

I urge my colleagues to support this legislation.

FINAL DECLARATION OF THE CONFERENCE ON FACILITATING THE ENTRY INTO FORCE OF THE COMPREHENSIVE NUCLEAR-TEST-BAN TREATY

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 2001

Mr. MARKEY. Mr. Speaker, I would like to call to my colleagues' attention the Final Declaration of the Conference on Facilitating the Entry into Force of the Comprehensive Nuclear-Test-Ban Treaty (CTBT). The document follows.

ANNEX—CONFERENCE ON FACILITATING THE ENTRY INTO FORCE OF THE COMPREHENSIVE NUCLEAR-TEST-BAN TREATY (NEW YORK, 2001)

FINAL DECLARATION

1. Fully conscious of the responsibilities which we assumed by signing the comprehensive Nuclear-Test-Ban-Treaty, pursuant to article XIV of that Treaty, and recalling the Final Declaration adopted by the Conference, held in Vienna, from 6 to 8 October 1999, we the ratifiers, together with the States Signatories, met in New York from 11 to 13 November 2001 to promote the entry into force of the Treaty at the earliest possible date. We welcomed the presence of representatives of non-signatory States, international organizations and non-governmental organizations.

2. We reaffirmed our strong determination to enhance international peace and security throughout the world and stressed the importance of a universal and internationally and effectively verifiable comprehensive nuclear-test-ban treaty as a major instrument in the field of nuclear disarmament and non-proliferation in all its aspects. We reiterated that the cessation of all nuclear-weapon test explosions and all other nuclear explosions, by constraining the development and qualitative improvement of nuclear weapons and ending the development of advanced new types of nuclear weapons, constitutes an effective measure of nuclear disarmament and non-proliferation in all its aspects and thus a meaningful step in the realization of a systematic process to achieve nuclear disarmament. We therefore renewed our commitment to work for universal ratification of the Treaty, and its early entry into force as provided for in article XIV.

3. We reviewed the overall progress made since the opening for signature of the Treaty and, in particular, the progress made after the Conference held in Vienna from 6 to 8 October 1999. We noted with appreciation the overwhelming support for the Treaty that has been expressed: the United Nations General Assembly and other multilateral organs have called for signatures and ratifications of the Treaty as soon as possible and have urged all States to remain seized of the issue at the highest political level. We highlighted the importance of the Treaty and its entry into force for the practical steps for systematic and progressive efforts towards nuclear disarmament and non-proliferation, which were identified in 2000 at international forums dealing with nuclear disarmament and non-proliferation. We believe that the ces-

sation of all nuclear-weapon test explosions or any other nuclear explosions will contribute to the accomplishment of those efforts.

4. In accordance with the provisions of article XIV of the Treaty, we examined the extent to which the requirement set out in paragraph 1 had been met and decided by consensus what measures consistent with international law may be undertaken to accelerate the ratification process in order to facilitate the early entry into force of the Treaty.

5. Since the Treaty was adopted by the United Nations General Assembly and opened for signature five years ago, progress has been made in the ratification process. As of today, 162 States have signed and 87 States have deposited their instruments of ratification, an increase of over 70 per cent compared with the number of ratifications at the time of the Conference held in 1999. Of the 44 States listed in Annex 2 to the Treaty whose ratification is required for the entry into force of the Treaty, 41 have signed, and of these, 31 have also ratified the Treaty. A list of those States is provided in the appendix. Progress in ratification has been sustained. We welcomed this as evidence of the strong determination of States not to carry out any nuclear-weapon test explosion or any other nuclear explosion, and to prohibit and prevent any such nuclear explosion at any place under their jurisdiction or control.

6. Despite the progress made and our strong support for the Treaty, we noted with concern that it has not entered into force five years after its opening for signature. We therefore stressed our determination to strengthen efforts aimed at promoting its entry into force at the earliest possible date in accordance with the provisions of the Treaty.

7. After the opening for signature of the CTBT, nuclear explosions were carried out. The countries concerned subsequently declared that they would not conduct further nuclear explosions and indicated their willingness not to delay the entry into force of the Treaty.

8. In the light of the CTBT and bearing in mind its purpose and objectives, we affirm that the conduct of nuclear-weapon test explosions or any other nuclear explosion constitutes a serious threat to global efforts towards nuclear disarmament and non-proliferation.

9. We call upon all States to maintain a moratorium on nuclear-weapon test explosions or any other nuclear explosions and underline the importance of signature and ratification of the Treaty.

10. We noted with satisfaction the report of the Executive Secretary of the Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization (CTBTO) to the Conference on progress made by the Preparatory Commission and its Provisional Technical Secretariat since November 1996 in fulfillment of the requirement to take all necessary measures to ensure the effective establishment of the future CTBTO.

11. In this connection, we welcomed the momentum which has been developed by the Preparatory Commission and its Provisional Technical Secretariat across the Major Programmes of the Commission, as identified by the Executive Secretary in his report. We also welcomed the progress in building the global infrastructure for Treaty verification, including the International Monitoring System, with a view to ensuring that the verification regime shall be capable of meeting the verification requirements of the

Treaty at entry into force. We further welcomed the conclusion of a significant number of related agreements and arrangements with States and with international organizations.

12. Convinced of the importance of achieving universal adherence to the Treaty, welcoming the ratifications of all the States that have done so since the 1999 Conference, and stressing in particular the steps required to achieve its early entry into force, as provided for in article XIV of the Treaty, we:

(a) Call upon all States that have not yet signed the Treaty to sign and ratify it as soon as possible and to refrain from acts which would defeat its object and purpose in the meanwhile;

(b) Call upon all States that have signed but not yet ratified the Treaty, in particular those whose ratification is needed for its entry into force, to accelerate their ratification processes with a view to early successful conclusion;

(c) Recall the fact that two States out of three whose ratifications are needed for the Treaty's entry into force but which have not yet signed it have expressed their willingness not to delay the entry into force of the Treaty, and call upon them to sign and ratify it as soon as possible;

(d) Note the fact that one State out of three whose ratifications are needed for the Treaty's entry into force but which have not yet signed it has not expressed its intention towards the Treaty, and call upon this State to sign and ratify it as soon as possible so as to facilitate the entry into force of the Treaty;

(e) Note the ratification by three nuclear-weapon States and call upon the remaining two to accelerate their ratification processes with a view to early successful conclusion;

(f) In pursuit of the early entry into force of the Treaty, undertake ourselves to use all avenues open to us in conformity with international law, to encourage further signature and ratification of the Treaty; and urge all States to sustain the momentum generated by this Conference by continuing to remain seized of the issue at the highest political level;

(g) Agree that ratifying States will select one of their number to promote cooperation to facilitate the early entry into force of the Treaty, through informal consultations with all interested countries; and encourage bilateral, regional and multilateral initiatives aimed at promoting further signatures and ratification;

(h) Urge all States to share legal and technical information and advice in order to facilitate the processes of signature, ratification and implementation by the State concerned, and upon their request. We encourage the Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization and the Secretary-General of the United Nations to continue supporting actively these efforts consistent with their respective mandates;

(i) Call upon the Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization to continue its international cooperation activities to promote understanding of the Treaty, including by demonstrating the benefits of the application of verification technologies for peaceful purposes in accordance with the provisions of the Treaty, in order to further encourage signature and ratification of the Treaty;

(j) Reiterate the appeal to all relevant sectors of civil society to raise awareness of and support for the objectives of the Treaty, as well as its early entry into force as provided for in article XIV of the Treaty.

13. We reaffirm our commitment to the Treaty's basic obligations and our undertaking to refrain from acts which would defeat the object and purpose of the Treaty pending its entry into force.

14. We remain steadfast in our commitment to pursue the efforts to ensure that the Treaty's verification regime shall be capable of meeting the verification requirements of the Treaty at entry into force, in accordance with the provisions of article IV of the Treaty. In this context, we will continue to provide the support required to enable the Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization to complete its tasks in the most efficient and cost-effective way.

15. The Conference addressed the issue of possible future conferences, expressed the determination of its participants to continue working towards entry into force of the Treaty and took note of the provisions contained in paragraph 3 of article XIV of the Treaty.

PERSONAL EXPLANATION

HON. CHARLES A. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 2001

Mr. GONZALEZ. Mr. Speaker, on rollcall No. 483, 484, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498.

Had I been present, I would have voted 483—yes, 484—yes, 485—yes, 486—yes, 487—no, 488—yes, 489—no, 490—yes, 491—yes, 492—yes, 493—yes, 494—yes, 495—yes, 496—yes, 497—yes, 498—yes.

CASPIAN PIPELINE OPENS

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 2001

Mr. BARTON. Mr. Speaker, I commend to my colleagues the following article:

[From the Washington Times, Dec. 3, 2001]

CASPIAN PIPELINE OPENS

(By Christopher Pala)

ALMATY, KAZAKHSTAN.—The first pipeline built to bring Kazakhstan's oil to world markets was dedicated in Russia last week, four months late and minus the presidents of the two countries through which it passed.

Speeches delivered near the Russian port of Novorossiisk called the 940-mile steel tube a symbol of international cooperation, and that it is indeed: The Russian Federation and American and Russian oil companies have provided most of the \$2.6 billion cost, and Russia stands to earn \$20 billion over the 40-year life of the pipeline.

But the pipeline is also:

The first step to Kazakhstan's ambitious plan to deliver 3 million barrels a day in 15 years to world markets and become one of the top three oil exporters in the world.

A multibillion-dollar bet by Chevron Corp. in 1993 that is now set to pay off handsomely.

An example of the difficulty of doing business in Russia.

Proof that with perseverance, it can be done.

The pipeline, built by the 11-member Caspian Pipeline Consortium, known as CPC, starts on the desert shores of the northeast Caspian Sea at Tengiz, Kazakhstan, the world's sixth-largest oil field.

The longest 40-inch pipe in the world then curls around the Caspian before striking west across the broad plains north of the Caucasus range and ends at a tanker terminal 10 miles west of Novorossiisk.

When completed, at a final cost of \$4 billion, it will be able to carry up to 1.3 million barrels per day (bpd), more than double its initial capacity.

PEAK A DECADE OFF

Output at the Tengiz field, now 270,000 bpd, is not expected to rise to a peak of 700,000 bpd until the end of the decade, said Tom Winterton, head of the Tengizchevroil consortium exploiting the field.

Thus, the pipe has plenty of room for oil from other fields—and there lies one of the major disputes that have delayed the opening.

When Chevron took over Tengiz from its post-Soviet managers, it created one consortium for the oil field and a second one to build a pipeline to the Black Sea.

For the first few years, Tengizchevroil, in which Chevron owns 50 percent, diligently overcame such obstacles as the extreme depth of the reservoir (2½ miles below the surface), its high content of poisonous sulfur dioxide and the high pressure at which the oil was flowing. Production steadily climbed from 25,000 bpd and the jinx that gave Tengiz the longest uncontrolled blowout in soviet history was overcome.

But in those years, the pipeline consortium got strictly nowhere in its efforts to persuade Russia and its pipeline monopoly Transneft to allow an outlet through Russia to the Black Sea.

It was not until 1996 that two newly created Russian oil giants, Lukoil and Rosneft, bought into the consortium while the Russian government took a 24 percent share. Then things started moving.

Construction took less than three years. Transneft Director Semyon Vainshtock tried to fight a rear-guard battle, insisting that what was bad for Transneft was bad for Russia, but the pipeline consortium, headed by Russian Sergei Gnatchenko and assisted by Chevron's Fred Nelson, the consortium's deputy general director for projects, argued that Russia stood to gain from the added production in a non-zero-sum game.

That was just the beginning.

ROCKY ROAD SO FAR

"We had to go through five Russian local governments," Mr. Nelson said recently. "It wasn't always easy."

Twice, customs disputes halted the flow of the oil at the Russia-Kazakhstan border.

This year, the biggest dispute among CPC members turned ugly and public when it derailed the opening ceremony that had been scheduled for Aug. 6 with the Russian and Kazakh presidents in attendance.

Tengiz oil, until the pipeline was built, was exported entirely through Russia and mostly by rail.

Part of its highly prized light "sweet" crude (which sells for up to a dollar a barrel more than Brent, the benchmark crude oil) was mixed along the way with less desirable Russian crudes to make "Urals Blend," which trades at nearly a dollar below Brent.

"The Russians got a free ride for years," said a diplomat familiar with the situation.

But for the pipeline, Chevron insisted on instituting what is called a quality bank—a

system penalizing those who would add low-quality crude to the mostly Tengiz CPC Blend.

Quality banks are used in most places in the world where low- and high-quality crude oils are blended in pipelines, but the Russian partners relented only three days before the planned inauguration date, which was to coincide with the loading of the first tanker. The ceremony already had been canceled.

Then, the port authority of Novorossiisk extended its jurisdiction to the deserted piece of coast where holding tanks are buried near the end of the pipeline. There is no port: floating hoses are used to fill tankers moored offshore.

The move allowed the port authorities to demand a hefty port tax. Negotiations caused further delays. Eventually, said oil analyst Ivan Mazalov at Troika Dialog in Moscow, "They were bargained down quite a bit."

Other delays pushed back the date of the loading of the first tanker to Oct 13.

By the time all the difficulties were ironed out, five fully loaded tankers had weighed anchor and sailed over the Black Sea to the Bosphorus Strait, across the Sea of Marmara, through the Dardanelles to the Mediterranean Sea, and on to refineries in Europe.

A sixth one was loading when the ceremony took place.

CHEVRON GAMBLER, WON

While Russia and the United States ended up represented by deputy ministers, Chevron-Texaco sent Chairman David O'Reilly and the incoming and outgoing vice chairmen of the world's fourth-largest oil company.

That was not surprising: Both the pipeline and the giant oil field it serves are Chevron's babies, multibillion-dollar gambles that finally are paying off. As the foreign biggest investment in the former Soviet Union, oil field and pipeline are testimony that with perseverance, Westerners and Russians can work together.

"CPC is a bellwether project for successful international cooperation," Mr. O'Reilly reportedly said at the ceremony. "It demonstrates the confidence the international business community has to invest in Russia and Kazakhstan."

But if Russia, Kazakhstan and world consumers can join Chevron in rejoicing at the pipeline's completion, Turkey has exhibited mostly concern.

The extra tankers carrying Tengiz oil, which eventually will number three a week, will further clog the Bosphorus Strait that bisects Istanbul and increase the chances that the city of 12 million people some day will have to cope with a major oil spill or even a fire.

But Turkey is committed to upholding the 1936 Montreux Agreement and, barring a catastrophe, Caspian oil will be able to navigate the strait to reach European markets for the foreseeable future, analysts say.

UNDERPINNINGS OF ADMINISTRATIONS' BUDGET NO LONGER HOLD

HON. JOHN M. SPRATT, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 2001

Mr. SPRATT. Mr. Speaker, President Bush claims that his administration has "brought