

successor, marked by pressure from developing states for a candidate from their group to be appointed

- new appointments to directorships of the On-Site Inspection and International Data Centre Divisions
- a mass loss of experienced PTS personnel from 2005 onwards due to the 7-year service limit designed to ensure a 'non-career' service.

As a result of these changes and the fact that the organization is now seven years old, the Prepcom has commissioned an external review of the organization's structure to be completed by May-June 2005. This will be an opportunity to recalibrate the CTBTO for a new phase of its life-cycle: moving from the establishment and build-up phase into one of testing and evaluation and towards provisional operation and maintenance.

Finance

The CTBTO's budget has risen from US\$27.7 million in 1997 to US\$88.5 million in 2003. A steep rise in the first few years reflected the rapid growth of the new organisation and the high establishment costs of a global verification system. Since 1999 the budget has remained relatively steady when corrected for inflation, falling to zero real growth in 2003. The rate of collection of assessed contributions from member states remains unusually high for an international organization, with approximately 90–97 percent of the budget collected annually (94.5% in 2003).

The planned budget for 2005 is currently approximately US\$51.5 million and €42.5 million (due to the fall in the US dollar, the Prepcom has adopted a split budget, making precise comparisons with previous years difficult). The budget envisages zero real growth and includes no provision for staff increases or expansion of programmes.

Non-entry into force and verification and compliance

As a result of its non-entry into force, the CTBT faces the unusual prospect of being a treaty with a fully-fledged verification system, but without the legally binding character that would permit compliance with its provisions to be officially verified.

The effect that non-entry into force may have on the CTBT's verification system and vice versa is complex. Article IV provides that at entry into force of the treaty, 'the verification regime shall be capable of meeting [its] verification requirements'. Taken literally, this means that the IMS and other components of the verification system should be ready on the day that the accord enters into force. There has thus been a natural inclination, both on the part of the Prepcom and the PTS, towards completing the verification system as soon as it possible.

However, some states are now beginning to question whether, in light of the protracted, and perhaps indefinite delay in achieving entry into force, work should continue at the same pace as in the past. Counter to this argument is the view that the regime is providing constantly improving verifiability as well as increasingly valuable scientific and civil benefits (which the Prepcom is intent on encouraging). Moreover, the costs are likely to drop when the system is fully operational and efficiencies resulting from synergies can be identified.