

Canada

Strengthening Export Controls: Canada's Accession to the Arms Trade Treat

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Current Context

- Canada is laying the groundwork to accede to the Arms Trade Treaty
- Accession brings Canada back in line with our major Partners (NATO, G7) who have either signed or ratified
- ATT accession part of Canada's commitment to strengthen rigour and transparency of export controls
- Arms sales and export controls subject to heightened public interest: Minister of Foreign Affairs has stated Canada "will hold itself to a higher standard on the export of controlled goods"



Arms Trade Treaty (ATT)

ATT focuses on humanitarian impact of global conventional arms trade, establishes global standards:

- Establishes common assessment criteria for arms exports
- Prohibits exports where "overriding risk" is determined
- Requires reports and transparency measures
- · Regulates conventional arms "brokers"
- ATT entered into force December 2014:
 - 130 signatories; 92 state parties, 89 ratifications, 5 accessions
 - Japan's Ambassador Takamizawa President of fourth session of the Conference of States Parties to the Arms Trade Treaty (CSP4)
 - Canada currently participates as an Observer

Canada and the Arms Trade Treaty

 Canada's export controls among most rigorous in world: Export and Import Permits Act established 1948

- Controls military, dual use and strategic goods under authority of Minister of Foreign Affairs
- on par with allies and partners already ATT members
- Canadian controls are consistent with ATT provisions
 - Export Control List includes all ATT items
 - Complies with all explicit prohibitions listed in ATT article 6
 - Assess for risks identified in the ATT (international, regional security, human rights)
- However, Canada's practice not to accede to a Treaty until domestic laws and regulations are updated

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Strengthening Canadian Export Controls

- Bill C-47 Act to Amend the Export and Import Permits Act) introduced April 2017 to ensure compliance with ATT
 - **Regulating arms brokering** (facilitating arms transfers between a second and third country)
 - Creates **legal requirement** to consider ATT assessment criteria before decisions on Canadian export permits
 - Amendments will embed "substantial risk" test in law
- **Modernizes** other provisions, i.a.:
 - Updates **penalties** for conviction under the EIPA
 - Establishes statutory report dates to enhance transparency
 - Additional **resources** for assessment, outreach, verification and compliance activities

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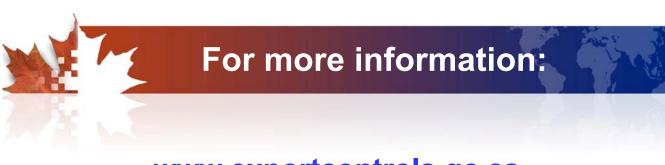
New Brokering Controls

Bill C-47 will define brokering as:

- Facilitating or arranging transfer of controlled items from one foreign country to another foreign country
- Anyone in Canada, and Canadian citizens, permanent residents and Canadian registered organizations outside Canada
- New Regulations will follow Royal Assent of the Bill:
 - Brokering Control List
 - Measures to focus controls on the highest risk transactions
- New territory for Canada: extra-territorial laws traditionally focussed on prohibitions (sanctions, corruption)

Transparency and Reporting

- Canada already among most transparent countries in world with respect to public reporting on military exports
 - Since 1991: Report to Parliament on Military Arms
 Exports: value of munitions list exports and denials
 - Annual Report to Parliament on Administration of the Export and Import Permits Act. statutory report of all permit statistics
 - Reports to United Nations Conventional Arms Register: <u>quantity</u>/destination of small arms, light weapons, conventional arms



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