

Conventional Arms Transfers

2. We accept that many states depend on arms imports to assure a reasonable level of security and the inherent right of self-defence is recognised in the United Nations Charter. Tensions will persist in international relations so long as underlying conflicts of interest are not tackled and resolved. But the Gulf conflict showed the way in which peace and stability can be undermined when a country is able to acquire a massive arsenal that goes far beyond the needs of self defence and threatens its neighbours. We are determined to ensure such abuse should not happen again. We believe that progress can be made if all states apply the three principles of transparency, consultation and action.

3. The principle of *transparency* should be extended to international transfers of conventional weapons and associated military technology. As a step in this direction we support the proposal for a universal register of arms transfers under the auspices of the United Nations, and will work for its early adoption. Such a register would alert the international community to an attempt by a state to build up holdings of conventional weapons beyond a reasonable level. Information should be provided by all states on a regular basis after transfers have taken place. We also urge greater openness about overall holdings of conventional weapons. We believe the provision of such data, and a procedure for seeking clarification, would be a valuable confidence and security building measure.

4. The principle of *consultation* should now be strengthened through the rapid implementation of recent initiatives for discussions among leading arms exporters with the aim of agreeing on a common approach to the guidelines which are applied in the transfer of conventional weapons. We welcome the recent opening of discussions on this subject. These include the encouraging talks in Paris among the Permanent Members of the United Nations Security Council on 8/9 July; as well as ongoing discussions within the framework of the European Community and its Member States. Each of us will continue to play a constructive part in this important process, in these and other appropriate fora.

5. The principle of *action* requires all of us to take steps to prevent the building up of dispro-

portionate arsenals. To that end all countries should refrain from arms transfers which would be destabilising or would exacerbate existing tensions. Special restraint should be exercised in the transfer of advanced technology weapons and in sales to countries and areas of particular concern. A special effort should be made to define sensitive items and production capacity for advanced weapons, to the transfer of which similar restraints could be applied. All states should take steps to ensure that these criteria are strictly enforced. We intend to give these issues our continuing close attention.

6. Iraqi aggression and the ensuing Gulf war illustrate the huge costs to the international community of military conflict. We believe that moderation in the level of military expenditure is a key aspect of sound economic policy and good government. While all countries are struggling with competing claims on scarce resources, excessive spending on arms of all kinds diverts resources from the overriding need to tackle economic development. It can also build up large debts without creating the means by which these may be serviced. We note with favour the recent report issued by the United Nations Development Programme (UNDP) and the recent decisions by several donor countries to take account of military expenditure where it is disproportionate when setting up aid programmes and encourage all other donor countries to take similar action. We welcome the attention which the Managing Director of the International Monetary Fund (IMF) and the President of the World Bank have recently given to excessive military spending, in the context of reducing unproductive public expenditure.

Non-Proliferation

7. We are deeply concerned about the proliferation of nuclear, biological and chemical weapons and missile delivery systems. We are determined to combat this menace by strengthening and expanding the non-proliferation regimes.

8. Iraq must fully abide by Security Council Resolution 687, which sets out requirements for the destruction, removal or rendering harmless under international supervision of its nuclear, biological, chemical warfare and missile capabilities; as well as for verification and long-term monitoring to ensure that Iraq's capability for such weapon systems is not developed in the