Mr. Chairman, thank you for providing us with more food for thought. We appreciate your effort in preparing a consolidated draft paper on the elements we have discussed so far. While we will consider them more closely in the days and weeks ahead, allow me to make some preliminary observations. Let me also note what you said earlier this morning that all issues are still open and this is not a drafting exercise.

Our discussions this week have shown that wide differences continue to exist on the objectives, scope, parameters and the manner of implementation of the proposed treaty. This should give us pause as should the welcome demonstration of a strain of realism and pragmatism in the statements we have heard this week. What this implies for our work is that we need to start focusing on realistic and implementable centre points in the various sets of elements. However, we find that we are still far from that. Given the little time available till the 2012 Conference, we need to begin this exercise sooner than later. With this general remark, allow me to state briefly our views on some sections of your paper.

**Goals and Objectives:** We would like to see greater clarity with regard to the important goal of prevention of illicit transfers that could contribute to terrorism and other unlawful activities. Therefore we would suggest introducing a reference to non-state actors in paragraph 3.

**Scope:** We believe that a listing of weapons in the scope without defining them creates ambiguities in implementation. Therefore we would like to see in this section the weapon systems listed in the Conventional Arms Register so that we can all work on the basis of a common understanding. While we can agree with the inclusion of small arms and light weapons, we do not believe that it would be realistic to include ammunition, parts and components and technology in the scope of the proposed ATT. Similarly, in the section on activities, we do not believe that we should include technology transfer. We also remain unconvinced of the need to refer to manufacturing given that this is an instrument to regulate trade and not manufacturing. In the same vein, the inclusion of technology transfer and manufacturing under license in Annex A creates confusion and incongruity with the goals and objectives of the proposed treaty.

**Criteria:** In Section A, we do not favour the reference to ‘commitments’. This does not help our aim of objective and unambiguous criteria. In B, the criteria outlined remain subjective, ambiguous and broad-based. It would help if peace and security in B1 was clearly defined as ‘international peace and security’ and if we could clearly reference international principles, actions and determinations made by the relevant UN bodies. Further, it is important for my delegation, and indeed for many others, that there be a clear reference prohibiting transfers to non-state actors.
**Implementation:** While we welcome many positive changes in your text, we would like to reiterate that implementation details in particular enactment of legislation as mentioned in Section C should be left to states. Our objective is not to prescribe how export control systems should be designed or how they should be enforced. Our objective is to ensure that transfers are authorised after consideration of the criteria specified in the proposed treaty in due process based on national law and administrative procedures. Apart from being clearly national, implementation should also not burden importing and transit countries while granting intrusive rights to exporters to seek information and inspections. In our view the proposed treaty should reflect a balance between the rights and obligations of importers and exporters.

**Record keeping, reporting and transparency:** While transparency is a laudable goal and regular national reports of value in assessing compliance by all states parties, we do not believe that detailed and burdensome reporting and record keeping obligations serve our collective interest. There are obvious national security, foreign policy and commercial sensitivities involved.

**Implementation Support Unit:** We do not believe that an implementation support structure is necessary for this instrument. If we were to have notifications of refusals, record-keeping and reporting of transfers, consultation and verification mechanisms etc. a dedicated independent secretariat would be necessary. Since we do not believe that such a possibility is realistic at this stage, we are not in favour of a body, dependent on financial and human resources made available perhaps by a group of countries and not fully responsible to the states parties. Implementation is and should remain the responsibility of states parties meeting at regular intervals.

**Relationship with other instruments:** We note the addition of new sections K and L. With regard to the latter, for greater clarity we should say that the treaty shall not affect existing or future bilateral and multilateral agreements among states parties provided that these agreements are compatible with States obligations under this Treaty.

To conclude, Mr. Chairman, we continue to believe that our work has better prospects of universal acceptance if it is guided by a realistic and consensus-driven approach and its output takes into account suggestions made by all delegations. While the approach you have taken so far has had the advantage of inclusiveness and of stimulating debate, it may be time to start trimming our sails if we have to guide this ship safely to harbour.

I thank you, Sir.