

consolidating and codifying the new openness that we have seen recently.

Mr. Chairman, the Open Skies regime will be negotiated and implemented by the 23 members of NATO and the Warsaw Pact. Transparency about the military activities of these countries clearly is of key importance in terms of the military balance in Europe. But at the later stage we would favour the inclusion in it of the European neutral and non-aligned states. They, too, clearly have a stake in military transparency and confidence building and in the general stability and security of our continent.

It is essential that the Open Skies regime provide for equitable participation of all states concerned. To that end, great care must be taken to establish criteria for the allocation and quotas. As we see it, the most relevant criterion would be the size of each participant's national territory.

Let me add that the total quotas for each of the groups will have to be large enough to allow for meaningful monitoring of military activities and installations.

Similarly, the regime must provide for all-weather, night-and-day coverage if it is to be meaningful. These requirements will necessarily entail economic consequences.

The experience gained from the pioneering Canadian trial overflight of an Hungarian territory seems to indicate that the regime that we are about to create will be costly. The primary objective is establishing a functioning regime, capable of serving its purpose. We must, however, avoid creating a regime so costly that nations, particularly the smaller and less well to do, would not be able to make use of it.

In this context it should be recalled that Open Skies is only one of a series of existing or imminent arms control agreements that all entail comprehensive and costly verification schemes. The cumulative effects of all this, in terms of manpower, equipment and money, must not become prohibitive.

Mr. Chairman, the likelihood of drastic reductions in conventional forces means the prospects for the lasting improvement in stability in Europe are better than they have been for a long time.

The first CFE Agreement will be a cornerstone of the new security structure in Europe. Everybody in this room is committed to the objective of concluding an agreement this year. The basic challenge confronting us is to make sure that our arms control efforts go forward in parallel with political events. The CFE process must not be overtaken by developments in the political