

Speech by Ambassador Duncan to the Arms Control Association, Washington on Towards an Arms Trade Treaty, 9 February 2007

Thank you for allowing me to speak for a few minutes today. I want to talk about the idea of An Arms Trade Treaty which would establish a set of legally binding global principles to ensure that countries operate their control systems in line with an agreed set of high standards.

As many of you will know the UK, together with a group of 6 other countries (Argentina, Australia, Costa Rica, Finland, Japan and Kenya) have led calls for work on a legally binding treaty on the trade in conventional arms to be taken forward at the United Nations.

The idea of a Global Arms Treaty is not new. We can trace its beginnings back to 1925 where it was first discussed by the International Conference on the International Trade in Arms, Munitions and Implements of War, which had been convened by the Council of the League of Nations.

In 1991 the permanent 5 members of the UN Security Council (US,UK, China, France and Russia) signed a joint declaration re-affirming their commitment to seek effective measure to promote arms control on a global and regional basis in a fair, reasonable comprehensive and balanced manner and their determination to adopt a serious, responsible and prudent attitude of restraint regarding arms transfers. So we have been here several times before.

This latest initiative for an Arms trade Treaty grew out of suggestions made by a group of Nobel laureates in the 1990s, led by the Costa Rican President Oscar Arias, and later progressed by civil society groups and supported by a range of countries. Support was also expressed by many of the world's spiritual leaders including the XIV Dalai Lama and Pope Benedict XVI.

British Support for this initiative was confirmed in March of 2005, almost exactly two years ago, when the then British Foreign Secretary, Jack Straw, set out in a speech the United Kingdom's support for a treaty.

The start of a UN process was agreed in the UN General Assembly in December last year. The resolution, which launched the process, was supported by 153 countries, including many traditional Arms manufacturers- France, Spain and the UK, but also emerging suppliers such as Ukraine, Bulgaria, Brazil and South Africa.

In 2007 all countries have the opportunity to feed in their views on the initiative to the UN Secretary General. Then in 2008 he will convene a Group of Governmental Experts to consider the initiative further. If that Group produces a positive report, the next step will be to start the negotiation of a treaty.

So, as I say, a treaty is still some way off. But now that work is beginning we hope that businesses, export control practitioners, civil society, and the general public, will get involved and start a debate on what they would like to see in a treaty, and also

urge their governments to feed in their views to the UN Secretary General. The official deadline for this is 30 April, so time is relatively short.

Why is a treaty needed?

In an increasingly global economy the idea that export controls can be based on the notion of national manufacturing is unsustainable. The phenomena of outsourcing and the rapid growth in technological expertise amongst the emerging suppliers are trends we have to recognise and address.

Despite our collective efforts over many years to develop export control regimes both for WMD and conventional weapons (under the UN programme of Action) Many countries still have weak export controls, either because they set low standards, or because they do not properly implement the standards they do have.

This means that arms continue to flow into conflict zones, and into the hands of human rights abusers, even when the negative impact and the human cost is all too evident. And this will continue unless all countries adopt and implement proper controls.

Traditional export control, for example those established in the Cold war, were at their heart concerned with preventing our adversaries obtaining equipment and technology which would give them an advantage or erode our own. Hence we tended to focus our attention on lists of equipment. As technology developed these lists have become ever more complex and more onerous for business.

Our vision for the ATT is not a replacement but a complement to existing regimes; an effective mechanism dealing with the 21st century challenges, where business is not the target for control but the partner.

What do we see a treaty doing? In a nutshell;

- controlling the availability of arms to conflict regions to help countries build a stable economy, help attract foreign investment, tourism (less armed violence) and sustainable development. (e.g. The cost of deaths, treating victims, supporting disabled and families, by firearms totals 14% of the GDP in Latin America, 10% of GDP in Brazil and 25% of GDP of Colombia - [Viva Rio 2004])
- covering the international trade in all conventional arms – meaning both Small Arms and Light Weapons and larger weapons and systems.
- making clear when a transaction should not be allowed because of existing prohibitions, such as those set out by UN embargoes.
- setting out clearly the issues countries must take into consideration before deciding whether to allow an export to go ahead, such as the risk of the item in question being used to exacerbate an existing conflict, or to carry out human rights abuse.

- and, to make sure it makes a difference, a treaty should include an effective mechanism for enforcement and monitoring, including an appropriate transparency mechanism.

What we do not see a treaty doing is ending the arms trade. The UK is a major arms exporter and plans to continue to be.

Some figures;

- 2004/5 65,000 jobs in the UK arose from defence exports;
- Over the last 5 years, the UK has won defence export orders averaging £4.5 billion per annum;
- won 20% of the global defence export market (US has 35%);
- The UK remains an attractive investment for many US defence companies seeking a slice of the largest defence budget (in dollar terms) outside the US;

So we don't see a treaty as ending the arms trade, but a treaty will be about making sure the arms trade is conducted Responsibly – to make sure it is carried out with due regard to the impact it has.

UK Arms Industry supports the idea. They see it as an initiative that will make it easier for them to trade, as they will know from the outset the overarching standards that countries they are working with are bound to follow. This will make international trade flow more smoothly for responsible exporters.

And, if potential partner companies are working within the framework of good export control systems, Traditional Arms Manufacturers will be better placed to enter into collaborative projects with them, confident that end products will be properly controlled. This is increasingly important in the global market place.

It is our hope that an Arms Trade Treaty will not only help to create more uniform standards, but could act as a form of Corporate Social Responsibility (CRS) for the Arms Trade. In the same way as the lumber and coffee industry have turned an obligation into a marketing device: Sustainable Forests and Fair Trade.

Perhaps the Arms Industry is not so concerned by consumers but it is increasingly subject to the same shareholder pressure as other parts of the economy. Competition for capital to support new projects, mergers and acquisitions is becoming increasingly tough.

Nor do we see an Arms Trade Treaty controlling civilian possession, that is a matter for national governments to decide.

This latest initiative has, as I mentioned before, garnered the support of over 153 governments. The moral, economic, and commercial arguments for making a serious and sustained effort to develop better global measures to ensure that the arms trade in the 21st century is a responsible one are, in our view, compelling. And this is why the UK has taken such a high profile role in advocating the need for an Arms Trade Treaty.

I will be pleased to answer any questions. But can I end with a request that you do not see this initiative as a threat. It is not. It is an opportunity to put the international arms trade on a more secure footing, where we can be more confident that legitimate needs are met, but that arms do not fall into the wrong hands.

Thank you.