

Issues of Russian Compliance with the Chemical Weapons Convention

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The Chemical Weapons Convention (CWC) is the first and still the only multilateral disarmament treaty ratified by the Russian Federation. Russia's participation in the Convention will largely determine the viability of the global chemical weapons disarmament and non-proliferation regime established by the CWC, the possibility of Russia taking a lead role in the collective process of arms limitation and reduction, and the very outcome of this process. This participation will do much to determine Russia's image in the world and its relations with the world community (the CWC has been ratified by 120 states).

The federal law "On the Ratification of the Convention on the Prohibition of the Development, Production, Stockpiling, and Use of Chemical Weapons and on their Destruction" (No. 138-FZ) was adopted by the State Duma on 31 October 1997 (288 votes for vs. 75 against), approved (practically unanimously) by the Federation Council on 5 November, and signed the same day by the President of the Russian Federation. Russia submitted its instrument of ratification on 5 November and the Convention entered into force for Russia on 5 December 1997. Russia became a member of the Organization for the Prohibition of Chemical Weapons (OPCW) in that same month. Russia has been a member of the OPCW Executive Council since 12 May 1988.

By becoming a full member of the CWC and OPCW, Russia assumed legal obligations to destroy all CW stockpiles inherited from the former USSR (40,000 tonnes) within 10 years of the entry into force of the CWC (29 April 1997), comply with the intermediate timetable for chemical weapons destruction and the other procedures established by the Convention, and bear the costs of international verification of CW destruction, including inspections.

It is estimated that Russia will have to spend 5-6 billion dollars to fulfill its international obligations under the CWC. This undertaking will have consequences for the Russian Federation on many levels, primarily because Russia inherited the world's largest chemical weapons stockpile from the former USSR, has large industrial chemical complexes subject to international monitoring, and is experiencing a systemic economic and financial crisis.

Even during the preparations to ratify the Convention, many Russian politicians referred insufficient funding as their main source of concern regarding the ratification bill. However, the indications in 1997 were that Russia was on the path of economic growth (the 1998 budget was based on decent increases in the Gross Domestic Product and tax collections, and on a primary surplus). A number of leading developed countries promised to expand programs to aid Russia in destroying its CW stockpiles under the CWC. All these factors entered into the decision by the country's political leadership to ratify the CWC. In autumn 1997 the federal government

presented the Federal Assembly with the required evidence of financial support for a 10-year CW destruction program as required by the CWC, and both Federal Assembly chambers and the RF President agreed to fulfill the obligations imposed by the Convention.

However, in the second half of 1998, the general economic and financial situation in Russia took a sharp turn for the worse (devaluation of the ruble, default on government domestic debt and some foreign debts, a big fall in the GNP, a drop in industrial output, a worsening of the budget crisis, etc.). On the other hand, the decrease in domestic financial resources was not compensated by the promised international aid for eliminating the CW stockpiles. The country was at the brink of a debt chasm (Russia's current debt exceeded its current revenue), with a bankrupt banking system and an empty federal treasury (federal budget revenues for January-September 1998 totaled 51.1% of the expected revenues for the year). The government was forced to take extraordinary measures to cut the federal budget: in the fourth quarter of 1998, the absolutely essential costs of the federal budget (salaries for budget officials, sustenance and monetary allowances for military personnel, etc.) were twice the revenue portion of the budget.

In light of the mounting economic difficulties, the cost of the approved CW destruction program was extremely high. According to the Ministry of Defense, a total appropriation of 4 billion rubles was needed for CW destruction in 1998 alone (which was more than 8% of the actual total defense budget for 1998). Obviously, the required cost exceeds the capability of the federal budget for the current year and the next few years as well. It has now become an excessive burden on the federal treasury.

Under these circumstances, several deputies in the State Duma began speaking out against the "haste" in carrying out the expensive work of destroying chemical warfare agents and even called for the RF to abandon the CWC, citing the unrealistic financial burden of ensuring the safe destruction of CW stockpiles within the CWC deadlines (State Duma Committee on the Environment chairman T.Zlotnikova, deputy A.Makashev, and others).

This view is not the position of the parliamentary majority, but if the state of government finances should continue to worsen and the actual arrival of outside material aid for chemical weapons destruction work is further delayed, the skeptics may raise their voices. One signal of this weapons destruction work is further delayed, the skeptics may raise their voices. One signal of this is the interest that several deputies have shown in developing specific procedures for ending Russia's participation in international treaties. In this regard it is appropriate to recall some pertinent provisions in the Federal Law on the Ratification of the Convention: "In a case where extraordinary events, including those of an economic or technogenic nature, concerning the subject of the Convention threaten the higher interests of the Russian Federation" (article 4), appropriate procedures can be taken to abrogate or suspend the CWC for the RF, if the OPCW rejects RF requests for the conversation of facilities, or if other measures detrimental to the RF are taken, Russia will use "procedures in accordance with generally accepted principles and norms of international law and the international treaties of the Russian Federations".)

In light of the above trends, the issue of finding additional and reliable funding sources for chemical weapons destruction is all the more pressing.

I. On the path of chemical disarmament

In the early 1990s, Russia was already doing much work to prepare to comply with the Convention, which Russia signed on 13 January 1993.

Russia's ratification of the CWC gave rise to a new situation: all further actions on chemical demilitarization not only had to conform to the timetable, procedures, and safety standards established by the CWC, but also had to be carried out under a regime of international monitoring of activity related to the chemicals covered by the Convention.

The Federal law 138 – FZ defines the authority of the President, the government, the Federal Assembly, and the governing bodies of RF territorial subjects to resolve issues of fulfilling Russia's obligations under the Convention. It addresses the basic issues of CWC compliance: management of the chemical disarmament process; the legislative basis for carrying out CWC provisions; funding of chemical disarmament work, establishment of a technical base for CW stockpile destruction; procedures for storing, transporting, and destroying CW; conversion of former chemical weapons production facilities (CWPFs); ensuring the safety of citizens and the environment during CW destruction; using the safest CW destruction technology; monitoring measures; RF participation in the OPCW; and international cooperation in implementing the Convention.

The Federal law gives special attention to the issues of lowering the costs of chemical disarmament and protecting the RF's economic interests in the process of implementing the CWC, including the conversion of former chemical weapons production facilities to peaceful purposes.

The law provides that the costs of chemical disarmament should be presented as a separate item of the federal budget in order to better target the chemical demilitarization funding.

Federal law required the President to consider the country's economic situation while meeting the CWC's deadlines for eliminating chemical weapons stockpiles. For its part, the government is obliged to take measures to reduce the costs of inspections in the RF under the Convention.

The law provides that "on the instruction of the Russian Federation President", the government shall report annually to the Federal Assembly chambers on the progress in fulfilling the Convention. This provision basically reflects parliamentarians' fear that the government will not be able to fulfill the obligations it has undertaken, especially the financial ones.

In 1993-1995, the government already had adopted decrees to ensure that the country would be prepared to destroy chemical weapons stockpiles (the first draft government CW destruction program (1993) and federal government decrees No. 764 of 2 August 1994 and No. 881 of 4 September 1995). In the years since, a set of legislative and administrative measures

has been adopted on the major issues of chemical disarmament. In this entire period, about 30 legislative and other normative legal enactments (federal laws, presidential edicts and directives, and government decrees and directives) have been adopted in Russia on this subject.¹ Together with the Federal Law on the Ratification of the CWC, they form the legal and administrative frameworks for implementing the Convention and provide a national legislative base for the elimination of chemical weapons.

Several of these deserve closer examination. Federal Law 76-FZ “On the Destruction of Chemical Weapons” was adopted on 2 May 1997. Prior to this, on 21 March 1997, the federal government by decree approved the Federal Special Program for Destruction of Chemical Weapons Stockpiles in the Russian Federation. The Program was written with the provisions of the CWC in mind. According to the Program, Russian CW stockpiles must be destroyed in ten years. Another five years are provided for decommissioning the chemical weapons destruction facilities (CWDFs), cleaning the sites, and operating the landfills. In particular, the CW destruction procedure proposed in the Program is similar to the timetable provided by the Convention. The Program provides for a wide range of measures directly related to the obligations stemming from the Convention (ensuring safety during CW destruction, performing R&D on CW destruction, establishing CW destruction plants and landfills, enacting federal laws on the problem of CW destruction, making CW storage and destruction facilities ready for international inspections, etc.).

The Convention provisions that prohibit private individuals from engaging in any activity prohibited by the CWC are reflected in the Criminal Code of the Russian Federation, which took effect on 1 January 1997 (articles 188, 189, and 355 of the Criminal Code). However, this legislation does not expand on the responsibility for handling chemical weapons. At present the Criminal Code has two articles about handling chemical weapons, but no articles or provisions about criminal responsibility for producing chemical weapons. This omission could take on some importance, considering the potential danger of terrorist activities using chemicals. It is possible that a skilled chemist could produce CWs in a home laboratory. Therefore, the Criminal Code should be supplemented accordingly.

Changes also should be made in the recently adopted law on licensing process.

An urgent issue is how to get the commercial companies that manufacture listed and other chemicals to ensure the necessary conditions for carrying out inspection activities. Normative enactments alone may not be sufficient for this. The experience with international inspections in the RF showed that a special law is needed to regulate the implementation of CWC measures within the country.

Work to improve the legislative base for activity in this area is continuing. The State Duma approved the first reading of a bill on the social protection of citizens engaged in the destruction of chemical weapons. However, it must be emphasized that the current laws and standards authorize the full scope of chemical disarmament work.

Russia's system of export controls on dual-use goods and technologies is aimed at preventing the proliferation of chemical and other means of mass destruction. Suitable control lists have been compiled and enacted. In accordance with the recommendations of the Australia Group, an unofficial international association in which governments develop measures to prevent the spread of chemical and biological weapons, a Russian national regime was developed for monitoring exports of chemicals, equipment, and technologies that could be used to produce chemical weapons (RF President's Decree No. 621-rp of 7 December 1994). Consultations are underway to have Russia join this informal international agreement. Government Decree No. 57 "On Strengthening the Export Control of Dual-Use Goods and Services Relating to Weapons of Mass Destruction and Rocket Means of Delivering Them" was adopted on 22 January 1998. This decree was adopted to further improve the mechanism of monitoring exports of dual-use goods and services. It obliges all Russian foreign-trade participants-whatever the form of ownership-to refrain from export deals involving any dual-use goods and services not subject to RF normative legal enactments on export control if they are aware that these goods and services will be used to make or operate nuclear, chemical, or biological weapons or the rocket means of delivering them (development, production, testing, etc.), and to inform the RF State Commission on Export Control thereof. If Russian participants have grounds for suspecting that the given goods and services might be used for these purposes, they shall make a corresponding inquiry to the Government Commission on Export Control.

In accordance with the provisions of the CWC, Russia has established a National Authority to act as the coordinating center for communication with the OPCW and the other states parties to the CWC. Since 1995, the Russian Federation President's Committee on Conventional Problems of Chemical and Biological Weapons has been assigned these functions.

On 5 January 1998, in accordance with the provisions of the CWC, Russia submitted comprehensive initial declarations to the OPCW. These included information on 24 former chemical weapons production facilities (CWPFs) and 7 chemical weapons storage (warehousing) facilities (CWSFs), as well as on enterprises producing listed and other specific chemicals subject to international control. Of the 24 declared former CWPFs, five have been physically destroyed, and specialized equipment has been destroyed at eight others. The remaining 11 facilities are to be converted (the appropriated applications have been sent to the OPCW). A separate special federal program has been developed to achieve these ends. A draft of the program is now being negotiated with the pertinent ministries and agencies.

After Russia ratified the CWC, the work related to international inspections on RF territory became more earnest. A representative delegation from OPCW held talks in Moscow on the procedure for conducting inspections in Russia, the payment of expenses for them, the use of inspection equipment by the inspectors, etc. From March through July 1998, Russia conducted initial international inspections of all declared facilities for the production (24) and

storage (7) of chemical weapons. The OPCW raised no objections based on the inspection results in Russia.

Government decree No. 334 of 21 March 1998 approved the plan of basic measures to carry out the federal laws “On the Ratification of the Convention on the Prohibition of the Development, Production, Stockpiling, and Use of Chemical Weapons and on their Destruction” and “On the Destruction of Chemical Weapons”. Attached to the decree is a plan of basic measures for carrying out these federal laws, including a list of the measures, the implementers (federal executive agencies or pertinent organizations), and the deadlines for completion.

Some work has been done on material preparations for complying with the Convention’s basic obligation to destroy CW, despite the delays and disruptions in funding the Federal Program due to the sharp deterioration in the general economic situation in Russia and the crisis in state finances. (See below for more details.) To carry out the Special Federal Program for Destruction of Chemical Weapons Stockpiles in the Russian Federation, the government by decree approved the Ministry of Defense proposal to establish the Ministry of Defense Training Center for Specialists in Chemical Weapons Stockpile Destruction in the RF at the training center for Military Unit 25260 MO (Chapayevsk, Samara Oblast). The decree also obliges the Ministry of Defense to submit to the RF Government in the first quarter of 1998 a draft statute on the Ministry of Defense Training Center for Specialists approved by the pertinent federal executive authorities and organizations.

Agreements on the siting of CW destruction facilities have been concluded with all the RF territorial subjects in which CW are stored. Site selection accords have been approved for the construction of CWDFs in Saratov, Kurgan, and Kirov Oblasts and in Kambarka District Republic of Udmurtiya. Technical-economic feasibility (TEF) studies for the construction of these facilities are in progress. The TEF studies for the facilities in Gorny and Shchuchye were to be submitted for environmental review in December 1998. Those for the other facilities are to be completed by December 1999. The government is very strictly monitoring the TEF Work: the actual construction of the CWDFs will begin only after the studies are completed.

Preparatory work is underway on the first facility, which is in Gorny. This work includes the construction of an 18-km water line, a wastewater treatment system, gas lines, electric power lines, a road between Gorny and Berezovo with a river crossing bridge, and housing for the future CWDF and the local area. Less preparatory work will be required in the other regions.

Plans for building a CWDF in Kambarka District (Republic of Udmurtiya) have been completed. In collaboration with American specialists, a technical-economic feasibility study has been made for a CWDF in Shchuchye Rayon (Kurgan Oblast) to destroy chemical artillery munitions. In April 1998 the government issued a decree permitting the construction of infrastructure facilities in Shchuchye for the future CWDF, as well as housing for specialists.²

An important prerequisite for the timely elimination of CW stockpiles is a safe CW agents destruction technology. Russian chemists have developed methods of eliminating the chemical weapons arsenal. Experts from various disciplines evaluated these methods, including at the weapons storage sites.³ This technology has been proven in practice. Russia and USA conducted a joint research program to evaluate the Russian two-stage CW destruction technology, which includes the processes of chemical neutralization of the CW and bitumenization of the neutralized products by placing them in an asphalt-like material suitable for burial.⁴

Although the effectiveness of this technology was demonstrated in laboratory tests, there remain a number of unresolved technical issues concerning industrial scale-up and the long-term environmental consequences, such as those related to the leaching of toxic chemicals from the bituminous mass into ground waters. According to information from the State Duma Committee on the Environment, there was no open competition for CWD technologies in order to select the ones safest for the public and the environment. Moreover, neither the government environmental monitoring agencies, nor the Ministry of Health, nor the Army have monitoring instruments that can detect Chemicals such as sarin, soman, or V gases at the level of the maximum permissible concentrations (MPC) for populated areas. The general staff insists that instrumentation for detecting Chemicals in air is under development. However, they have been saying that since 1992.⁵

One factor that must be considered in carrying out the CWC is the local opposition to the construction of CW destruction facilities at CW storage sites. The people in these areas are concerned about the detrimental effects of CW destruction on public health and the environment.

Public outreach work is aiming to overcome these difficulties. Guide books are being distributed to the public. Public hearings are being held to discuss various problems of storing and destroying CW. Hearings have been conducted in Gorny, Kambarka, and Shchuchye. They have done much to relax the tension surrounding the CW destruction plans. A key circumstance contributing to the relaxation of tensions about the proposed CWDF in Saratov Oblast (in the town of Gorny) was the concrete achievements of building social infrastructure. Positive shifts have occurred in the regions of other proposed CW destruction facilities. For example, the participants at hearings in Shchuchye on 7-10 July 1997 approved a summary memorandum supporting the need for CW destruction and asking the governments and international organizations to support this process with technical and financial aid.

As a result of this work, five of the six regions have accepted in principle the proposed CWDFs on their territory. The Coordination Council of Leaders of Chemical Weapons Storage and Destruction Regions played a positive role in this regard.

The leaders of Bryansk Oblast are still taking an uncompromising stance. (A candidate from the radical wing of the Communist Party of the Russian Federation won the 1996 governor's election, and the local Duma enacted an oblast law prohibiting CW destruction in the oblast.) However, there are some contrary indications here. In late March 1998 a group of

specialists came to meet the public at Pochev (Bryansk Oblast), the site of a chemical munitions storage facility that holds 7500t of organic-phosphorus Chemicals. This initiative was undertaken by the Russian Green Cross (a nongovernmental organization) and the Bryansk Oblast administration. A wide range of issues was discussed at the meeting: the future construction of a CWDF; the actions of the oblast administration on chemical disarmament issues; the combining of efforts by the public, local governmental bodies, and the military to resolve this problem; a comparative risk analysis of CW agents storage and destruction; and the establishment in Pochev of an information center on various aspects of chemical disarmament.⁶

II. The chemical weapons destruction timetable: a victim of financial and organizational turmoil

The most difficult chemical demilitarization issue for Russia is to provide stable funding for the work of eliminating the chemical weapons stockpiles inherited from the Soviet Union.

Because the CW Destruction Program is funded by the federal budget, the crisis processes in state finances that led to the August 1998 collapse have seriously disrupted the possibility of getting resources to fund chemical disarmament projects. In this regard it is well to remember the constantly growing federal budget deficit, the inability of successive governments to find enough revenues and fulfill budget obligations, the two budget sequestrations in 1997-98, and the state's increasingly enormous domestic and foreign debts. All this culminated in the devaluation of the national currency and a moratorium on debt payments. As a result, all these negative processes disrupted the construction schedule for CWD facilities.

The Special Federal Program for Destruction of Chemical Weapons Stockpiles in the Russian Federation approved by the government in March 1996 provides a total expenditure of 16.6 trillion rubles (in terms of 1 January 1995 prices, not adjusted for the subsequent redenomination) for the program. In late 1997 the government revised the amount for the program, declaring that the total federal budget expenditures for chemical disarmament would be about 35 trillion rubles and 330 million dollars (to pay for international monitoring of compliance; namely, 250 million dollars for inspections and 80 million dollars for dues to the OPCW).⁷ A large share of the costs (the construction of CWDFs and landfills, the development of infrastructure, etc.) are for 1998-2000; i.e., during the first stage of implementing the CWC.

The Program is to start with the destruction of vesicant agents (mustard, lewisite, and mixtures thereof) at Gorny and Kambarka. These comprise 18.8% of the total CW stockpiles or 7500 tonnes (15.9% at Kambarka and 2.9% at Gorny).⁸

Under the Convention, Russia must begin destroying CW no later than two years after the CWC enters into force for the country (i.e., in December 1999). Not later than three years after the entry into force for the country (i.e., by the beginning of December 2000), Russia must have destroyed at least 1% of the CW stockpiles (i.e., 400 tonnes). By the beginning of

December 2002, Russia must have destroyed at least 20% of the CW stockpiles (i.e., 8000 tonnes).

The federal program is to build two CWDFs for the first phase of chemical weapons destruction. The facilities, at Kambarka and Gorny, will have a total capacity of 1850 tonnes/year. The Gorny facility is to be certified in 1998 and destroy CW agents stockpiles during 1999-2002. The Kambarka facility is to be certified during 2000 and destroy CW agents stockpiles during 2001-2005.

The CW destruction timetable is, thousand tones: 0.42 (1999), 2.82 (2000), 8.91 (2001), and 18.1 (2002).

Thus if the Federal Program timetables for CWDF construction and operation had been met, Russia would have had no problem meeting the intermediate destruction deadlines under the Convention: 400 tonnes by the end of 2000, then 8000 tonnes by the end of 2002. However, insufficient funding for CWDF construction is delaying the progress on these facilities. As of the beginning of October 1998, CWDF construction was 3.5 years behind the timetable approved by the Federal CW Destruction Program and 1.5-2 years behind the CWC timetable.⁹

For 1995-97, the actual budget appropriations were considerably less than planned. In 1995 the funding was about 30% of level approved by the federal budget and less than 10% of the need. In 1996 the actual funding was less than 5% of the budgeted amount. The federal budget law for 1997 appropriated 145 million (new) rubles for the Chemical Disarmament Program, although the latter called for an expenditure of 2095.7 million rubles for 1997. The Ministry of Defense received 78,3 million rubles for these purposes. After the 1997 federal budget was adopted, the approved expenditures were reduced because of a rigid sequestration policy. The 1998 funding for the section "Reclamation and Elimination of Weapons, Including the Fulfillment of International Treaties" was cut to nearly half from the 1997 amount: from 3.2 billion rubles to 1.9 billion. The 1998 federal budget provided an expenditure of 500 million rubles for the CW Destruction Program, although the Ministry of Defense put the need in this area as 4 billion rubles.¹⁰ The State Customer (the Ministry of defense) had received 158,9 million rubles (3,9 % of the need).

According to data from the Russian Ministry of Economics, which is the State Customer for the elimination (conversion) of CW production facilities, the appropriation needed in 1998 for the destruction of former CWPFs within the deadlines established by the CWC is 113.5 million rubles. The state defense order approved 23.7 million rubles for 1998, and the State Customer received 4.4 million rubles from the federal budget (as of 1 August 1998).

The needed appropriations for international inspections for 1998 were 8.2 million rubles (the state defense order approved 6 million rubles, and 4.6 million rubles had been received as of 1 August 1998). In August 1998 bills arrived from OPCW totaling 566,000 guilders (about 283,000 dollars US) for four of the nine "visits" by inspection groups making the initial inspections of Russian facilities. However, there is not even a corresponding expenditure item

for this in the federal budget classification. (No foreign-currency budget appropriations were made for international inspections under the CWC on Russian territory in 1998.).¹¹

After the financial crisis hit on 17 August 1998, funding for all special federal programs (including the CW Destruction Program) for 1998 was halted. For the first 10 months of 1998, only 30% of the established limit was released for all programs related to chemical disarmament (for the Ministry of Defense, Ministry of Economics, etc.). The budget for the fourth quarter of 1998 is aimed at resolving a narrow range of current priority tasks (wages for budget officials, salaries and allowances for military personnel, and revival of the banking system).

For 1999 the Ministry of Defense has requested a budget of 6,8 billion rubles for chemical disarmament, including 2.9 billion for the construction of CWDFs and regional infrastructure development near the CW destruction sites. Considering the country's economic situation, it is very unlikely that this amount will be released in 1999.

If the construction funding for CWD facilities and landfills continues to be this unsatisfactory, then at the beginning of the next decade Russia might be in a situation of noncompliance with the main obligation under the CWC and will be forced to ask the OPCW Executive Council to extend the intermediate deadline for CW destruction. Such a request must be submitted at least 180 days before the intermediate deadline for destruction (that is, in May 2000). However, an extension of the intermediate deadline does not alter the main obligation of a state party to destroy CW stockpiles not later than 10 years after the Convention enters into force.

Based on current estimates, it will be extraordinarily difficult to achieve the goal of destroying all Russian CW stockpiles by 2007. Russia can ask the OPCW EC to extend the deadline for completing CW destruction. Such a request must be submitted no later than nine years after the entry into force. In these cases an extension of up to five years can be granted. If the deadline for CW destruction were extended by five years, Russia's total cost for eliminating chemical weapons would increase by 6.4 billion (new) rubles.

The fulfillment of the Chemical Disarmament Program depends not only on the amount of resources provided, but also on the effectiveness of the work.¹² The financial turmoil is not the only factor hampering the progress of chemical demilitarization work. Another negative factor is the scattered organization and the lack of coordination between the ministries and agencies involved in this work.

Presidential Edict No. 314 of 24 March 1995 designated the Ministry of Defense to be the State Customer and receive the funds for chemical disarmament. The participants in the Program include nine ministries and agencies. What is striking is that the Committee on Conventional Problems of Chemical and Biological Weapons is not among them, although this committee has been assigned the functions of the National Authority on Chemical Disarmament and is to act as the coordinating center for relations with the OPCW and the other states parties to the CWC. However, the Committee has not been given any managerial functions and is not a state executive agency, so it has only limited administrative capabilities. In order for it to be

effective in carrying out the functions of the National Authority on Chemical Disarmament, it must be transformed into a federal executive agency and given the proper authority in this area.

At the same time, an interagency commission on chemical disarmament established under the RF Security Council was established with the mandate to prepare recommendations on federal budget appropriations, oversee the spending of budget funds, and coordinate the activities of various agencies (these functions of the Commission should have been given to the committee on Conventional Problems of Chemical and Biological Weapons).

The State Customer (i.e., the Ministry of Defense) was assigned to organize the work of carrying out the CW Destruction Program. However, in July 1997 Defense Minister I.Sergeyev announced that the ministry wanted to relinquish these functions, which are very costly and not suited to the Armed forces.¹³

It must be stated that no concise state system has been defined to manage the chemical disarmament process, and the lines of responsibility for solving the pressing problems in this area have become blurred. New mechanisms are needed for accomplishing and organizing the management of the Program. A delay in resolving this matter will affect executive discipline.

There is an obvious need to optimize the management mechanism for the Program. The issues here are to have a procedure for coordinating the efforts of participating agencies, improve executive discipline, eliminate bureaucratic confusion, and make effective use of the foreign financial aid for chemical demilitarization.

In the present situation, the main prerequisites for eliminating the CW stockpiles under the CWC are to take effective measures to optimize the mechanism of the Chemical Disarmament Program and for Russia to obtain large-scale financial aid for destroying CW stockpiles.

The Russian state carries the main burden of eliminating the Soviet CW stockpiles. The country's leadership is not shirking this responsibility. In November 1998 President B.Yeltsin directed the Federal government to provide budget funds to extinguish the 1998 debt in chemical disarmament, build the required facilities in 1999, more actively solicit domestic and foreign investors, and define state guarantees for target investments in CWDF construction. The search is continuing to find extrabudgetary funds within Russia. However we must expect that for the next few years, the possibilities of obtaining funding from domestic sources will be extremely limited because of the country's economic situation.

The aid already provided by several countries to Russia for its chemical disarmament needs has helped lighten the burden imposed on the RF when it joined the CWC. But this aid has been limited and was provided mainly through bilateral intergovernmental agreements.¹⁴

The furious deterioration in the condition of state finances made it urgently necessary to finance and conduct the chemical demilitarization work on the basis of bilateral and multilateral international co-operation, to expand the circle of countries participating in this process, and to involve the world financial community, especially the financial organizations of the World Bank system.

By voluntarily taking the responsibility for destroying the 40,000 tonnes of CW agents from the Soviet Union and its republics and undertaking practical steps to do this, Russia actually is not only solving a national problem, but also serving a very important function in the interests of the world community, because this situation is a problem of global dimensions: strategic (ensuring the vitality of the international chemical disarmament and nonproliferation regime), environmental (keeping poisons out the biosphere and improving the environmental situation), and economic (rationalizing the international exchange of chemicals). Therefore, Russia is rightly counting on the world community and its financial institutions, and not just individual countries, to give the necessary attention to accomplishing the destruction of the 40,000 tonnes of CW agents located on RF territory and to take part in supplying the resources for this large-scale project.

There is every justification for asking the World Bank-World Monetary Fund system to fund the chemical demilitarization project, which is for the purpose of solving issues important to the world community in the areas of international security, disarmament, environmental improvement, and industrial conversion. The Russian chemical demilitarization project, apart from the disarmament process itself, covers issues of environmental protection and improvement, public health, urban infrastructure, water supply, and transportation, i.e., areas that are among the priority directions of activity for the World Bank system. In addition, in 1997 the World Bank agreed for the first time in its history to fund a disarmament program (mine removal).

The destruction of 40,000 tonnes of CW agents is a concrete, large-scale, complex investment program of enormous international significance with no promise of a commercial profit. It seems strange that the World Bank is not participating in it. Russian authorities have every reason to ask that Russia be given large, superlong-term, cost-free credit for this program (3 billion dollars for 25 years).

The main purpose of such a loan should be to provide direct aid to develop local infrastructure, telecommunications, residential construction, etc. In the seven regions where CW are stored and are to be destroyed. This could supplement the Federal CW Destruction Program and help ensure uninterrupted progress in all the work of safely destroying CW. This direction could be supported not only by favorable credits and subsidies such as these, but also by the provision of technical aid and other services.

The provision of this aid corresponds to the goals of ensuring international security and just social conditions supported by the World Bank and other international organizations (such as the IMF and the European Bank of Reconstruction and Development). The EBRD and IMF could play a very important positive role in mobilizing private capital in the interests of Russia's chemical demilitarization by guaranteeing specific risks for nonofficial creditors that cofund suitable investment projects. This is especially important because Russia has had little access to private credit sources and there is little practical possibility of accomplishing the enormous task

of safely destroying the world's largest CW stockpiles without a broad reliance on the international financial community and its resources.

The effectiveness of the Federal CW Destruction Program depends directly on rescheduling Russia's foreign debt, lightening the burden of servicing that debt (in 1999 alone Russia must pay 17.5 billion dollars on USSR-Russian debts), and lowering the total indebtedness. Russia is one of the most indebted countries. The debt burden has become too great for financial stabilization. There is an obvious correlation between the external financial burden and the country's ability to meet the international timetable for CW stockpile destruction.

The cancellation of soviet debt in direct relation to the accomplishment of the CWD program is important, because servicing this debt diverts investment resources that could otherwise be used for the chemical disarmament effort. The problem of lowering the debt principal cannot be resolved without prominent participation by official international credit institutions.

Considering Russia's burden of destroying the CW stockpiles of the former USSR, there is justification in asking the official creditors of the Paris Club for a partial cancellation and a radical rescheduling of the debt incurred by the USSR and the former Soviet republics (103 billion dollars).¹⁵ The payments due just in 1999 on these debts should be about 9 billion dollars.¹⁶

The western countries that are Russia's creditors and the main holders of its debt securities might, in particular, consider the possibility of targeted rescheduling and cancellation of the foreign debt that Russia inherited from the USSR, which formerly owned the CW arsenals.

The rescheduling and partial cancellation of these payments could be done with the understanding that Russia will use the funds thus saved to pay for actual work related to the socioeconomic infrastructure in the regions where CW are stored and will be destroyed.

This idea has received support not only in Russia, but also in the West. A Joint Political Statement and Joint Political Recommendations developed and approved by delegations from the Atlantic Council and the Institute of World Economics and International Relations in November 1997 states: "Clearly, Russia requires substantial foreign financial aid in order to destroy its chemical weapons stockpiles". This document further mentions three possible ways of obtaining this aid, among them: "a review of the conditions and a change in the structure of the Russia's foreign debt so that the money thus freed could be directed toward the destruction of chemical weapons stockpiles".¹⁷

A similar proposal was advanced by the Monterey-Moscow study Group on Russian Chemical Disarmament in a report titled "Eliminating a Deadly Legacy of the Cold War: Overcoming Obstacles to Russian Chemical Disarmament", published in Moscow in 1998. One of the group's main conclusions is to "reschedule some of the debt that Russia inherited from the former Soviet Union, with the understanding that the money saved on interest payments would be used to build social infrastructure".¹⁸

The countries offering financial aid could found an international agency to coordinate the accomplishment of suitable projects. This approach would provide for international cooperation on a multilateral base that is less subject to internal political pressures in the donor countries.

As far as possible, the aid should be provided directly to the regions where CW destruction will take place (Gorny, Kambarka, Shchuchye, Pochep, etc.). Because these towns have small populations, it would be relatively inexpensive to fund projects at the local government level. For these purposes, the donor countries could offer to sign direct agreements for funding the construction of socioeconomic infrastructure facilities. In addition to all else, this would help relieve the psychological stress on the people living in the areas where CWs are to be destroyed.

III. Society must be brought into the chemical disarmament process

The course of events has shown that chemical demilitarization in Russia is a complicated, multilevel process. If it is to move forward, more than just decision-making by federal and local authorities is needed. Public bodies must be activated to oversee and observe the progress in accomplishing the CW Destruction Program.

In this regard, a noteworthy initiative advanced by the above-mentioned Monterey-Moscow Study group on Russian Chemical Disarmament is to establish a Russian National Commission on Chemical Disarmament. The commission could include federal government officials, Federal Assembly deputies, and representatives from administrators of the interested Federation subjects (republics, oblasts, and raions), business circles and the academic community.¹⁹ The Commission members would work on a voluntary basis without pay and would observe the progress of fulfilling the CWC in Russia, above all the activities of destroying CW and converting former CWPFs to peaceful purposes. With a suitable membership, this Commission could be a counterbalance to narrow departmental interests. It could attract broad public attention to the issue of chemical weapons destruction and would hamper any attempts by short-sighted or ill-minded bureaucrats to limit the funding of chemical demilitarization activities in the country.

The Commission could provide independent monitoring of the chemical disarmament process and generate recommendations for the federal authorities, as well as take suitable public information measures. Within the framework of the Commission, representatives for government agencies and business circles in Russia and other countries could review proposals for the conversion of former CW production facilities.

The Commission could do much to make the chemical demilitarization work more transparent, remove suspicions that Russia has not really stopped its chemical weapons development program, and also eliminate the concerns of western society about the status of former Soviet chemical weapons production enterprises that were converted before the CWC

entered into force. Such an independent observation would boost public confidence in the safety and effectiveness of the Federal Chemical Weapons Destruction Program.

The Commission's activities in these areas might boost the confidence of the international community in the efforts that Russia is making, under difficult circumstances, to free itself of chemical arsenals and observe the provisions of the Chemical Weapons convention. This in turn would help expand the foreign aid that Russia so greatly needs in order to eliminate its CW stockpiles.

IV. Conclusions

For Russia the complex of problems in eliminating the chemical weapons arsenals inherited from the Soviet Union within the deadlines required by the Convention is especially difficult, considering the size of the CW agents stockpiles and the extremely severe financial crisis that the country is experiencing. Some of the prerequisites for resolving these issues are in place thanks to the adoption of legislative and administrative measures and efforts to accomplish the Federal Program for Destruction of Chemical Weapons Stockpiles in the Russian federation and to fulfill the requirements of the Convention.

Although Russian society remains interested in ridging itself of chemical weapons, the general economic and financial situation in the country during 1997-98 was extremely unfavorable for continuing the planned pace of the extraordinarily extensive work under this Program, which includes building the CWDFs and socioeconomic infrastructure facilities in the regions where CW will be destroyed. A continuation of the crisis situation might force and extension of the chemical weapons destruction deadlines.

The work of chemical demilitarization could be stimulated to same extent by optimizing the management system for the Chemical Disarmament Program and by engaging public bodies in this activity. However, in the present circumstances, this process can truly gain the necessary dynamism only with broad financial support from the international community and the economically developed states parties to the CWC.

Public citizens in Russia and some Western countries have made recommendations, as discussed above, that if implemented could effectively help Russia along the path of chemical demilitarization.

Notes

1. A detailed list of the standard documents governing chemical disarmament work in Russia is given in N.I.Kalinina's article, "Rossiya, khimicheskoye oruzhiye i problemy yego unichtozheniya" ("Russia, Chemical Weapons, and Problems of their Destruction"), in: *Unichtozheniye khimicheskogo oruzhiya v Russii: politicheskiye, pravovyye i*

tekhnicheskiye aspekty (chemical Weapons Destruction in Russia: Political, Legal, and Technical Aspects), Moscow, OOD IMEMO RAN, 1997, pp. 14-38.

2. Segodnya, 29 November 1997.
3. Krasnaya Zvezda, 18 July 1998.
4. See note 1, pp. 99-113.
5. Novyye Izvestiya, 15 July 1998.
6. Nezavisimoye Voennoye Obozreniye, 19-25 July.
7. A detailed description of the expenditures for fulfilling the CWC is given in the financial-economic feasibility report presented by the government in the State Duma during the CWC ratification debate in October 1997.
8. Both CWÑ storage bases belong to the chemical forces. Prepared munitions (32,500 tonnes), which comprise 81.2% of the total amount, are stored on two bases belonging to the Main Administration of Rocket forces and Artillery (GURA) at Shchuchye and Kizner (Republic of Udmurtiya) and on three Air Force bases at Maradykovsky (Kirov Oblast), Leonidovka (Penza Oblast), and Pochep (Bryansk Oblast).
9. These data were provided by A.Ivanov, first deputy of the Committee on Conventional Problems of Chemical and Biological Weapons, at a seminar at the Moscow Center of the Carnegie Endowment for International Peace on 27 October 1998.
10. This information was provided to the State Duma by a representative of the RF government on 24 June 1997.
11. Data from the Committee on Conventional Problems of Chemical and Biological Weapons, 24 August 1998.
12. According to press reports, some of the money appropriated to the Ministry of Defense for the Chemical Disarmament Program was used for salaries of supernumerary generals. The Ministry of Defense had permission to keep 10,500 supernumerary personnel on staff using money appropriated for chemical disarmament. According to data from the RF Chamber of accounts, as of 1 September 1997 a substantial portion of the funds actually appropriated were illegally spent on the construction of housing and other facilities for Military Unit 42734 in Shikhany, Saratov Oblast, where CWÑ are neither stored nor will be destroyed, Segodnya, 29 November 1997, p. 1.
13. Kommersant-Daily, No. 114, 19 July 1997, p. 3.
14. USA, Germany and Sweden have given aid to Russia for chemical demilitarization, From 1993 through 1998, USA gave 168.7 million dollars for that purpose and Germany gave 41.7 million marks (about 23.3 million dollars). Sweden gave 125,000 dollars and announced it was willing to provide another 2.6 million Swedish crowns (about 350,000 dollars). Also willing to sign agreements to provide aid in 1998 and subsequent years were Netherlands (12.5 million dollars), Finland (6 million provide aid in 1998 and subsequent years were Netherlands (12.5 million dollars), Finland (6 million marks, or about 1.2 million dollars), and the European Union (10-15 million ecus, or about 11-16.5 million

dollars). Beginning in 1999, Italy intends to provide from 6.7 to 8.3 million dollars of financial aid over three years. The agreement with the USA to prepare the former CWPF at OAO Khimprom in Volgograd for conversion began to be implemented in 1998. During that year, the first portion of the project is to be accomplished using 2.2 million rubles of American aid. A conference of potential donor countries is scheduled in Moscow in early 1999.

15. Izvestiya, 11 August 1998, p.4.
16. The actual payments on all types of the RF's foreign debt were 7.7 billion dollars in 1996, 7.4 billion in 1997, and 2.2 billion in the first quarter of 1998 (Finansovyye Izvestiya, No. 58, 11 August 1998, p. VIII). Major payments are due on Russia's foreign debt in 1998. In particular, major payments are due on debts that Russia assumed from the former USSR. On the other hand, the grace periods for credits taken by Russia five years ago are ending.
17. Mirovaya Ekonomika i Mezhdunarodnyye Otnosheniya, No. 5, 1998, p. 114.
18. "Unichtozheniye naslediya kholodnoy voynoy: preodolevaya prepyatstviya na puti khimicheskogo razoruzheniya v Russii" ("Eliminating a Deadly Legacy of the Cold War: Overcoming Obstacles to Russian Chemical Disarmament", Report, 1998, p. 7.
The study group included scientists and experts from the Center for Nonproliferation Studies of the Monterey Institute of International Studies (USA), Russian Academy of Sciences (RF), Rosneftekhimprom company (RF), Carnegie Moscow Center, Sussex University (Great Britain), Stimson Center (USA), Lobbe Xenex GmbH (Germany), and DuPont Corporation (USA).
19. See note 18, pp. 15-16.

¹ A detailed list of the standard documents governing chemical disarmament work in Russia is given in N.I.Kalinina's article, "Rossiya, khimicheskoye oruzhiye i problemy yego unichtozheniya" ("Russia, Chemical Weapons, and Problems of their Destruction"), in: Unichtozheniye khimicheskogo oruzhiya v Russii: politicheskiye, pravovyye i tekhnicheskkiye aspekty (chemical Weapons Destruction in Russia: Political, Legal, and Technical Aspects), Moscow, OOD IMEMO RAN, 1997, pp. 14-38.

² Segodnya, 29 November 1997.

³ Krasnaya Zvezda, 18 July 1998.

⁴ See note 1, pp. 99-113.

⁵ Novyye Izvestiya, 15 July 1998.

⁶ Nezavisimoye Voennoye Obozreniye, 19-25 July.

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- ¹³ *Kommersant-Daily*, No. 114, 19 July 1997, p. 3.
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- ¹⁵ *Izvestiya*, 11 August 1998, p.4.
- ¹⁶ The actual payments on all types of the RF's foreign debt were 7.7 billion dollars in 1996, 7.4 billion in 1997, and 2.2 billion in the first quarter of 1998 (*Finansovyye Izvestiya*, No. 58, 11 August 1998, p. VIII). Major payments are due on Russia's foreign debt in 1998. In particular, major payments are due on debts that Russia assumed from the former USSR. On the other hand, the grace periods for credits taken by Russia five years ago are ending.
- ¹⁷ *Mirovaya Ekonomika i Mezhdunarodnyye Otnosheniya*, No. 5, 1998, p. 114.
- ¹⁸ "Unichtozheniye naslediya kholodnoy voynoy: preodolevaya prepyatstviya na puti khimicheskogo razoruzheniya v Russii" ("Eliminating a Deadly Legacy of the Cold War: Overcoming Obstacles to Russian Chemical Disarmament", Report, 1998, p. 7. The study group included scientists and experts from the Center for Nonproliferation Studies of the Monterey Institute of International Studies (USA), Russian Academy of Sciences (RF), Rosneftekhimprom company (RF), Carnegie Moscow Center, Sussex University (Great Britain), Stimson Center (USA), Lobbe Xenex GmbH (Germany), and DuPont Corporation (USA).
- ¹⁹ See note 18, pp. 15-16.