

(Mr. Tóth, Hungary)

accomplished that the executive council will have an important role to play. It is at that time that the executive council, capitalizing on all the trust that the community of States parties has in its members, will exercise its authority by reviewing the situation, considering the possible need for further action and proposing specific measures to redress the situation.

Let me also say a few words on the issue of observers. Hungary, stemming from its openness, has no problem whatsoever with accepting observers accompanying an inspection team. We believe that whenever the presence of an observer may increase the possibility of clarifying a compliance concern, his or her participation is desirable for the achievement of the basic purposes of the convention. A possible violation is not only the concern of the requesting State, but of all States parties. Yet we also witnessed that the obligatory acceptance of observers caused problems for some delegations. Our belief is that the agreement reached at the consultations held by the Chairman of the Ad Hoc Committee, Ambassador von Wagner, resolves the issue in a sensible manner, and we certainly endorse it.

As for the other element of the verification regime, Hungary shares the view that the system related to verifying the civilian chemical industry elaborated over the years does not really serve the underlying objectives. This is why we also welcomed new approaches aiming to integrate the major and relevant part of the international chemical industry in a more comprehensive system of verification. Unfortunately, after significant efforts to reflect these ideas in our negotiating work, we cannot yet speak of major achievements. The horizontal extension of verification activities in the chemical industry is causing problems for certain negotiating parties. If these concerns persist, we will eventually have to put up with a verification system that is neither cost-effective nor "purpose"-effective. In view of these apparent shortcomings, we will be faced again with a political decision whether the risk inherent in such an inadequate regime applicable to the chemical industry is within the confines of acceptability.

Finding the way out requires an answer to the basic question: what can we achieve through a routine verification system? If the aim is to set a regime which involves at least some elements of credibility, excluding the major part of relevant chemical industry from the scope of actual inspections simply doesn't make sense. A foolproof system is certainly no more than wishful thinking, but the rational distribution of limited financial, material and human resources must be a realistic goal. The idea of including facilities producing schedule 3 chemicals in the inspection regime is one that merits positive consideration. Such an extension of the scope of routine inspections would increase or even multiply the number of potentially inspected facilities in all corners of the world. But it is a simple fact that nearly all of these facilities are capable of producing large quantities of schedule 2 chemicals, and under the present "rolling text" this capability is simply left to the good intentions of the declaring State party. Of course, the actual functioning of any disarmament agreement is not possible without a degree of