action plan, to the same level of operative readiness as the IDC and the IMS upon entry into force.

5. Other issues that will benefit from consideration by joint meetings of the Working Groups include:
 - Administrative and budgetary issues related to the building up of the verification regime, including human resource needs in the PTS;
 - Conclusion and implementation of facility agreements and PCA contracts, including their role in and effect on data availability, timeliness and quality of products and cost effectiveness of operation and maintenance;
 - Status of OSI inspectors and inspection assistants;
 - OSI model standing arrangements based on the lessons learnt in IFE08 and the best practices of other international organizations;
 - Review of the PTS procurement procedures;
 - Implementation of the Enterprise Resource Planning (ERP) project.
6. We welcome the decision at the Thirty-Fifth Session of the PrepCom to fund the setting up of a new IPSAS-compliant ERP based resource management system, and would welcome regular briefings on the implementation of this project, in particular during future joint meeting of WGA and WGB.
7. The EU encourages States hosting IMS stations on their territory to move forward in the conclusion and implementation of facility agreements in order to facilitate the work by the PTS, to minimize delays caused by customs clearance and to avoid any eventual delays in installation, certification and post-certification activities. Implementing facility agreements (or similar arrangements) would help, inter alia, to reduce IMS station downtime and contribute to increasing data availability of IMS stations. The EU would appreciate information on the additional costs incurred and decreases in data availability resulting from the lack of a facility agreement on a station by station basis.
8. The EU continues to believe that an efficient and streamlined procurement process is essential to improve data availability, and we would encourage continued work on this direction. The EU would also appreciate information on the potential impact of ERP on the procurement process. Moreover, it is important to know what will be the role of the Committee on Contracts within the procurement process and how the several needed controls within procurement will be defined.

Mr Chairperson,

9. The EU appreciates that in 2010, more than one hundred States Signatories had made full payments and that the collection rate of national contributions was over 5% higher in 2010 than in 2009. Nevertheless, the EU would like to recall that in order to provide the Commission with the resources it requires, it is vital that all signatory States meet their financial obligations in full, on time and without conditions. We again urge those

countries that have arrears to sign and implement individual payment plans with the PTS.

10. The EU continues to look forward to a long term strategy from the PTS on human resources, including an assessment of post-entry into force staffing requirements and plans for the gradual phase out of long term consultants. Consultants should be hired only to provide additional expertise for a limited period of time.

Finally, Mr Chairperson,

11. The EU welcomes the continued progress towards the commissioning of the IMS stations that should be achieved by the PTS in the most cost efficient manner. We welcome the consensus solution on the financing of the repairs to HA3 and IS14 as recommended in the relevant decision at the Thirty-Fifth Session of the PrepCom and look forward to detailed updates on the installation of these two stations.

Thank you, Mr Chairperson.