Effective and efficient management of the activities of the Provisional Technical Secretariat of the CTBTO Preparatory Commission, including support of the Commission and its subsidiary bodies, is ensured mainly through the provision of administrative, financial and legal services.

A wide variety of general services are also provided, from arrangements concerning shipments, customs formalities, visas, identity cards, laissez-passer and low value purchases to insurance, tax, travel and telecommunication services, as well as standard office and information technology support and asset management. Services provided by external entities are continuously monitored to ensure that these are being provided in the most efficient, effective and economical way.

Management also involves coordinating with the other international organizations located in the Vienna International Centre over planning of office and storage space, maintenance of the premises and common services, and enhancement of security efforts.

**Highlights in 2010**

**Further strengthening of oversight**

**Zero real growth Programme and Budget**

**Approval by the Commission of financing for the reconstruction of IMS stations HA3 and IS14 (US$15.0 million) and the implementation of an Enterprise Resource Planning system compliant with International Public Sector Accounting Standards ($8.9 million)**
Oversight is a key component of the strategic approach of the Commission to ensure the effectiveness of the organization and good governance. In 2010, five audit activities were undertaken. Recommendations were made to improve the effectiveness of internal controls in these areas and the implementation of recommendations from previous years was followed up. Several management support activities were also undertaken by Internal Audit in the area of risk management and process improvement, such as the procurement process, which will strengthen the effectiveness of internal controls.

Internal Audit also facilitated a PTS initiative in ensuring proper integration and maximizing of synergies among several key areas. These areas include Enterprise Resource Planning, project management, planning and results based management, quality management, knowledge management, professional performance management and risk management.

The 1998 Internal Audit Charter was updated in 2010 to clarify the responsibilities of Internal Audit and further enhance its independence and objectivity. The Charter sets out the reporting procedures, authorizes access to relevant records, personnel and physical assets, and defines the scope of auditing activities. The Charter is available to all staff. Work on development of an Internal Audit page on the PTS Intranet was completed in 2010. The page provides information for staff regarding the mandates, activities, auditing process and other matters relevant to Internal Audit. The page also offers a facility for staff to report, in confidence, suspected wrongdoings or irregularities to the Chief of Internal Audit. In the Whistleblower Protection Policy issued by the PTS in 2007, Internal Audit is designated as the entity responsible for investigating reported complaints and allegations concerning violations which pose a significant risk to the compliance, efficiency, effectiveness and credibility of the Commission. Furthermore, in collaboration with the Evaluation Section, a database for monitoring and reporting of oversight (audit and evaluation) recommendations was completed in 2010.

Internal Audit established a quality assurance improvement programme to monitor the effectiveness of its performance. One of the elements of the programme is for Internal Audit to conduct a self-assessment of its practices against the International Standards for the Professional Practice of Internal Auditing. This was undertaken in 2010.

FINANCE

2010 Programme and Budget

The 2010 Programme and Budget was prepared at a level corresponding to slightly less than zero real growth and maintained the split currency system (US dollar and euro) for assessing the contributions due from States Signatories. This system was introduced in 2005 to lessen the exposure of the Commission to the effects of fluctuations in the value of the US dollar against the euro.

The Budget for 2010 amounted to US$45 595 100 and €55 702 800. At the budget exchange rate of 0.7960 euro to 1 US dollar, the total US dollar equivalent of the 2010 Budget was $115 579 600, representing a nominal growth of 1.8% but almost constant in real terms (a decrease of $108 300 or 0.1%).

On the basis of the actual average exchange rate in 2010 of 0.7561 euro to 1 US dollar, the final total US dollar equivalent of the 2010 Budget was $119 266 308 (Table 4). Of the total Budget, 79.09% originally was allocated to verification related activities, including an allocation of $18 383 052 to the Capital Investment Fund (CIF), established for the build-up of the IMS. This increased to $33 383 052 after the approval of supplementary appropriations of $15 000 000.

Assessed Contributions

As of 31 December 2010, the collection rates of the assessed contributions for 2010 amounted to 97.9% of the US dollar portion and 76.4% of the euro portion. In comparison, the 2009 collection rates as of 31 December 2009 were 84.8% and 75.1% respectively. The combined
The collection rate for the US dollar and euro portions in 2010 was 84.5%, compared with 79.2% in 2009.

The number of States that had paid their 2010 assessed contributions in full as of 31 December 2010 was 101, higher than 96 in 2009. Regarding 2009 assessed contributions, the collection rate as of 31 December 2010 amounted to 99.2%.

**Expenditure**

The expenditure for the Programme and Budget in 2010 amounted to $112 578 374, of which $17 170 334 was from the CIF. For the General Fund, the unused budget amounted to $5 475 215. For the CIF, approximately 35.4% of the allotment was executed by the end of 2010. More detailed information on budget implementation can be found in the 2010 Programme and Budget Performance Report.

**PROCUREMENT**

In 2010, the PTS obligated approximately $46.7 million through 647 contractual instruments and approximately $2.5 million for small value purchases. At the end of the year, there were 93 open requisitions for future obligation in the procurement pipeline with a total value of approximately $29.1 million: $26.5 million for the CIF, $1.5 million for the General Fund and $1.1 million for voluntary contributions.

Five new IMS stations and three noble gas systems were brought under contract for testing and evaluation and/or PCAs. As of 31 December 2010, 128 IMS stations, 9 radionuclide laboratories and the
testing of 26 noble gas systems were under such contracts.

**HUMAN RESOURCES**

The PTS secured the human resources for its operations by recruiting and maintaining highly competent and diligent staff for all programmes. Recruitment was based on securing the highest standards of professional expertise, experience, efficiency, competence and integrity. Due regard was paid to the principle of equal employment opportunity, to the importance of recruiting staff on as wide a geographical basis as possible, and to other criteria stipulated in the relevant provisions of the Treaty as well as the Staff Regulations.

As of 31 December 2010, the PTS had 246 staff members from 70 countries, compared with 262 staff members from 74 countries at the end of 2009. The chart on the previous page shows the distribution of staff members in the Professional category by geographical region. Table 5 shows the distribution of regular staff members by field of work.

The PTS continued its efforts to increase the representation of women in the Professional category. At the end of 2010, there were 47 women in Professional positions, corresponding to 29.38% of the Professional staff. In comparison with 2009, there was an increase of 16.67% in the number of female staff members at the P5 level. However, there were decreases of 20.00% and 10.00% in the numbers of female staff members at the P4 and P3 levels respectively. At the P2 level, the representation of women remained the same as in the previous year.

The staff were provided with opportunities to increase their skills in areas relevant to achieving the objectives of the organization. A variety of programmes were delivered in 2010 which were tailored for the benefit of the PTS in carrying out its work programmes and to enhance job performance and career development.