About this Paper

This paper is the result of research for a project to engage civil society and governments in the Americas region in advancing international support for improved transfer controls in the UN Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects. A central project objective was to provide research to inform and advance commitment to global principles, based on state responsibilities under international law, to govern national decisions on the export of small arms and light weapons.

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The views and policies presented in this paper do not necessarily reflect the policies of the churches and agencies that sponsor Project Ploughshares.

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Introduction

In the international arena Canada has been an exemplary and consistent advocate of improved and restrictive controls on the transfers of small arms and light weapons (SALW). Quite apart from the leadership demonstrated by the Ottawa Process that led to the 1997 Landmines Treaty (and landmines, after all, are one very specific class of small arms), Canada has been active in proposing or endorsing common strict transfer principles to promote responsible transfers of SALW. In its own house, however, Canada has been less than thorough. As this paper will argue, Canada has demonstrated mixed standards in its own control of small arms exports. On the one hand, Canada has imposed restrictive and even innovative national procedures to control small arms transfers. On the other hand, Canadian guidelines and practice fall short of some of the emerging international standards to which Canada is committed through multilateral agreements.

This suggests inconsistencies between domestic standards and procedures and those that Canada endorses at the international level. These differences are not insurmountable. By adopting a “best practice” approach to a small arms export approval process and fully reporting the results, Canada could bring coherence to its policy and enhance its advocacy of tighter international controls of SALW exports by citing its domestic practice. To this end, Canada would do well to draw on the “global principles” of the Arms Trade Treaty (ATT) proposed by a group of legal experts, Nobel Peace Laureates, and non-governmental organizations. Indeed, as this paper will show, Canada is already committed to most of these principles via existing multilateral agreements.

To establish a context for recommended amendments to Canada’s small arms export policies and practice, it is worthwhile to survey the details of Canadian participation in the international small arms trade. This paper reviews Canada’s export of small arms and light weapons and the annual export values, as reported by International Trade Canada (ITC) and Statistics Canada (StatsCan). Important information can be gleaned from these two sources. For example, Canada currently does not provide export figures for a category that includes all the small arms and light weapons in the United Nations definition. Nor does it appear possible to compile such figures from the data available.

This paper also identifies the major manufacturers and suppliers in Canada that ship SALW and their ammunition to other countries. These companies include some that produce automatic weapons, components, and ammunition for foreign military forces; some that supply to military and non-military users; and others that export firearms primarily for non-military markets, that is, for civilians or police forces.

As well, this study summarizes the key legislation that governs Canada’s small arms exports. The core legislation is undoubtedly the Export and Import Permits Act (EIPA), but other pieces of legislation—in particular the Firearms Act of 1995—make important claims on aspects of small arms export control. The influence of each is summarized. The criteria that govern the “case-by-case” processing of requests to export small arms are described, including the extra attention that has been awarded firearms since new instructions were issued in 1996.

Canada is committed to several international conventions and agreements that affect small arms export decisions. These commitments range from legal obligations to prevent small arms shipments to UN-embargoed states to political commitments to ensure that small arms transfers do not
adversely affect recipient states and populations. Many of these commitments correspond to the six “global principles” of the proposed international Arms Trade Treaty advocated for insertion in the UN Programme of Action. Although Canada does not explicitly include these principles in its export control criteria, its existing international commitments suggest that they could and should be acknowledged when reviewing small arms export applications.

This paper concludes with recommendations to bring Canadian domestic practice in line with its international commitments and advocacy. Many recommendations suggest improvements to the transparency of Canadian small arms exports in particular, beginning with an effort to report a category of Canadian weapons that corresponds to the UN definition of SALW.

**Small Arms Exports from Canada**

According to the *Small Arms Survey* (2005), Canada is a “major” small arms exporter because it typically exports more than US $10-million in small arms and ammunition a year. At the same time, Canada is not among the “top exporters” identified in the 2005 *Small Arms Survey* (p. 100): the United States, Italy, Brazil, Germany, Belgium, the Russian Federation, and China.

Canadian exports of military small arms are reported by the Canadian government in its *Annual Report on the Export of Military Goods*. To date the *Annual Report* has provided data on the export of goods specifically designed or adapted for military use, including a category—Item 2001—for military small arms. This item was defined in the most recent *Annual Report* as “firearms and automatic weapons with a calibre of 12.7 mm (0.5 inches) [or less], including firearms for sporting and competition purposes and their components and accessories.” 2 The category includes rifles, carbines, revolvers, pistols, shotguns, and machine guns.

As illustrated by Figure 1, in the last decade of reported data (1993-2002) the value of these exports has fluctuated dramatically, from a low of less than $1-million in 1993 to a high of more than $30-million in 1995. The spikes in military small arms exports have corresponded to concentrated shipments of Canadian-manufactured automatic weapons to NATO countries, including the Netherlands, Denmark, Norway, and the UK. The total value of shipments for the 10-year period is $143-million or an average of over $14-million per year. The totals of Figure 1 are incomplete, however, for two reasons. First, exports of military small arms and light weapons to the United States are not included because special military trade arrangements between Canada and the US do not require the usual government tracking and reporting of military goods. Second, the totals shown are for the firearms and automatic weapons category of Canada’s Export Control List (ECL Item 2001) and do not include the light weapons and small arms ammunition that are included but not reported separately in other military goods categories. Consequently, the true values of Canada’s annual military small arms exports are higher than the reported figures.
The export from Canada of small arms and light weapons is also tracked by other organizations, including the Norwegian Initiative on Small Arms Transfers (NISAT), a government-backed agency that monitors global small arms trade policy, information, and analysis and maintains a database on the movements of small arms between countries. Although NISAT makes use of government reports on military trade such as Canada’s Annual Report, its major source for trade data is the Commodity Trade Statistics Database (Comtrade) of the United Nations. The Canadian Comtrade data used by NISAT is in turn based on export and import data provided to the UN by StatsCan; Comtrade codes used in compiling the NISAT small arms data are the same as those used by StatsCan. Largely because the Comtrade data provides comparative and worldwide information, the NISAT database has become a key source of small arms trade data for the Small Arms Survey and other small arms trade analysts.

Figure 2 depicts annual values for the decade 1995-2004 of Canadian SALW exports as categorized by NISAT. The figure depicts the total value of such exports to all countries, the value of small arms exports to the US in particular, and the value of small arms exports to non-US recipients. Two major differences with the figures reported by the government’s Annual Report are immediately apparent. First, the StatsCan figures include Canadian small arms exports to the US, which are absent from the Annual Report. The addition of the US figures clearly demonstrates the importance of the US market to Canadian small arms exporters. In all years but one (1996) Canadian exports to the US exceeded the value of exports to all other states combined. Indeed, dependence on the US market has grown in recent years as small arms exports to the US have climbed while shipments to all other countries have remained fairly constant.
The second immediate difference is that Canadian exports of the NISAT classification of small arms are in far greater volumes than the shipments of military firearms reported by International Trade Canada. Even when we compare the same markets by removing US export figures, the volume of small arms exports to non-US states over the decade totals over $411-million or an average per year of more than $40-million. This is almost three times the average volume of military small arms exports indicated in recent Annual Reports.

How do we explain the significant volume differences between the two sources? According to the Canadian government, no explanation is needed because a comparison is not meaningful: “There is no direct correlation between the commodity codes used by Statistics Canada and the ECL item numbers, and as each source uses different methods of compilation, no meaningful comparison of the data from these two sources is possible” (DFAIT 2003a, 6). Yet the ramifications of such disparate figures—not the least being questions of reliability—suggest that we must make some attempt to understand these differences.

Some of the discrepancy can be explained by the weapons captured by the classification of each source. As noted already, Annual Report Item 2001 does not include some important military small arms categories—especially ammunition but also some light weapons—that are captured by the small arms grouping of NISAT. Consequently, we know that the Annual Report figures represent at best minimum values and that the real value of military small arms shipments is likely significantly greater. Conversely, the NISAT classification includes some StatsCan commodity classes that do not clearly distinguish the weapons within the small arms category. In other words, these classes include values for exported weapons that are not small arms or light weapons. Perhaps the most obvious example is the “Other ammunition” category, involving a wide calibre range of ammunition that extends past small arms and light weapons munitions. A large portion of the total export volumes of Figure 2, especially in recent years, stems from “other ammunition” sales. In 2004, for example, the total small arms export value of $250-million included $134-million in other ammunition sales, of which $110-million was shipped to the US. Other sources suggest that an unreported, but likely significant, part of ammunition exports to the US was in the form of large calibre munitions sales by SNC Industrial Technologies Inc (SNC TEC) to the US Army. These exports are not part of a small arms munitions category.

It is worth noting that the latest Export Control List released by the Canadian government in January 2006 added “firearms as defined by the Criminal Code” (DFAIT 2003, 48) to the small arms category Item 2-1 (formerly Item 2001). Previous editions of the ECL explicitly omitted some firearms categories, noting in particular that Item 2001 “does not control smooth-bore weapons used for hunting or sporting purposes” or “weapons using non-centre fire cased ammunition.” These omissions suggest that, despite government statements to the contrary, not all firearms were captured by earlier ECL categories. The ECL definitional change creates a wider category for military small arms and will likely lead to the reporting of higher small arms export values by future Annual Reports on the Export of Military Goods. In addition, Canada’s international commitments will soon require export permits for all firearms transferred to the US, making these important small arms export figures available for inclusion in the Annual Report for the first time. With these changes it should be possible to gain a more complete picture of Canada’s small arms exports.

Nevertheless, the wide variation in the export values of the two sources suggests that significant government attention should be directed both to defining a single detailed and comprehensive category of small arms and light weapons, and to creating a consistent reporting methodology that
reveals a full, transparent picture of Canadian small arms exports. The government’s acknowledgement in the *Annual Report* of differences between current data sources is insufficient. If the data from this report is effectively ignored by small arms analysts in favour of very different data published by the UN, then it is apparent that, at a minimum, government data is considered inadequate. Perhaps more significantly, the use of data that differs significantly from that officially released by the government will also lead to different policy interpretations and recommendations.

**Figure 2: StatsCan* Reported Small Arms Exports 1995-2004**

(including large-calibre ammunition exports)

In the meantime, although the exact volume of Canada’s small arms exports remains unknown, some additional information about Canadian small arms exports may be gleaned from an examination of key private sector exporters.

### Exporters of Military Small Arms, Ammunition, and Components

The small arms exporting industry in Canada has relatively few members (see Table 1). One manufacturer of automatic firearms, five manufacturers of other firearms, and a few producers of small calibre military ammunition ship small arms and their ammunition outside of Canada. A few additional companies are involved in the export of component parts and systems for small arms and light weapons. Other companies import and export new and surplus firearms but are not involved in their manufacture. In some cases Canadian small arms exporters are registered with Public Works and Government Services Canada (PWGSC) under its Controlled Goods Registration Program (CGRP) (PWGSC 2004a). Since amendments in 2000 to the Defence Production Act (PWGSC 2004b), companies wanting to sell controlled goods to the Department of National Defence or to
export such goods must register under the program. Controlled goods include prohibited firearms under the Criminal Code.\(^6\)

The sole manufacturer of automatic firearms in Canada is Colt Canada Corporation, formerly Diemaco Ltd, based in Kitchener, Ontario. Designated the Small Arms “Centre of Excellence” by the Canadian Department of National Defence (DND), Colt Canada was proclaimed the “firearms-production capital of Canada” when it received a $107-million DND contract to supply automatic rifles and carbines in 1984. In 1994 the company landed its first major export contract, worth $50-million, to supply automatic rifles to the Netherlands military. Since then the company has supplied similar equipment, primarily to other NATO member states, including Denmark, Norway, and the UK.

Colt Canada produces the C7 Combat Rifle (a version of the US Colt M-16), the C7A1 Combat Rifle (an optically sighted version of the C7), the C8 Carbine (a C7 with a telescoping stock and a shorter barrel), and the C10 training rifle. Because the company produces automatic firearms, its export customers are subject to Canada’s Automatic Firearms Country Control List (see Appendix A). At the same time, the company is a wholly owned subsidiary of the US corporation Colt Defense. According to *Jane’s Defence Weekly* (2005, 26), the recent purchase of Diemaco “provides Colt with extra capacity’ for the large contracts it has in the US.”\(^7\)

The sole Canadian exporter of military small arms ammunition is SNC TEC of Montreal. SNC TEC, a division of the Canadian engineering giant, SNC-Lavalin Group, produces a range of small arms ammunition, including 5.56 mm, 7.62 mm, 9 mm, .38- and .303 cartridges, as well as small arms training ammunition for the military, special forces, and police in Canada and abroad. The company also manufactures other materiel in the military small arms and light weapons category, including grenades.

Designated a DND centre of excellence for ammunition production, SNC TEC supplies most ammunition required by the Canadian Armed Forces (small, medium, and large calibre) and is a regular supplier to the US Department of Defense. Recently, SNC joined a consortium led by General Dynamics Ordnance and Tactical Systems to supply “emergency small-calibre ammunition orders” for the US armed forces in Iraq. According to its website, the company has also supplied “conventional ammunition, or components, to a large number of other countries including several in Europe (Belgium, Denmark, France, Holland, Greece, Italy, Sweden and the UK), the Middle East (UAE, Oman, Jordan and Kuwait), the Far East (Hong Kong, Singapore, Thailand and the Philippines) as well as Australia and New Zealand.”

Elcan Optical Technologies of Midland, Ontario, produces optical sights for military small arms use, including sights with night vision capability. Elcan, a division of the US-based Raytheon Company, also produces optical systems for mortars. The company has sold thousands of sights to the Canadian military for its C7 automatic rifles and has exported orders to Australia, the UK, and the US. In 2004, the company received a $23.2-million contract from the US Navy to provide 67,000 combat optical sights “capable of providing target acquisition and aiming for close quarter battle” (US DoD 2004).

Another Canadian manufacturer of components for military small arms and light weapons is Thales Optronics Canada of Montreal, which produces the Mirabel thermal imager for the Eryx missile system.
Table 1: Canadian Exporters of Small Arms and Light Weapons and SALW Ammunition

<table>
<thead>
<tr>
<th>Company</th>
<th>Products</th>
<th>DND contracts 2000-05</th>
<th>CCC-brokered export contracts 2000-05</th>
<th>Other reported exports since 2000</th>
<th>CGRP</th>
<th>Strategis export “experience”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colt Canada, Kitchener, ON</td>
<td>Automatic firearms</td>
<td>Yes</td>
<td>Yes (Australia, Denmark, Netherlands, Norway, UK)</td>
<td>Ireland</td>
<td>Yes</td>
<td>NATO states</td>
</tr>
<tr>
<td>SNC TEC, Le Gardeur, PQ</td>
<td>Ammunition</td>
<td>Yes</td>
<td>Yes (US)</td>
<td>Belgium, France</td>
<td>Yes</td>
<td>Albania, Algeria, Armenia, Australia, Belarus, Brazil, Iran, Russia, EU, US &amp; others</td>
</tr>
<tr>
<td>Elean Optical Technologies, Midland, ON</td>
<td>Sights</td>
<td>No</td>
<td>Yes (US)</td>
<td>—</td>
<td>Yes</td>
<td>Australia, Iran, Japan, Mexico, NZ, EU, US</td>
</tr>
<tr>
<td>Para-Ordnance Mfg. Inc, Scarborough, ON</td>
<td>Pistols</td>
<td>No</td>
<td>No</td>
<td>—</td>
<td>No</td>
<td>Algeria, Argentina, Brazil, Chile, Philippines, Thailand, Venezuela, South Africa, EU, US</td>
</tr>
<tr>
<td>Armament Technology, Halifax, NS</td>
<td>Precision/sniper rifles</td>
<td>Yes</td>
<td>No</td>
<td>—</td>
<td>Yes</td>
<td>Australia, US</td>
</tr>
<tr>
<td>PGW Defence Technologies, Winnipeg, MB</td>
<td>Sniper rifles</td>
<td>Yes</td>
<td>No</td>
<td>—</td>
<td>Yes</td>
<td>—</td>
</tr>
<tr>
<td>Savage Arms (Canada), Lakefield, ON</td>
<td>Rifles &amp; semi-automatic rifles</td>
<td>No</td>
<td>No</td>
<td>—</td>
<td>No</td>
<td>Algeria, Argentina, Bolivia, Brazil, Chile, Philippines, Russia &amp; others</td>
</tr>
<tr>
<td>Dlask Arms Corp, Delta, BC</td>
<td>Combat &amp; tactical rifles &amp; pistols</td>
<td>No</td>
<td>No</td>
<td>—</td>
<td>Yes</td>
<td>—</td>
</tr>
<tr>
<td>Wolf Bullets, Kingston, ON</td>
<td>Ammunition</td>
<td>No</td>
<td>No</td>
<td>—</td>
<td>No</td>
<td>Northeastern US</td>
</tr>
<tr>
<td>Company</td>
<td>Business Description</td>
<td>Ammunition</td>
<td>Export to U.S.?</td>
<td>Export to Other Countries</td>
<td>Data Source</td>
<td></td>
</tr>
<tr>
<td>--------------------------------------------------------</td>
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<td>------------</td>
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<td>---------------------------</td>
<td>--------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Cesaroni Technology Inc, Gormley, ON</td>
<td>Ammunition</td>
<td>Yes</td>
<td>No</td>
<td>——</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Expro Technologies Inc, St-Timothée, PQ</td>
<td>Ammunition propellants</td>
<td>Yes</td>
<td>Yes (US)</td>
<td>——</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Marstar Canada Inc, Vankleek Hill, ON</td>
<td>Importer/exporter-semi-automatic &amp; other rifles &amp; pistols</td>
<td>No</td>
<td>No</td>
<td>US</td>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>

1 One or more contracts awarded by the Department of National Defence during the five-fiscal-year period 2000-2005 (Contracts Canada 2006).

2 One or more contracts awarded by the Ottawa-based crown corporation, the Canadian Commercial Corporation, during the five-fiscal-year period 2000-2005 on behalf of foreign military forces. Data obtained from the Canadian Commercial Corporation under the Access to Information Act.

3 One or more contracts or subcontracts to supply the armed forces of the listed countries reported by the company (on its website) or by other sources such as media releases. Data obtained from the Canadian Military Industry Database, Project Ploughshares.

4 Registration under the Controlled Goods Registration Program administered by Public Works and Government Services Canada (2004a). Companies supplying the Department of National Defence or exporting military goods and other “controlled goods” must register under the program.

5 Data on Canadian company capabilities and experience obtained from Industry Canada’s strategis.gc.ca website (2006).
Exporters of Firearms for Civilian and Security Markets

Para-Ordnance Manufacturing Inc of Toronto manufactures and sells handguns—a range of 9 mm, .40- and .45-calibre pistols—for law enforcement, military, and civilian markets. According to Industry Canada (2006), Para-Ordnance exports between $500,000 and $1-million in goods annually, although there is reason to believe that this volume range may be understated. The company has “export experience” with Algeria, Argentina, Brazil, Chile, Philippines, South Africa, Thailand, Venezuela, and most US states.

Two Canadian companies produce sniper rifles for both civilian and military markets. Armament Technology Inc of Halifax “specializes in the preparation of long-range precision rifles for military, police, and civilian target shooting applications” (Industry Canada 2006) and sells the AT1-C24 tactical sniper rifle it manufactures (as well as the weapon sights it distributes) to commercial dealers and security forces across North America. PGW Defence Technologies Inc, formerly Prairie Gun Works, of Winnipeg received a $4.5-million contract from the Department of National Defence in April 2005 to supply 8.6 mm sniper rifles to the Canadian Armed Forces. The company also provides sniper and other rifles to civilian markets and exports to the US through a US commercial distributor.

According to its website, Dlask Arms Corp of Delta, British Columbia, builds “special-purpose combat and tactical guns.” These consist of a range of rifles and pistols, some of which, like the new DAR-701 semi-automatic rifle, also come in versions with military specifications. In Ontario, Savage Arms of Lakefield produces .22 calibre rifles mainly for the hunting market. According to Industry Canada, Savage Arms has exported its rifles worldwide.

Two companies produce and export ammunition for firearms. Wolf Bullets of Kingston, Ontario, produces multiple calibre lead bullets for handguns. According to the company website, current clients include the Ontario Provincial Police, the Royal Canadian Mounted Police, Belleville Police, Frontier Security Services, Williams Arms, The Grange, General Gun and Supply, and “hundreds of sport shooting enthusiasts.” It exports into the Northeastern United States. Cesaroni Technology Inc of Gormley, Ontario, produces lead-free ammunition “suitable for use in training exercises as well as tactical situations” (Industry Canada 2006). The ammunition includes 9 mm for pistols and 5.56 mm for rifles. Its clients include the Department of National Defence and US armed forces, as well as commercial suppliers of ammunition.

There are several Canadian companies like Marstar Canada Inc. of Vankleek Hill, Ontario, that distribute firearms and ammunition without producing the material themselves. These brokering companies may purchase firearms or ammunition from domestic and foreign suppliers to sell to military and civilian customers in or outside Canada. Regardless of the source of the weapons, all Canadian companies exporting small arms and light weapons are subject to the Canadian legislation that controls small arms possession and shipment outside the country.
Canadian Legislation Governing the Export of Small Arms and Light Weapons

Canadian regulation of the export of small arms and light weapons is relatively strict, especially following the legislative and procedural improvements of the past decade. For more than a quarter of a century Canada’s Criminal Code has banned civilian possession of automatic firearms, and the government has imposed additional restrictions on the export of firearms and other SALW. In general, Canada has a responsible small arms export record and has done a better job than many suppliers in keeping small arms out of the hands of those that misuse them. Even so, there are significant regulatory gaps and, especially in areas where the legislation is subject to interpretation, SALW export approval may be in contravention of Canada’s international commitments. For example, Canada has recently approved small arms exports to countries where security forces are accused of serious human rights violations.  

Following is a survey of the Canadian legislation that governs small arms exports.

The Criminal Code
The Criminal Code of Canada (Dept of Justice Canada 2005c) is fundamental criminal legislation that in Part III (Firearms and Other Weapons) defines the classes of firearms that are subject to regulation and imposes penalties for violations. The Criminal Code defines ammunition and prohibited ammunition, handgun, and two classes of firearms—restricted and prohibited. The latter includes many handguns and all automatic firearms, defined as those “capable of, or assembled or designed and manufactured with the capability of, discharging projectiles in rapid succession during one pressure of the trigger.” Prohibited firearms also explicitly include automatic firearms that have been altered to discharge one bullet at a time. Restricted firearms are defined as all remaining handguns as well as firearms that are not prohibited, have barrel lengths less than 470 mm, and are “capable of discharging centre-fire ammunition in a semi-automatic manner.” The Criminal Code defines the term “export” to mean direct export from Canada as well as the exportation of goods that are imported and shipped in transit through Canada.

The Firearms Act
The Firearms Act (Dept of Justice Canada 2005b) approved in 1995 provides new licensing and registration systems to supersede those of the Criminal Code. The new systems require licenses to possess and acquire firearms and to buy ammunition, and require registration of all firearms, including shotguns and rifles. The Firearms Act uses the definitions of restricted and prohibited firearms of the Criminal Code and, in explanatory material available on the website of the Canadian Firearms Centre (2005), provides a definition for non-restricted firearms: “Non-restricted firearms are any rifles and shotguns that are neither restricted nor prohibited. Most common long guns are non-restricted, but there are a few exceptions.” The Firearms Act also defines 10 offences and their penalties in addition to the firearms offenses and penalties included in the Criminal Code.

Although the Firearms Act is aimed at the domestic regulation of firearms, the legislation contains “Authorized Exportation and Importation” provisions to govern the export of firearms by individuals and businesses. Individuals wishing to export firearms (such as hunters taking firearms out of the country) must hold a licence and registration certificate for the weapon and present supporting documentation to a customs officer, either a prescribed form for non-restricted weapons or an authorization to transport the firearm in the case of restricted or prohibited firearms.
Businesses exporting firearms must obtain an authorization to export, which is issued only if the company meets conditions based on the class of the firearm to be exported. To export any firearms businesses also require a registration certificate and a licence to possess the firearms. To reduce the paperwork for exporting businesses, export permits issued by International Trade Canada will soon be considered equivalent to authorizations to export and commercial firearms exports will be controlled as part of the regulation of military exports. To advance administrative coherence, the Registrar of Firearms, who is responsible for firearms registration certificates and authorizations to export, must inform ITC of applications by businesses for authorizations to export firearms. Conversely, “the Department of International Trade will provide the Registrar with information about export permits that have been issued and the Canada Border Services Agency will advise the Registrar of the exportation of firearms” (Government of Canada 2004). The Canadian Firearms Registry, housed in the Canadian Firearms Centre and maintained by the Registrar, also keeps records of “every exportation from or importation into Canada of a firearm of which the Registrar is informed” (Dept of Justice Canada 2005b, sec. 83).

**The Export and Import Permits Act**

The key legislation governing the export of weapons from Canada is the Export and Import Permits Act (Dept of Justice Canada 2005a). The EIPA provides the Governor in Council (the federal Cabinet) with the powers to establish the Export Control List, a list of goods that require extraordinary control. According to the EIPA these goods include “arms, ammunition, implements or munitions of war, naval, army or air stores or any articles…to any destination where their use might be detrimental to the security of Canada.” Eight groups of goods appear on the Export Control List. The military equipment of ECL Group 2—which includes small arms and light weapons—is defined by the International Munitions List agreed by the Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies. Canada is one of 39 arms supplier state members of the Wassenaar Arrangement.

Until January 2006 the ECL put most rifles, pistols, revolvers, shot guns, and machine guns into the 2001 category, a sub-category of Group 2. Some types of firearms were excluded, including smooth-bore weapons used for hunting or sporting purposes and weapons firing non-centre fire cased ammunition “and which are not of the fully automatic firing type” (see note 1). Now all firearms defined by the Criminal Code are included in Group 2. Other small arms and light weapons, such as shoulder-held rocket launchers, are in other Group 2 categories. Ammunition for both small and large calibre weapons is found in category 2003.

The EIPA also gives the Governor in Council responsibility for two country lists that govern Canadian military exports. All exports are controlled and all military exports banned to countries on the Area Control List. During the Cold War the Area Control List contained primarily the names of members of the Soviet bloc. Since the end of the Cold War, the ACL has dwindled to a current membership of one: Myanmar, also known as Burma. The Automatic Firearms Country Control List (AFCCL) is the list of states that, as a result of intergovernmental defence, research, development, and production arrangements with Canada, are deemed eligible to receive automatic weapons from Canada (see Appendix A). The current AFCCL membership of 20 states includes a number of NATO countries, as well as Australia, Finland, Sweden, Botswana, and Saudi Arabia. The EIPA stipulates that exports of automatic firearms may be made solely to states on the AFCCL or to consignees appointed by those states.
The Governor in Council appoints a Minister (currently the Minister of International Trade) to administer the permit system that regulates the export of goods on the Export Control List. The Minister, on behalf of the Governor in Council, is responsible for information requirements, the procedures for approving permits, and the terms and conditions under which permits may be issued. The Export Controls Bureau of ITC is responsible for the day-to-day operation of the export control system. It is also responsible for assembling the data for the Annual Report on the Export of Military Goods from Canada.

The EIPA defines offences under the Act and their penalties. Investigators from Canada Customs and Revenue Agency and the Royal Canadian Mounted Police enforce the EIPA.

As noted above, ITC export permits for firearms will soon be considered equivalent to export authorizations of the Firearms Act. The export of all firearms to all countries other than the US will require an ITC export permit. Although permits are not currently required for the export of restricted or non-restricted firearms to the United States, obligations under international conventions (the OAS Inter-American Convention against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives and Other Related Materials —CIFTA—and the UN Firearms Protocol) will require such permits after Canada ratifies the treaties, likely by early 2007. Now, exporters must obtain an approved US import permit and report the export to the Canadian Firearms Centre. The export of prohibited firearms to the US (permitted in principle because the US is a member of the AFCCL) already requires an export permit (ITC 2004).

**The Defence Production Act**
The Defence Production Act, which regulates the manufacture of defence equipment in Canada, was amended in 2000 to include provisions for the Controlled Goods Registration Program. In an effort to win back unique military trade arrangements with the US—arrangements that were unilaterally dropped by the US in 1999—the Canadian government introduced new requirements for access to and export of “controlled goods.” The government also amended the Export and Import Permits Act to include a new category of strategic goods of particular US concern for which companies must seek export permits. With this addition to the Export Control List, all controlled goods became a sub-category of the ECL. Conversely, the “Controlled Goods List” appended to the Defence Production defined all military goods in Group 2 of the ECL as controlled goods except the SALW-relevant categories of 2001 and 2003. In these two categories only prohibited firearms and ammunition greater than 12.7 mm calibre are controlled goods. Consequently, most firearms and firearms ammunition are not defined as controlled goods. As a result of these amendments, the US reinstated most of the unique military trade exemptions for Canada in 2001.

The CGRP requires Canadian contractors seeking access to controlled goods, including exporters and contractors selling to Canada’s Department of National Defence, to register with PWGSC. As part of CGRP registration, companies must appoint a “Designated Official” who ensures that only authorized personnel have access to controlled goods and technologies. Authorization, including for the Designated Official, requires a security assessment to measure the risk of transferring the controlled goods to unauthorized persons (Epps 2002).

**The United Nations Act and the Special Economic Measures Act**
The United Nations Act governs Canadian participation in United Nations arms embargoes and other sanctions under Article 41 of the UN Charter. The Act empowers the federal Cabinet to
stipulate the regulations deemed necessary for Canada to apply the measures called for by the UN Security Council. These regulations detail embargo requirements as well as penalties for their violation and apply to everyone within Canada as well as all Canadians outside Canada. Under typical regulations, Canadians are prohibited from selling or supplying to the UN-embargoed state or group “arms and related material,” defined as “any type of weapon, ammunition, military vehicle or military or paramilitary equipment, and includes their spare parts.”

If a non-UN multilateral organization of which Canada is a member imposes economic sanctions or an arms embargo against a state, the Canadian government may implement the decision through the Special Economic Measures Act of 1992. The Act also provides for unilateral action by Canada against foreign states if the Cabinet decides that “a grave breach of international peace and security has occurred that has resulted or is likely to result in a serious international crisis.” The Act allows the government to restrict or prohibit the transfer of any goods or services to the foreign state.

Both laws apply to small arms and light weapons and may be used to deny the export of Canadian SALW to specified countries or groups.

The Public Safety Act
In 2004, in the wake of the attacks of September 11, 2001, the Public Safety Act (Library of Parliament 2003) received royal assent to amend existing federal legislation on public safety and protection, including export controls. Apart from new regulations to prohibit biological weapons and agents, it altered the Explosives Act to prohibit the illicit manufacturing and trafficking of explosives and components of ammunition in accordance with CIFTA, which Canada signed in 1997. The Act also “allows for increased control over the import, export, transportation through Canada, acquisition, possession and sale of explosives and certain components of explosives, and provides increased penalties for certain offences.” Breaches of the law are now punishable by considerably higher maximum penalties so that fines that used to be up to $20,000 may now go as high as $500,000, depending on the type of offence, and imprisonment may include terms of up to five years.

The Export and Import Permits Act also was amended by the Public Safety Act to give the government explicit power to control the export from Canada of technology as well as goods. In addition, the Minister of International Trade was expressly directed to consider the safety or interests of Canada; or peace, security, or stability elsewhere in the world in deciding to issue a permit. The measures are a response to Resolution 1373 passed by the Security Council of the United Nations that, among other things, declared that all countries should contribute to efforts to eliminate the supply of weapons for acts of terrorism.

The Customs Act
The Customs Act stipulates that exported goods must be reported in writing by the exporter or an agent.

Approving the Export of Small Arms and Light Weapons from Canada

Under some conditions small arms and light weapons exports are explicitly prohibited by Canadian law. As noted above, the United Nations Act and the Special Economic Measures Act stipulate
which states or groups may not receive military and other equipment from Canada or from Canadians. In addition, the Automatic Firearms Country Control List determines which states are eligible to receive automatic firearms. All other destinations for this class of firearm are banned by the AFCCCL.

Apart from the conditions that prohibit the export of small arms and light weapons Canadian legislation stipulates the requirements that must be met in advance of an application to export SALW. The Firearms Act requires that a commercial dealer or manufacturer must hold a registration certificate and a licence to possess firearms before it may request permission to export. Any business planning to export prohibited firearms must also register under the Controlled Goods Registration Program of Public Works and Government Services Canada.

Once these conditions are met, decisions to approve SALW shipments outside Canada are made on a “case-by-case” basis by the Minister of International Trade or, more routinely, by officials of the Export Controls Division of ITC. Under existing export control policy guidelines, the government “closely controls” the export of military goods and technology to countries

- “that pose a threat to Canada and its allies”
- “that are involved in or under imminent threat of hostilities”
- “that are under UN Security Council sanctions” or
- “whose governments have a persistent record of serious violations of the human rights of their citizens, unless it can be demonstrated that there is no reasonable risk that the goods might be used against the civilian population” (DFAIT 2003b, 4).

“The approval of the Minister of Foreign Affairs may be sought for the export of offensive military goods and technology, unless destined for NATO allies or a small group of specified like-minded countries” (which don’t require such approval) (DFAIT 2003b, 5). The definition of “offensive” military equipment is not provided. The Minister may also be consulted about cases involving “non-offensive” equipment when there are concerns about the above criteria. Before consulting with the Minister, export control officials also consult with experts in the Department of Foreign Affairs, the Department of National Defence, and other government departments and agencies “where appropriate.” The consultations review information and policy advice on

- “Canada’s defence and industrial relations with the recipient country”
- “regional peace and stability (including civil conflict)”
- “the human rights situation, including trends” and
- “end-use documentation to ensure that the goods…will not be diverted” (DFAIT 2003b, 5).

As a result of instructions in June 1996 from then Foreign Affairs Minister Lloyd Axworthy, the Department introduced

- more rigorous analyses of security issues and threats of hostilities to include regional stability and security relationships, relations between neighbouring states, and internal conflicts such as civil wars
- stricter interpretation of human rights criteria, including heightened requirements for end-use assurances to minimize the risk of diversions that result in the violation of human rights, and
- stricter controls on firearms.

Indeed, “particular care is taken over applications involving firearms” (DFAIT 2003b, 5).
In addition to the AFCCL requirements related to automatic firearms, other classes of firearms are controlled, including those for sporting or recreational purposes and non-automatic firearms sold to civil or police end-users.

Because many Canadian firearms exports are to private end-users, a number of steps are taken to ensure the firearms do not slip into the illegal arms trade or fuel local lawlessness or violence. Information may therefore be sought from our missions and from other sources about destination countries’ firearms control laws and procedures. We want to know not only what exists on paper, but also how strict enforcement is and whether these laws and procedures are open to corruption. We also check the bona fides of the end-users.

All applicants seeking export permits for firearms are therefore required to provide an import permit or some equally valid evidence that their import will be allowed.

(DFAIT 2003b, 5)

The Canadian firearm export relationship with the US is a special case. Some firearms of US origin—specifically automatic firearms or firearms of greater than .50 calibre—require authorization from US officials before the weapons can be re-exported from Canada. This authorization is over and above any Canadian requirements that must be met before Canada will issue an export permit. Shipments of automatic firearms from Canada to the United States—possible because the US is a member of the AFCCL—require export permits but re-export of these weapons from the US does not require approval from Canada.

Currently, non-restricted and restricted firearms may be shipped to the US from Canada without export permits, even though these shipments must be reported to the Canadian Firearms Centre. Most firearms shipments to the US are excluded from the firearms export permit process required for all other countries by the Export Controls Division. As a result, to date the Division could not and has not maintained or reported complete data on Canadian firearms shipments to the US. However, international conventions soon to be ratified by Canada will require authorization of all firearms shipments to the US.

**Obligations Imposed by International Conventions and Agreements**

Canada is party to several international conventions and agreements that have a bearing on small arms export control policy and practice. These commitments stem from Canada’s membership in multilateral organizations, including the Organization for Security and Co-operation in Europe, the Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies, the Organization of American States, and the United Nations. Because Canada agreed “in principle” with the European Union Code of Conduct for Arms Exports in 1999, it is also bound by the criteria of the EU Code.

These commitments include legally binding obligations such as mandatory participation in international arms embargoes imposed by the UN Security Council, as well as politically binding obligations such as voluntary adherence to the EU Code of Conduct. In some cases the commitments apply to all classes of conventional weapons, particularly those identified by the International Munitions List of the Wassenaar Arrangement. In other cases the criteria apply only to firearms, such as the commercially traded firearms governed by the Inter-American Drug Abuse Control Commission (CICAD) Model Regulations on firearms brokering.
Table 2 illustrates the extent of the relevant and overlapping criteria from multilateral commitments that guide or determine government decisions on the export of small arms and light weapons from Canada. Although not comprehensive, the table serves to demonstrate that Canada is bound by existing obligations to rule out arms transfers in some circumstances and to “take into account” the risks of the proposed transfer in many others. The export criteria of the table have been grouped under the six major principles of the proposed international Arms Trade Treaty that are also proposed as “global principles” for the transfer of small arms and light weapons (see Appendix B). A growing network of civil society organizations, international legal experts, and governments is advocating that these principles be accepted as common standards for all state decisions to export conventional weapons and, in the context of the UN Programme of Action, small arms and light weapons.

The table demonstrates that Canada is politically or legally bound to follow virtually all elements of the global principles of the Arms Trade Treaty. For example, the first ATT principle states that “all international transfers of arms shall be authorised by a recognized state and carried out in accordance with national laws and procedures that reflect, as a minimum, states’ obligations under international law.” This principle restates Section 2, paragraph 11 of the UN Programme of Action (PoA), which calls for states “to establish or maintain an effective national system of export and import licensing or authorization, as well as measures on international transit, for the transfer of all small arms and light weapons” and “to assess applications for export authorizations according to strict national regulations and procedures … consistent with the existing responsibilities of States under relevant international law” (UN 2001b). Canadian political commitment to the UN PoA requires Canada to ensure that its controls on the export of small arms are consistent with this first principle.

Similarly, legally binding obligations from treaties to which Canada is party require the government’s adherence to criteria that expressly prohibit states from approving the transfer of weapons. These criteria, captured under an “express limitations” principle—Principle 2 of the ATT—include obligations stemming from the Charter of the United Nations, such as UN Security Council decisions imposing arms embargoes or Charter prohibitions on the use or threat of force and on intervention in the internal affairs of other states. Other criteria that obligate states to deny SALW transfers stem from circumstances in which small arms will or likely will be used in violation of international law, such as for serious human rights violations, genocide, or crimes against humanity. These criteria are identified under the ATT’s Principle 3, “Limitations based on use or likely use,” and codify state obligations under international humanitarian and human rights law.

Principle 4 stipulates “Factors to be taken into account” and calls for states to give serious consideration to several factors that could arise from the transfer and subsequent use of SALW. These include likely use of the weapons for violent crime, or their possible adverse affect on regional security and stability or on sustainable development. This principle does not require states to prohibit the authorization of weapons transfers. Rather it identifies possible consequences of SALW transfers, requires states to pay close attention to these issues, and establishes a presumption against authorization in the cases in which these consequences are likely. The factors of this principle are important guidelines that Canadian authorities should follow in assessing applications to export SALW from Canada.
Table 2:
Canada’s Multilateral Commitments to the Criteria of Proposed Global SALW Transfer Principles

<table>
<thead>
<tr>
<th>SALW export control criteria</th>
<th>OSCE</th>
<th>Wassenaar</th>
<th>CICAD</th>
<th>EU Code</th>
<th>UN PoA</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. National authorization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Sect 2:11</td>
<td>OAS CIFTA (Article IX)</td>
</tr>
<tr>
<td>Consistent with international law</td>
<td>√</td>
<td>√</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Diversion or unauthorized transfer</td>
<td>√</td>
<td>√</td>
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<td>√</td>
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<tr>
<td>2. Express limitations re international law</td>
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<tr>
<td>UN Charter (embargoes, threat of force)</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td></td>
<td>UN Charter (Article 41)</td>
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<tr>
<td>Other treaty obligations</td>
<td>√</td>
<td>√</td>
<td>√</td>
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<tr>
<td>Weapons prohibitions</td>
<td>√</td>
<td>√</td>
<td>√</td>
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<td>Landmines Treaty, CCW</td>
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<tr>
<td>3. Limitations based on use for</td>
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<tr>
<td>Breaches of UN charter</td>
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<td>√</td>
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<tr>
<td>Serious human rights violations</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td></td>
<td>Human Rights Law (Mason 2003)</td>
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<tr>
<td>Violations of humanitarian law</td>
<td>√</td>
<td>√</td>
<td>√</td>
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<td>Geneva Conventions</td>
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<tr>
<td>Reference to genocide</td>
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<td>√</td>
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<td></td>
<td>Genocide Convention</td>
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<tr>
<td>Reference to crimes against humanity</td>
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<td>4. Factors to be taken into account</td>
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<tr>
<td>Recipient record, e.g., arms control</td>
<td>√</td>
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<tr>
<td>Used for violent crimes/organized crime</td>
<td>√</td>
<td>√</td>
<td>√</td>
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<td></td>
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<tr>
<td>Adverse impact on regional stability</td>
<td>√</td>
<td>√</td>
<td></td>
<td></td>
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<tr>
<td>Adverse impact on development</td>
<td>√</td>
<td>√</td>
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<tr>
<td>Corruption</td>
<td></td>
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<tr>
<td>Contravention of int'l control agreements</td>
<td>√</td>
<td>√</td>
<td>√</td>
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<tr>
<td>5. Transparency—National annual reports</td>
<td></td>
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<td></td>
<td></td>
<td>OAS Inter-American Convention</td>
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<tr>
<td>6. Comprehensive control—common standards</td>
<td></td>
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<td></td>
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<tr>
<td>Import and export of arms</td>
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<td></td>
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<td></td>
<td>UN Firearms Protocol</td>
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<tr>
<td>Licensed production</td>
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<tr>
<td>Transit and transshipment</td>
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<td></td>
<td></td>
<td></td>
<td>UN Firearms Protocol</td>
</tr>
<tr>
<td>7. Other (selected)</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Used for terrorism</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td></td>
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<tr>
<td>Prolong armed conflict</td>
<td>√</td>
<td>√</td>
<td></td>
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<td></td>
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<tr>
<td>Legitimate security needs</td>
<td>√</td>
<td>√</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Requirements for UN peacekeeping</td>
<td>√</td>
<td>√</td>
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</tbody>
</table>
Principle 5 of the ATT calls for standardized mandatory transparency on arms transfers. Greater and consistent transparency would help ensure compliance with the other principles. States would be obligated to provide an annual report based on a standard form to a centralized registry.

The Minister of International Trade is obligated to make a report on the operations of the EIPA “as soon as practicable after the 31st day of December each year” (ITC 2006). Under its “Export Control” section, the report provides totals for the number of individual export permits issued, denied, withdrawn, or cancelled for items on the Export Control List. These totals indicate only the number of permits and not the value of goods for which the permits were sought. Nor do they distinguish among the categories of the ECL. As a result, from the report statistics it is impossible to determine the number or value of the permits issued or denied for weapons exports in ECL Group 2, including for the subcategory of small arms and light weapons.

Canada’s annual report on the export of Canadian military goods does not conform to those of other suppliers, including EU member states, for example, and it does not include data on transfers to its largest recipient, the United States. Canada has consistently reported to the voluntary UN Register of Conventional Arms, even if the data did not include US exports until 2004. In fact, Canada is party to only one multilateral treaty that obligates transparency in international arms transfers: the Inter-American Convention on Transparency in Conventional Weapons Acquisitions. Along with other OAS member states, by June 15 every year Canada must report on its imports, exports, and domestic acquisitions in the major weapons categories of the UN Register. Man-Portable Air Defence Systems (MANPADS) are the only class of SALW included in these categories.

The final ATT principle calls for common standards on specific controls related to small arms transfers, including common controls on brokering (operations that facilitate arms transfers) and licensed production (arrangements to manufacture weapons outside the country of origin). Although Canada has made commitments via the UN PoA and elsewhere, the federal government has made no apparent move to introduce national brokering regulations or standards. Indeed, although the Model Regulations on Brokering were drafted for the use of CICAD member states in Montreal in 2003, Canada has yet to pursue them.11

It is worth noting that, through its multilateral memberships, Canada is also committed to criteria beyond the principles of the ATT for the authorization of SALW exports. The final section of Table 2 identifies selected examples of these additional criteria, such as the likely use of small arms for acts of terrorism or to prolong armed conflict, as well as whether the small arms would assist legitimate security needs or UN peacekeeping operations. These criteria suggest that the proposed principles of the ATT should be seen as a minimum common standard on small arms export controls. Other criteria arising from existing multilateral commitments may also be required.

**Canadian SALW Export Control Criteria and International Standards**

The criteria that govern Canada’s close control of the export of military goods have not changed since 1986. Although the Public Safety Act introduced additional criteria intended to prevent shipments that might contribute to acts of terrorism, these have yet to appear on the Export Controls Division’s list of core guidelines. Neither has Canada incorporated obligations under
relevant international law or commitments under several multilateral agreements into guidelines for regulated small arms or other weapons exports.

Canada does not have to wait for the introduction of common transfer principles into the UN PoA or the negotiation of common arms export standards elsewhere to adopt export control criteria consistent with its existing obligations under international law and multilateral agreements. A review of its relevant commitments should demonstrate that additional guidelines are needed and should be made explicit in export control policy. For example, obligations under the UN Charter are not met by the “close control” of military exports, but by the prohibition of exports; Canada’s export controls should state as much. The guidelines should also include explicit reference to obligations regarding international humanitarian law, genocide, and crimes against humanity.

Canada could also introduce improvements to current reporting procedures that would foster “best practice” international transparency standards of SALW exports, including:

- revision of the Annual Report on the Export of Military Goods to bring together all small arms and light weapons into one unique and unambiguous group that corresponds to the accepted UN definitions of SALW. In particular, small arms ammunition and certain light weapons, such as MANPADS, would need to be moved from other reporting categories. Since such a revision would require the alteration of the International Munitions List of the Wassenaar Arrangements, Canada could call for all members of the Arrangements to adopt the same SALW category.
- more detail on the type and number of exported small arms and light weapons in the Annual Report. The term “firearms” does not distinguish between handguns, rifles, or target pistols, for example, and although values are provided in the Report, it is not possible to determine the volume of particular weapon sales. More detail would support public monitoring and evaluation of the risks associated with small arms transfers.
- more detailed annual data on export permits issued and denied for all classes of weapons, including small arms. The data should include not only the numbers of permits, but also the value of the goods approved for each recipient country. Although export permit data does not necessarily correspond to shipments of military goods (since some permits may not be used and shipments could be delayed or not made), the number and volume of permits do reflect government export policy towards recipients. This information is also important in assessing the risks of transfers of small arms and other weapons.
- public release of data on SALW exports to the US. The enormous gap in the transparency of Canadian military exports represented by the omission of US data could be partially offset by the publication of data on Canadian transfers of small arms to the US. Under the Firearms Act, firearms exports to the US must be reported to the Canadian Firearms Centre and it is expected that US shipments will soon require export permits. These procedures should be the basis for releasing US data.
- timelier reporting of Canadian military (including small arms) exports. Currently, Canadian reports on the export of military goods are slow to emerge—for example, the details of 2003 exports have yet to be reported. However, Canada is obligated by the OAS arms transparency convention to report annual data on transfers of certain categories of weapons by June 15 of the following year. Canada should extend these obligations to all weapons categories and report small arms and other military transfer data within six months of each year end.
The Automatic Firearms Country Control List, an innovative instrument in regulating small arms transfers, could become an effective model for other supplier states. However, current criteria for inclusion on the list are weak and vulnerable to additions for reasons of economic advantage. Additional explicit criteria, based on Canada’s responsibilities under international law, should be considered before a country may be approved for the list. For example, there should be no reasonable risk that the government of the state under review will use imported firearms against domestic populations.

Given the particularly egregious impact of the trade in small arms and light weapons, the AFCCL should become the Firearms Country Control List and apply to Canadian exports of all firearms. Among its benefits, an FCCL would remove the current ambiguity regarding some kinds of semi-automatic weapons that may or may not fall into the automatic category. Because all firearms would be subject to the same system, distinguishing between classes of firearms would no longer be necessary (except from the viewpoint of risks of use). Moreover, fewer government resources would be spent on checking the end destination of relatively small volumes of firearms. Indeed, according to Export Control Division figures, the recent value of non-automatic firearms exports to countries not on the AFCCL has been relatively small and military industry concerns about the economic costs of new arms controls do not apply to any significant degree. Precluding all firearms transfers to countries not on the AFCCL would result in little economic cost and more effective control.

By drawing on its existing international commitments, many of the necessary regulatory and policy pieces are available to Canada to implement improved small arms export standards (see Table 3 for a summary of recommendations). By amending national export control guidelines and practices, Canada would bring greater authority to its calls for stricter universal standards.
Table 3: Recommendations

1. Canada should adopt arms export control criteria that are consistent with its existing obligations under international law and that include specific reference to obligations regarding international humanitarian law, genocide, and crimes against humanity. The global principles of the proposed international Arms Trade Treaty identify such obligations.

2. Canada should introduce the following improvements to its small arms export reporting procedures to foster “best practice” international transparency standards:
   - revision of the *Annual Report on the Export of Military Goods* to bring together all small arms and light weapons into one unique and unambiguous group that corresponds to the accepted UN definition of SALW
   - more detail in the *Annual Report* on the type and number of exported SALW
   - more detailed annual data on export permits issued and denied for all classes of weapons, including small arms
   - public release of data on SALW exports to the US
   - timelier reporting of Canadian military (including small arms) exports.

3. Additional explicit criteria that are based on Canada’s responsibilities under international law should be met before a country is approved for the AFCCL.

4. The AFCCL should become the Firearms Country Control List (FCCL) and apply to all Canadian firearms exports.
Notes

1 The United Nations (1997, pp. 11-12) defines small arms and light weapons as follows:
   (a) Small arms:
      (i) Revolvers and self-loading pistols;
      (ii) Rifles and carbines;
      (iii) Sub-machine-guns;
      (iv) Assault rifles;
      (v) Light machine-guns;
   (b) Light weapons:
      (i) Heavy machine-guns;
      (ii) Hand-held under-barrel and mounted grenade launchers;
      (iii) Portable anti-aircraft guns;**
      (iv) Portable anti-tank guns, recoilless rifles;**
      (v) Portable launchers of anti-tank missile and rocket systems;**
      (vi) Portable launchers of anti-aircraft missile systems;
      (vii) Mortars of calibres of less than 100 mm;
   (c) Ammunition and explosives:
      (i) Cartridges (rounds) for small arms;
      (ii) Shells and missiles for light weapons;
      (iii) Mobile containers with missiles or shells for single-action
           anti-aircraft and anti-tank systems;
      (iv) Anti-personnel and anti-tank hand grenades;
      (v) Landmines;
      (vi) Explosives.
     ** These weapons are sometimes mounted.

2 Until the 2002 Annual Report, ECL Item No. 2001 was defined as “Small arms and automatic
   weapons, such as pistols, revolvers and rifles, including certain firearms for sporting and
   competition purposes and accessories.”
   In the 2002 report the item definition was changed to “Firearms and automatic weapons with a
   calibre of 12.7 mm (0.5 inches) [or less], including firearms for sporting and competition purposes
   and their components and accessories.” Item 2001 is distinguished from ECL Item No. 2002, which
   is defined as “Armaments with a calibre greater than 12.7 mm (0.5 inches) and their components.”
   In the most recent Export Control List (dated September 2003 but released in January 2006) Item
   2-1 (formerly Item 2001) is defined in more detail:
   “Smooth-bore weapons with a calibre of less than 20 mm, other arms and automatic weapons with
   a calibre of 12.7 mm (0.50 inches) or less and accessories, as follows, and specially designed
   components therefore: (All destinations)
      a. Rifles, carbines, revolvers, pistols, shotguns, machine pistols and machine guns;
      b. Smooth-bore weapons;
      c. Weapons using caseless ammunition;
      d. Firearms as defined by the Criminal Code; and
      e. Silencers, special gun-mountings, clips, weapons sights and flash suppressors for arms
         controlled by sub-item 2-1.a. to d.

Note:
2-1.a. does not control the following:
1. Firearms specially designed for dummy ammunition and which are incapable of firing, or being modified to fire, any controlled ammunition;
2. Antique firearms as defined by the Criminal Code;
3. Reproductions of flintlock, wheelock and matchlock muskets, rifles and carbines.”

It is worth noting that in the 2003 Export Control List Item 2-1 explicitly includes “firearms as defined by the Criminal Code” for the first time.

3 The Comtrade/StatsCan Customs Codes used by NISAT for compiling small arms and light weapons trade data are: 930100 “Military Weapons”; 930119 Artillery Weapons (Gunds, Howitzers, Mortars Etc)—Other Than Self-Propelled; 930120 “Rocket/Grenade Launchers, Flame Throwers, Torpedo Tubes and Similar Propellors”; 930190 “Other Military Weapons NES”; 930200 “Revolvers and Pistols (Excluding Shotguns and Rifles)”; 930320 “Shotguns—for Sports, Hunting or Target Shooting (including Combination Rifles)”; 930330 “Rifles—For Sports, Hunting or Target Shooting”; 930510 Parts and Accessories of Revolvers or Pistols”; 930521 “Parts and Accessories of Shotguns/Rifles—Barrels”; 930529 “Parts and Accessories of Shotguns/Rifles—Other NES”; 930590 “Turrets and Parts Thereof”; 930591 “Parts and Accessories of Military Weapons”; 930621 “Cartridges—For Shotguns”; 930630 “Other Cartridges and Parts NES”; 930690 “Other Ammunition NES (including Bombs, Grenades, Torpedoes, Mines, Etc.).”

4 NISAT acknowledges that its small arms “Public Access Database” contains data that is not strictly limited to small arms categories. The database contains a “Small Arms Only” category that indicates whether or not the data refers solely to small arms categories.

5 Under CIFTA, Canada will be required to issue permits for all firearms exports, including to the US. Canada has signed CIFTA and is expected to ratify the treaty by early 2007.


7 It is not apparent how or if AFFCL requirements would affect Colt Canada shipments to or via the US.

8 Para-Ordnance appears to be the largest pistol manufacturer in Canada, with reported annual exports of less than $1-million. Therefore, it is unclear how the StatsCan reported average of more than $10-million in revolver and pistol exports—largely to the US—occurred during the last decade (1995-2004). Imports into Canada of revolvers and pistols during the same period averaged $5-million per year, with almost half ($2.2-million per year) coming from the US. So, even if all pistol imports were immediately exported, the total export volume is still unaccounted for.

9 In 2001, for example, Canada approved military small arms exports to Argentina, despite evidence from human rights organizations that Argentine police were involved in serious human rights violations. These transfers were in contravention not only of Canada’s commitments under international human rights law, but also of Canada’s own export control criteria. The “close control” of military goods, and existing legislation and procedures do not necessarily prevent such transfers.
The term “safety or interests” of Canada is made more precise by reference to the activities listed in paragraphs 3(1)(a) to (n) of the Security of Information Act; all of which seriously harm Canada or Canadians (Dept of Justice Canada 2004).

The CICAD “Amendments to the Model Regulation for the Control of the International movement of Firearms, their Parts and Components and Ammunition, proposed by the Group of Experts—Broker Regulations” (OAS 2003) include under Article 5, “Prohibitions: (1) The National Authority shall prohibit brokering activities and refuse to grant licenses if it has reason to believe that the brokering activities will, or seriously threaten to:

(a) result in acts of genocide or crimes against humanity;
(b) violate human rights contrary to international law;
(c) lead to the perpetration of war crimes contrary to international law;
(d) violate a United Nations Security Council embargo or other multilateral sanctions to which the country adheres, or that it unilaterally applies;
(e) support terrorist acts;
(f) result in a diversion of firearms to illegal activities, in particular, those carried out by organized crime; or
(g) result in a breach of a bilateral or multilateral arms control or non-proliferation agreement.” The model prohibitions on broker activities are based on state obligations under international law, including many of the obligations cited in Principles 2 and 3 of the Arms Trade Treaty and some elements of Principle 4.

This point was also made in Shining a Light on Small Arms Exports: The Record of State Transparency (Haug 2002, 54-55). In addition to noting that Canada and the US do not report on cross-border arms transfers, the paper refers to “three other deficiencies in [Canada’s annual] report”: a lack of information on export licences [permits], on the number of weapons delivered, and on the types of weapons exported.
References


SNC TEC http://www.snctec.com/index.php?section_id=5&master_section=5&superMaster_section=1


**Acronyms and Abbreviations**

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Definition</th>
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</thead>
<tbody>
<tr>
<td>ACL</td>
<td>Area Control List</td>
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<tr>
<td>AFCCL</td>
<td>Automatic Firearms Country Control List</td>
</tr>
<tr>
<td>ATT</td>
<td>Arms Trade Treaty</td>
</tr>
<tr>
<td>CGRP</td>
<td>Controlled Goods Registration Program</td>
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<tr>
<td>CICAD</td>
<td>Inter-American Drug Abuse Control Commission</td>
</tr>
<tr>
<td>CIFTA</td>
<td>Inter-American Convention against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives and Other Related Materials</td>
</tr>
<tr>
<td>Comtrade</td>
<td>Commodity Trade Statistics Database</td>
</tr>
<tr>
<td>DFAIT</td>
<td>Department of Foreign Affairs and International Trade</td>
</tr>
<tr>
<td>DND</td>
<td>Department of National Defence</td>
</tr>
<tr>
<td>ECL</td>
<td>Export Control List</td>
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<tr>
<td>EIPA</td>
<td>Export and Import Permits Act</td>
</tr>
<tr>
<td>ITC</td>
<td>International Trade Canada</td>
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<tr>
<td>MANPADS</td>
<td>man-portable air defence systems</td>
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<tr>
<td>NISAT</td>
<td>Norwegian Initiative on Small Arms Transfers</td>
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<tr>
<td>OAS</td>
<td>Organization of American States</td>
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<tr>
<td>OSCE</td>
<td>Organization for Security and Co-operation in Europe</td>
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<tr>
<td>PoA</td>
<td>UN Programme of Action on small arms</td>
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<tr>
<td>PWGSC</td>
<td>Public Works and Government Services Canada</td>
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<tr>
<td>SALW</td>
<td>small arms and light weapons</td>
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<tr>
<td>SNC TEC</td>
<td>SNC Industrial Technologies Inc</td>
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<tr>
<td>StatsCan</td>
<td>Statistics Canada</td>
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</table>
Appendix A:
The Automatic Firearms Country Control List and Canada’s Firearms Exports

For more than a quarter of a century, the Canadian government has required strict regulation of automatic weapons—those weapons that repeatedly fire by a single trigger action. In 1977 the Criminal Code of Canada prohibited the possession of automatic firearms by any group or individual other than members of Canadian military and police forces. As prohibited weapons, automatic weapons remain illegal for private use today. In 1991, however, the government passed Bill C-6 to amend the Criminal Code and the Export and Import Permits Act, both to permit Canadian industry to import and possess automatic weapons and to authorize the External Affairs Minister to approve exports and imports of automatic firearms.

Bill C-6 stemmed directly from the lobbying efforts of Canadian companies that wanted to export automatic weapons. Speaking to the Canadian Senate Committee on Foreign Affairs before final approval of the Bill, then International Trade Minister Michael Wilson referred to the “anomalous situation” of the Criminal Code and how it was “of particular concern to two Canadian companies, Diemaco of Kitchener and General Motors (Diesel Division) of London, Ontario.” He went on to explain: “Diemaco is attempting to win a contract to sell its automatic firearms and other small arms to the Netherlands. General Motors has a contract to sell light armoured vehicles armed with automatic weapons to Saudi Arabia. Neither can proceed unless the anomalous situation...is corrected” (Senate of Canada 1991, 2:8).

The opening clauses of Bill C-6 mandated the federal Cabinet (Governor in Council) to establish an “Automatic Firearms Country Control List.” This became a list of states “with which Canada has an intergovernmental defence, research, development and production arrangement and to which the Governor in Council deemed it appropriate to permit the export of a prohibited weapon.” The first AFCCL list contained the names of 13 countries: 10 NATO-member states, Australia, Sweden, and Saudi Arabia—the last the recipient of more than 1,500 Canadian-built light armoured vehicles since 1991.

States have been added to the AFCCL list as contracts or perceived markets for Canadian-exported automatic weapons emerged. In 2001, Botswana was added so that CF-5 fighter aircraft surplus to the Department of National Defence and equipped with 20 mm aircraft cannons could be legally exported to that southern African country. (The Order amending the AFCCL spoke of Botswana as “a well-governed and relatively wealthy Commonwealth member with a good human rights record, and good relations with its neighbours” [Canada Gazette 2001, 2865].) Greece and New Zealand were added to the AFCCL in 2002 so that, respectively, CF-5 fighters and light armoured vehicles equipped with automatic weapons might be shipped to the two countries. Most recently, in 2005 Finland, Latvia, Poland, and Portugal were also added to the list because of emerging markets in these countries, bringing the total current AFCCL membership to 20 states (see Table A).
Table A: Automatic Firearms Country Control List countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Year added to AFCCL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>1991</td>
</tr>
<tr>
<td>Belgium</td>
<td>1991</td>
</tr>
<tr>
<td>Botswana</td>
<td>2001</td>
</tr>
<tr>
<td>Denmark</td>
<td>1991</td>
</tr>
<tr>
<td>Finland</td>
<td>2005</td>
</tr>
<tr>
<td>France</td>
<td>1991</td>
</tr>
<tr>
<td>Germany</td>
<td>1991</td>
</tr>
<tr>
<td>Greece</td>
<td>2002</td>
</tr>
<tr>
<td>Italy</td>
<td>1991</td>
</tr>
<tr>
<td>Latvia</td>
<td>2005</td>
</tr>
<tr>
<td>Netherlands</td>
<td>1991</td>
</tr>
<tr>
<td>New Zealand</td>
<td>2002</td>
</tr>
<tr>
<td>Norway</td>
<td>1991</td>
</tr>
<tr>
<td>Poland</td>
<td>2005</td>
</tr>
<tr>
<td>Portugal</td>
<td>2005</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>1991</td>
</tr>
<tr>
<td>Spain</td>
<td>1991</td>
</tr>
<tr>
<td>Sweden</td>
<td>1991</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>1991</td>
</tr>
<tr>
<td>United States</td>
<td>1991</td>
</tr>
</tbody>
</table>

Inclusion of a state on the list does not guarantee approval of exports of automatic weapons to that state, since all military export applications must be reviewed on a “case-by-case basis,” but it does mean that if a state is not on the list it is denied any shipment of automatic weapons from Canada. The establishment of the list is thus an innovative and unique regulatory instrument. The AFCCL in effect turns the typical export control process on its head. Instead of the usual presumption that a state may receive Canadian military goods unless there are concerns that preclude such a transfer, the AFCCL establishes a presumption against exports of automatic weapons, with specific government action needed to include a state on the list. There is also a refreshing transparency regarding those countries not eligible to receive automatic weapons exports.

As noted above, a potential automatic firearms recipient state may be added to the list following a formal defence agreement between the governments of Canada and the state. List membership is not conditional on other obligations such as those—like human rights conditions—that might arise from state responsibilities under international law. Thus Saudi Arabia—a state whose government is persistently criticized by international monitors for serious human rights violations—has remained on the AFCCL since its founding in 1991.

The vast majority of Canada’s reported military small arms exports are shipped to AFCCL member states (see Figure A). In the decade from 1993 to 2002, reported small arms shipments to all recipients totaled $143.6-million, $135.7-million of which was the value of shipments to AFCCL countries. The annual value of Canadian small arms exports to all non-AFCCL states never exceeded $2.3-million and in most years it was well under 10 per cent of total exports. Indeed, it is apparent from the graph that the variation in volume of Canadian small arms exports is due to shipments to AFCCL countries. The recent history of Canadian military small arms exports is largely the history of shipments to AFCCL countries.
It should be noted that the reported trade of Figure A does not include exports to the US. Unique military trade arrangements between the US and Canada preclude the tracking of Canadian military exports to the US and consequently the compilation of data. Sources outside International Trade Canada, however, show that the US is by far the largest recipient of Canadian firearms exports. Thus, the addition of US data to Figure A would emphasize the concentration of Canadian small arms exports to AFCCL states.

**Figure A**

**Canadian Small Arms Exports 1993-2002 (not including US)**

While not all reported AFCCL shipments are of automatic weapons, public sources indicate that most shipments are from Diemaco Inc, now operating as Colt Canada, a subsidiary of the US-based Colt Defense Inc. Diemaco/Colt Canada manufactures C-7 and C-8 automatic weapons for the Canadian Forces and has won export orders from the NATO countries of Denmark, Netherlands, Norway, and the UK. Table B lists the contracts reported by Diemaco during the 10-year period of the most recent government reports. The export contracts to the four NATO countries (and members of the AFCCL) total over $130-million.
Table B:
Automatic firearms export contracts reported by Diemaco Inc, Kitchener, Ontario

<table>
<thead>
<tr>
<th>Date</th>
<th>Description of contract (and comments)</th>
<th>Amount in Cdn$</th>
<th>Recipient Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>Buffered gun mounts for light armoured personnel carriers</td>
<td>$5,000,000</td>
<td>NATO</td>
</tr>
<tr>
<td>1994</td>
<td>Over 52,000 C-7 assault rifles Three-year contract Deliveries to begin in 1995</td>
<td>$50,000,000</td>
<td>Netherlands</td>
</tr>
<tr>
<td>1995</td>
<td>Rifles for Danish troops on UN peacekeeping missions</td>
<td>$5,000,000</td>
<td>Denmark</td>
</tr>
<tr>
<td>1996</td>
<td>Follow-on order for 5,000 C7A1 5.56 mm rifles for Danish International Brigade Brigade assigned to NATO's Rapid Reaction Corps Deliveries by December 1996.</td>
<td>$8,000,000</td>
<td>Denmark</td>
</tr>
<tr>
<td>1999</td>
<td>Special Forces Weapons &amp; M-203-A1 Grenade Launchers for Army Special Forces Estimated contract date</td>
<td>N/A</td>
<td>Norway</td>
</tr>
<tr>
<td>1999</td>
<td>Rifles &amp; related equipment Two contracts via Canadian Commercial Corporation</td>
<td>$20,000,000</td>
<td>Denmark</td>
</tr>
<tr>
<td>2000</td>
<td>Rifles for special forces</td>
<td>$5,000,000</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>2000</td>
<td>C7 rifles &amp; carbines for Danish Army &amp; Home Guard Five-year contract in addition to two December 1999 contracts via Canadian Commercial Corporation</td>
<td>$38,000,000</td>
<td>Denmark</td>
</tr>
<tr>
<td>2001</td>
<td>Components Recipient not reported 73 per cent to be delivered in FY 2001-02 and 27 per cent the year after</td>
<td>$6,000,000</td>
<td>Not reported</td>
</tr>
<tr>
<td>2001</td>
<td>Delivery of first 200 M203A1 40 mm grenade launchers for 5.56 mm Steyr AUG assault rifles Total order: 640 launchers For Irish Army</td>
<td>N/A</td>
<td>Ireland</td>
</tr>
<tr>
<td>2002</td>
<td>Small arms for Danish Navy</td>
<td>$3,000,000</td>
<td>Denmark</td>
</tr>
<tr>
<td>2002</td>
<td>Small arms for Norwegian Armed Forces</td>
<td>$3,000,000</td>
<td>Norway</td>
</tr>
</tbody>
</table>

Source: Canadian Military Industry Database, Project Ploughshares
Most of the volume of small arms exports is determined by AFCCL states. However, in the period 1993–2002, the number of non-AFCCL recipient states exceeded the number of AFCCL recipient states in every year except 1993 (see Figure B). Moreover, while the annual number of AFCCL recipients has remained reasonably steady at about 10, the number of non-AFCCL recipients has varied from a low of five to a peak of 49.3 The subsequent fall in the number of non-AFCCL recipients corresponds to instructions in June 1996 from then Foreign Affairs Minister Lloyd Axworthy to his export control officials “to apply even stricter controls where firearms are concerned.”

**Figure B**

*Number of states importing Canadian small arms 1991-2002*

The Canadian small arms export record of the last reported decade suggests that the Automatic Firearms Country Control List could become an effective export regulation tool for other supplier states. However, before it is recommended to others, the AFCCL would benefit from amendments that would reduce the risk of the irresponsible use of exported firearms.

Although born of political and economic expediency, for 15 years the Automatic Firearms Country Control List has confined Canadian exports of automatic weapons to 20 or fewer known, mostly allied states. If other exporting states were to adopt a similar regulatory instrument, many future irresponsible transfers of automatic weapons could be prevented, and many innocent lives spared.
Notes

1. During parliamentary debate of Bill C-6, opposition members attempted to add amendments to the bill to require more of a potential AFCCL country than a defence agreement with Canada. The amendments, which contained criteria addressing regional security, human rights, and excessive armaments, were voted down by the government.

2. The small arms export totals were compiled from figures reported for Item 2001 of the Export Control List (ECL) in the Export of Military Goods from Canada: Annual Report for the years 1993 to 2002 (see the Export and Import Control Bureau webpage at http://www.dfait-maeci.gc.ca/eicb/military/milit_tech-en.asp). It is worth noting that Item 2001 does not include all small arms and light weapons categories defined by the accepted United Nations definition. Some small arms are included in ECL categories in which no distinction is made with larger weapons.

3. It is not apparent why the number of non-AFCCL states that received Canadian firearms rose so dramatically in 1996. The recipient states that year included Andorra, Argentina, Bangladesh, Barbados, Bulgaria, Burkina Faso, Chile, Central African Republic, Costa Rica, Cyprus, Gabon, Guadeloupe, Guyana, and India. In most cases, the value of these exports was less than $10,000 and in some cases only a few hundred dollars.

4. Axworthy instructed the Department to “apply even stricter controls where firearms are concerned, including examining the gun control-laws and practices in recipient countries to satisfy ourselves that Canadian firearms would not slip into the illegal arms trade, or fuel local lawlessness or violence” (DFAIT 1996, 4).

References


Appendix B: Global principles for arms transfers

The following are the core Principles of the international “Arms Trade Treaty” proposed by a network of civil society organizations and Nobel Peace Laureates with the support and interest of a growing number of states. The Principles bring together States’ existing obligations under international law and standards with respect to the international transfer of arms. The Principles reflect commitments resulting from many international instruments including universal treaties, regional treaties, UN declarations, and model regulations for national legislation. The compilation indicates to states the best current rules to adopt in order to establish effective control of international arms transfers according to the rule of law.

Principle 1: Responsibilities of states
All international transfers of arms shall be authorised by a recognized state and carried out in accordance with national laws and procedures that reflect, as a minimum, states’ obligations under international law. Authorization of each transfer shall be granted by designated state officials in writing only if the transfer in question first conforms to the Principles set out below in this instrument and shall not be granted if it is likely that the arms will be diverted from their intended legal recipient or re-exported contrary to the aims of these Principles.

Principle 2: Express limitations
States shall not authorize international transfers of arms that violate their expressed obligations regarding arms under international law. These obligations include:
A  Obligations under the Charter of the United Nations—including:
   ▪ binding resolutions of the Security Council, such as those imposing arms embargoes;
   ▪ the prohibition on the use or threat of force;
   ▪ the prohibition on intervention in the internal affairs of another state.
B  Any other treaty or decision by which that state is bound, including:
   ▪ binding decisions, including embargoes, adopted by relevant international, multilateral, regional, and sub-regional bodies to which a state is party;
   ▪ prohibitions on arms transfers that arise in particular treaties which a state is party to, such as the 1980 UN Convention Prohibitions or Restrictions on the Use of Certain Conventional Weapons which may be deemed to be Excessively Injurious or to have Indiscriminate Effects, and its three protocols, and the 1997 Anti-personnel Mines Convention.
C  Universally accepted principles of international humanitarian law—including:
   ▪ the Prohibition on the use of arms that are of a nature to cause superfluous injury or unnecessary suffering;
the Prohibition on weapons that are incapable of distinguishing between combatants and civilians.

Principle 2 encapsulates existing express limitations under international law on states’ freedom to transfer and to authorize transfers of arms. It focuses on circumstances in which a state is already bound not to transfer arms, as set out in expressed limitations in international law. The language is clear: “states shall not…” When new binding international instruments are agreed, new criteria should be added to the above principles, for example, if there is a new binding instrument on marking and tracing or illicit brokering.

Principle 3: Limitations based on use or likely use
States shall not authorize international transfers of arms where they will be used or are likely to be used for violations of international law, including:
A. breaches of the UN Charter and customary law rules relating to the use of force;
B. gross violations of human rights law;
C. serious violations of international humanitarian law, genocide, and crimes against humanity.

In Principle 3, the limitations are based on the use or likely use of the weapons to be transferred. All states should abide by the principles of state responsibility, as set out in international law, which include supplier-state responsibility and accountability for the use of arms transferred between states.

Principle 4: Factors to be taken into account
States shall take into account other factors, including the likely use of the arms, before authorizing an arms transfer, including the recipient’s record of compliance with commitments and transparency in the field of non-proliferation, arms control, and disarmament.

States should not authorize the transfer if it is likely to:
A. be used for or to facilitate the commission of violent or organized crime;
B. adversely affect regional security or stability;
C. adversely affect sustainable development;
D. involve corrupt practices;
E. contravene other international, regional, or sub-regional commitments or decisions made, or agreements on non-proliferation, arms control, and disarmament to which the exporting, importing, or transit states are party.

Principle 4 does not contain clearly stated prohibitions on the authorization of arms transfers. Instead, it identifies possible consequences that states are required to take into account before authorizing an arms transfer, imposes a positive duty on states to address these issues, and establishes a presumption against authorization where these consequences are deemed very likely.
**Principle 5: Transparency**
States shall submit comprehensive national annual reports on international arms transfers to an international registry, which shall publish a compiled, comprehensive, international annual report. Such reports should cover the international transfer of all conventional arms including small arms and light weapons.

Principle 5 is a minimum requirement to increase transparency so as to help ensure compliance with Principles 1-4 above. States should report each international arms transfer from or through their territory or subject to their authorization. Reporting should be standardized and tied to the implementation of the normative standards set out in the Treaty. These reports should be sent to an independent and impartial Registry of International Arms Transfers, which should issue a comprehensive annual report.

**Principle 6: Specific controls**
States shall establish common standards for specific mechanisms to control:
- all import and export of arms;
- arms brokering activities;
- transfers of licensed arms production; and
- the transit and trans-shipment of arms.

States shall establish operative provisions monitoring mechanisms, enforcement, and review procedures to support the full implementation of the principles.

Principle 6 will help ensure that particular action is taken by states to close loopholes in national laws and regulations according to common standards, and ensure that the principles are implemented consistently.
Project Ploughshares was established in 1976 as an agency of the Canadian Council of Churches to implement the churches’ imperative to seek and pursue peace. Our mandate is to work with churches and related organizations, as well as governments and non-governmental organizations, in Canada and internationally, to identify, develop, and advance approaches that build peace and prevent war, and promote the peaceful resolution of political conflict. Project Ploughshares is affiliated with the Institute of Peace and Conflict Studies, Conrad Grebel University College, University of Waterloo.

…. and they shall beat their swords into ploughshares and spears into pruning hooks; nation shall not lift up sword against nation; neither shall they learn war any more. (Isaiah 2:4)