



2017

EXPORTS of Military Goods

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1. Introduction

The following report provides information on the export of military goods and technologies for calendar year 2017.

This year's report incorporates all improvements made in the 2016 Report, designed to enhance the transparency of Canada's military export controls, along with further refinements to update and clarify some text and data presentation. For instance, some charts and tables which last year reported the same information in multiple places (such as Tables 1 and 2) have been consolidated to avoid duplication.

Furthermore, as outlined in last year's report, the 2017 Report now includes the number and value of all exported items to the United States that require an export permit (for example, prohibited firearms, related parts, ammunition and certain explosives) in Table 11.

Global Affairs Canada welcomes suggestions on how to improve future editions of this report. Please contact the Export Controls Division at Global Affairs Canada at: tie.reception@international.gc.ca.

2. Report Summary

The 2017 Report on the Export of Military Goods from Canada is tabled in the Parliament of Canada to increase the transparency of Canadian arms exports. This voluntary report has been produced since 1990. The last edition covered 2016 and was tabled in Parliament on June 20, 2017.

This report covers exports of goods and technology designed for military purposes, and does not include data on dual use or strategic items.

Data for this report is assembled following the end of the calendar year, and verified against information received from Canadian industry.

Data covering Canadian exports of military goods is also captured in two other key reports: the Annual Report on the Administration of the *Export and Import Permits Act* which is tabled in Parliament (a legal requirement of the *Act*); and Canada's submission to the United Nations Register of Conventional Arms (UNROCA).

Global Affairs Canada does not collect data on most military exports to the United States. Canada and the U.S. have had a Defence Production Sharing Agreement in place since the 1950s, which has helped create an integrated North American technological and industrial base and supported Canada-U.S. trade. As a result, most military items shipped between Canada and the U.S. do not require permits and are therefore not included in the data presented in this report. However, permits are required for a small sub-set of goods, such as prohibited firearms. For those items that do require a permit, data on the number and value of permits utilized is now included.

Summary of Key Data

- For the 2017 calendar year, Canada's total exports permitted under the *Export and Import Permits Act* of military goods and technology amounted to approximately \$1.031 billion.
- The major share (\$962.1million or 93.3%) went to member countries of the North Atlantic Treaty Organization (NATO) or other countries included on Canada's Automatic Firearms Country Control List (AFCCL). See **Annex B** for the list of AFCCL countries.
- Saudi Arabia was the largest non-U.S. export destination in 2017, receiving approximately \$497.5 million in Canadian military exports (accounting for 48.25% of the total value of non-U.S. military exports).
- The United Kingdom was the second largest non-U.S. destination of Canadian military exports, receiving approximately \$89.47 million in military exports (accounting for 8.68% of all non-U.S. military exports from Canada).
- Seven NATO countries were in the top ten destinations for the same period: United Kingdom, Germany, Turkey, France, Netherlands, Norway and Luxembourg.

Table 1: 2017 – Total Value of Exports for Military Goods and Technology to Destinations by Defence Relationship

Defence Relationship	Value	Percentage
NATO Destinations	\$339,119,356.06	32.88%
Non-NATO AFCCL	\$622,995,346.12	60.42%
Other	\$69,062,329.54	6.70%
Total Non-U.S. Exports of Military Goods and Technology	\$1,031,177,031.72	100.00%

Chart 1: 2017 - Exports of Military Goods and Technology Categorized by Defence Relationship

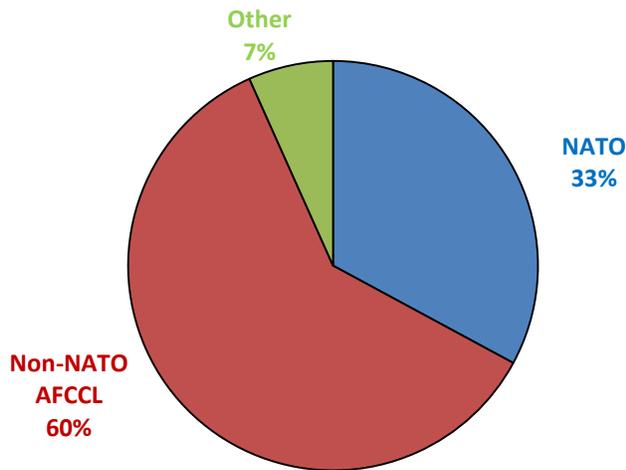


Table 2: 2017 – Export Permits Utilized and Actual Value of Exports by Region¹

Region	Number of Permits	Value of Exports
Americas	44	\$7,472,693.56
Asia-Pacific	375	\$143,914,728.91
Europe	1282	\$354,617,819.98
Middle East and Africa	436	\$525,171,789.27
Total	2137	\$1,031,177,031.72

¹ Utilized Export Permits may include permits that were issued in previous years, but which were exported against in 2017. The total number of permits “issued” in 2017 may be found in Table 5.

Chart 2: 2017 - Export Value of Military Goods and Technology - Percentage by Region

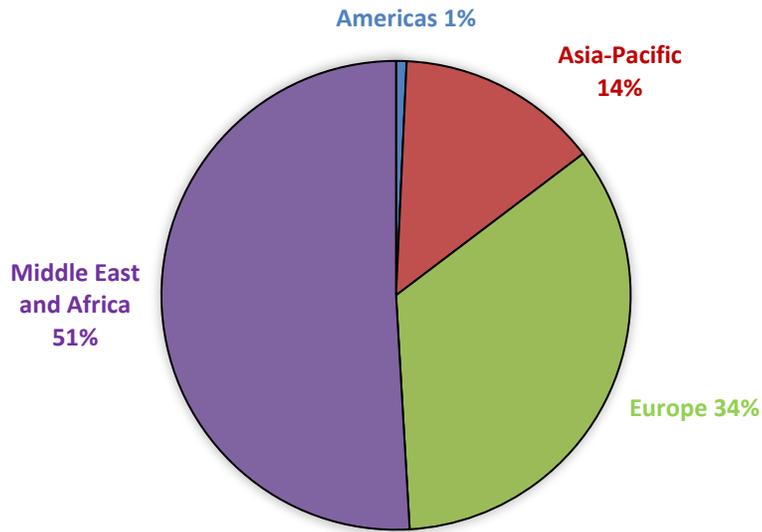


Table 3: 2017 – Canada’s Top Ten Destinations for Military Goods and Technology (outside of the U.S.)

Destination	Total Value	Percentage
Saudi Arabia	\$497,494,143.06	48.25%
United Kingdom	\$89,466,775.67	8.68%
Australia	\$86,473,822.95	8.39%
Germany	\$65,924,517.97	6.39%
Turkey	\$48,269,530.60	4.68%
France	\$26,007,852.73	2.52%
Netherlands	\$25,548,952.80	2.48%
Norway	\$19,395,728.67	1.88%
Luxembourg	\$17,202,702.99	1.67%
Japan	\$17,001,286.47	1.65%

3. Canada's Policy on Military Exports

Export Controls

Canada's export controls are among the most rigorous in the world and are in line with those of our principal allies and partners in the major export controls regimes. A key priority of Canada's foreign policy is the maintenance of peace and security. To this end, the Government of Canada strives to ensure that, among other policy goals, Canadian exports are not prejudicial to peace, security or stability in any region of the world or within any country.

This policy is implemented primarily through Canada's system of export controls, as authorized by the *Export and Import Permits Act* (EIPA). This law requires those who wish to export from Canada any items included on the Export Control List (ECL) to obtain, prior to shipment, an export permit issued by Global Affairs Canada.² The ECL includes military, dual-use, and strategic goods and technology, all U.S.-origin goods and technology, and a limited number of items that are controlled for economic reasons or further to Canada's international trade agreements.

Military Goods and Technology

The military goods and technology described in this report are those included in Group 2 (Munitions List) of the ECL. Items listed in Group 2 are "specially designed or modified for military use."

The Group 2 (Munitions List) goods and technologies include such items as ground vehicles, firearms, ammunition and imaging equipment made specifically for military use. The full list of these items is included in Table 8. Other controlled items appearing elsewhere on the ECL (such as dual-use and strategic items) are not featured in this report as they are not specially designed for military use.

Canada prohibits the export of arms and related materiel to countries that are under United Nations Security Council arms embargos via the *United Nations Act*, and also has autonomous sanctions in place against specific countries under the *Special Economic Measures Act*,³ which prohibit the export of specific goods and technology to those countries and/or to listed individuals and entities within those countries.

Canada also prohibits the sale of automatic firearms to countries that are not on Canada's Automatic Firearms Country Control List (AFCCCL) as established under the authority of the EIPA. Furthermore, the EIPA also provides for an Area Control List (ACL), which is a list of countries to which the Governor-in-Council deems it necessary to control the export or transfer of any goods or technology. More information on the ACL and AFCCCL can be found in Section 4 ("Developments in 2017") and Annexes A and B.

Under export control policy guidelines approved in 1986 by Cabinet, Canada 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 United Nations Security Council sanctions; or

² More information about Canada's export controls, including the publication "A Guide to Canada's Export Controls", which contains the Export Control List, can be found at www.exportcontrols.gc.ca.

³ More information about economic sanctions imposed by Canada, including arms embargoes against a number of countries, can be found at www.international.gc.ca/sanctions/countries-pays/index.aspx?lang=eng.

- 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.

Additional policy goals of Canada’s overall export controls regime include:

- ensuring that exports do not contribute to the development of nuclear, biological or chemical weapons of mass destruction, or of their delivery systems; and
- ensuring that exports are consistent with Canada’s existing economic sanction provisions.

All applications to export goods or technology are carefully reviewed against the criteria listed above, and if any risks are identified, sent for wide-ranging consultations among geographic, human rights, international security and defence-industry experts at Global Affairs Canada (including at Canada’s overseas diplomatic missions), the Department of National Defence and, as necessary, other government departments and agencies. Through such consultations, export permit applications are assessed for their consistency with Canada’s foreign and defence policies. Regional peace and stability, including civil conflict and human rights, as well as the possibility of unauthorized transfer or diversion of the exported goods and technology, are actively considered.

A key consideration in the review of each application is the end-use and end-user of the exported article. Careful attention is paid to end-use documentation in an effort to ensure that the export is intended for a legitimate end-user and will not be diverted to ends that could threaten the security of Canada, its allies, other countries or civilians.

Military goods and technology listed in Group 2 (Munitions List) of the ECL generally are exported for one of the following purposes:

- sales to military and, in some cases, police forces or other government agencies;
- sales of parts and components for the production of new goods;
- following repairs of military equipment in Canada for foreign customers, and shipments of spare parts; and
- sales to private individuals (non-restricted or restricted firearms).⁴

Canada’s export controls are based on our participation in the major export control multilateral regimes (explained further in Annexes D and E). Canada’s export controls are not meant to hinder international trade unnecessarily, but to regulate and impose certain restrictions on exports in response to clear policy objectives. As outlined above, these objectives include ensuring that Canadian exports are consistent with Canada’s foreign and defence policies, including respect for human rights and international peace and security. Canada’s defence industry provides the Canadian Armed Forces, as well as the armed forces of our allies and partners, with the equipment, munitions and spare parts necessary to meet operational needs. It also makes a valuable contribution to the nation’s prosperity and employs tens of thousands of Canadians, develops high-technology products and is closely integrated with counterparts in allied countries.

⁴ Subsection 84(1) of the *Criminal Code* provides definitions of “non-restricted firearm” and “restricted firearm”.

Notes on the Export of Firearms

Most firearms exports from Canada are intended for sporting or other recreational use and are not for military purposes. Permit applications are assessed for the risk that items may be diverted into the illegal arms trade or used to fuel local violence. Canadian diplomatic missions and other sources may provide information about destination countries' firearms control laws, procedures and enforcement practices, and are often called upon to validate import permits and licenses, end-user assurances, and consignee information.

Certain prohibited firearms, weapons, devices, or components thereof that are included on the Export Control List may be exported only to countries listed on the Automatic Firearms Country Control List and then only to consignees that are government entities or are authorized by government entities.⁵ The full list of countries on the AFCCL may be found in Annex B.

International Cooperation on Military Trade

Multilateral action is an important means of promoting international peace and security. Canada supports and participates in a range of arms control and non-proliferation activities, working closely with like-minded countries.⁶

Information on the following can be found in:

Annex D

- United Nations Register of Conventional Arms

Annex E

- Wassenaar Arrangement
- Nuclear Suppliers Group
- Missile Technology Control Regime
- Australia Group
- Organization for the Prohibition of Chemical Weapons
- Arms Trade Treaty

⁵ Subsection 84(1) of the *Criminal Code* provides definitions of "prohibited firearm", "prohibited weapon" and "prohibited device".

⁶ More information about Canada's non-proliferation and disarmament policies can be found at http://international.gc.ca/world-monde/issues_development-enjeux_developpement/peace_security-paix_scurite/nonproliferation.aspx?lang=eng

4. Developments in 2017

Bill C-47: An Act to amend the Export and Import Permits Act and the Criminal Code

On April 13, 2017, the Honourable Chrystia Freeland, Minister of Foreign Affairs, introduced legislation to allow Canada to accede to the Arms Trade Treaty (ATT). The ATT ensures that countries effectively regulate the international trade of arms so they are not used to support terrorism, international organized crime, gender-based violence, human rights abuses, or violations of international humanitarian law. Canada's existing system of export controls meets or exceeds the majority of ATT provisions, but to both enhance transparency and fully comply with the Treaty, legislative amendments have been proposed to the *Export and Import Permits Act* (EIPA) and one section of the *Criminal Code of Canada*. To implement necessary changes and further strengthen Canada's export controls, Budget 2017 announced an investment of \$13 million for Global Affairs Canada. The latest information on Bill C-47's progress through Parliament, including substantive amendments made at the Committee stage, can be found online at: www.parl.ca/LegisInfo/BillDetails.aspx?Language=en&Mode=1&billId=8886296

Export Control Policy

Updates to the Automatic Firearms Country Control List (AFCCL)

Ukraine: On November 23, 2017, Ukraine was formally added to the Automatic Firearms Country Control List (AFCCL), allowing exporters to apply for permits for the export of prohibited firearms, weapons, and devices from Canada to government and approved end-users in that country. Export permit applications for AFCCL items to Ukraine will still be reviewed on a case-by-case basis. The addition of Ukraine to the AFCCL builds on the bilateral relationship between Canada and Ukraine, strengthened by initiatives such as the entry into force of the Canada–Ukraine Free Trade Agreement (CUFTA) on August 1, 2017, and a Defence Co-operation Arrangement (DCA) on April 3, 2017.

Public Consultations: From October 12 to November 13, 2017, the Government of Canada invited industry stakeholders and the general public to provide their views regarding a possible regulatory amendment that could result in the addition of Japan and Mexico to the AFCCL.

Updates to the Export Control List (ECL)

On June 20, 2017, the Government of Canada finalized the regulatory process to update and amend the *Export Control List*. This amendment serves to add, clarify and remove controls over specific items as agreed upon up to December 2015 in the various multilateral export control regimes in which Canada participates.

- On August 11, 2017, the December 2015 version of the “*A Guide to Canada’s Export Controls List*” (*Guide*) formally came into effect and is available on the Export Controls Division website: http://www.international.gc.ca/controls-controles/about-a_propos/expor/guide-2015_toc-tdm.aspx?lang=eng

The next version of the Guide is expected in the fall of 2018, which will incorporate changes from the regimes to the end of December 2016. Regime list changes normally take 15 to 18 months to incorporate into Canada's ECL as a result of translation into both official languages and the regulatory

process. Global Affairs Canada is examining options to update the ECL in a timelier fashion moving forward.

Update to the Area Control List (ACL)

Belarus: On June 20, 2017 the Government of Canada finalized the regulatory process to amend the Area Control List (ACL) of the *Export and Import Permits Act* (EIPA) to remove Belarus from the list of countries to which the Governor in Council deems it necessary to control the export or transfer of any goods and technologies. Exporters of uncontrolled goods and technology (i.e. items that are not listed on Canada's Export Control List) no longer require an export permit issued under the authority of the EIPA in order to lawfully export to those items Belarus. For those goods and technologies that are listed on the ECL, applications for export permits will be reviewed on a case-by-case basis.

- For more information, see Notice to Exporters No.212 at <http://www.international.gc.ca/controls-controles/systems-systemes/excol-ceed/notices-avis/212.aspx?lang=eng>

Export and Import Permits Act Offences

There was one conviction for an EIPA offence in Canadian courts in 2017. On June 12, 2017, in the Ontario Court of Justice in Kitchener, a man pleaded guilty to two offences: (1) exporting goods included in on the ECL without an export permit contrary to sections 13 and 19 of the EIPA; and (2) failing to report exported goods having a value exceeding \$2,000, contrary to sections 95 and 160 of the Customs Act. Justice Parry imposed a fine totaling \$50,000 (\$25,000 on each offence), plus the mandatory victim fine surcharge of \$15,000.

Export and Import Permits Act Judicial Reviews

There were two ongoing judicial reviews in relation to Group 2 (Munitions List) export permits during the 2017 calendar year:

Daniel Turp c. Le Ministre des Affaires Étrangères (T-462-16 and A-59-17):

In a Judgment rendered on January 24, 2017, Madam Justice Tremblay-Lamer of the Federal Court confirmed the legality of the decision of the Minister of Foreign Affairs to issue export permits for Light Armoured Vehicles to Saudi Arabia. An appeal to the Federal Court of Appeal was heard on December 6, 2017, with the decision expected to be issued in 2018.

Daniel Turp c. La Ministre des Affaires Étrangères (T-1437-17):

On September 27, 2017, Daniel Turp filed a second application for judicial review with respect to the permits to export Light Armoured Vehicles (LAVs) to Saudi Arabia, asking the court to order the Minister to cancel the permits, or to declare her refusal to cancel them unreasonable under s.10 of the *Export and Import Permits Act*. The case is proceeding on its merits and is likely to be heard in 2019.

Permit Denials

In 2017, four applications for permits to export military, dual-use, and strategic goods or technology were denied.

- Two permits were denied for reasons of Canada’s foreign and defence policy,
- One permit was denied pursuant to the provisions of Section 7(2) of the EIPA pertaining to the AFCCL; and,
- One permit was denied pursuant to Notice to Exporters SER-196 pertaining to Iran.

Each year a number of permit applications are withdrawn at the request of the exporter if the company becomes aware, or is otherwise informed, of commercial, political or other types of risk that may affect their application and decides not to pursue the commercial opportunity. For the number of export permit applications withdrawn in 2017 please see Table 5.

Table 4: 2017 - Export Permit Denials of Military, Dual-Use and Strategic Goods and Technology ⁷

ECL Number	Destination	Reason for Denial
6-6	Iran	Notice to Exporters SER-196
2-1	China	Destination country is not an AFCCL country
1-9	China	Foreign and defence policy
1-9	China	Foreign and defence policy

⁷ See Canada’s “Guide to the Export Control List” (see www.exportcontrols.gc.ca) for examples of ECL items listed under the ECL numbers outlined in Table 4.

5. Military Export Statistics

The statistics contained in this report are obtained from permit utilization reporting, which must be provided to Global Affairs Canada consistent with the conditions listed on export permits for military goods and technology. The data displayed below include the country of destination, a description of the goods exported, their quantity, and their value in Canadian dollars.

Further details related to export transactions (for example, names of exporting companies, financial values of individual contracts and transactions, and details of the specific technologies being exported) are protected due to the commercially confidential nature of such information.

Export controls apply to all foreign destinations. However, due to Canada's close and long-standing military cooperation with the United States, including the 1956 Defence Production Sharing Agreement which underpins the integrated nature of North America's defence industry, Canada and the United States have reciprocal arrangements to ensure permit-free/license-free movement of most military items between our two countries. For Canada, this has meant permit exemptions for most Group 2 (Munitions List) exports destined to the United States. Consequently, Global Affairs Canada does not collect data on most exports of military goods and technology to the United States, except for the small sub-set of goods, such as prohibited firearms, related parts and ammunition, and select items controlled under ECL number 2-4, for which permits are required (see Table 11).

Data on Canadian military exports may be available from other sources such as Statistics Canada. These figures are derived from data collected by the Canada Border Services Agency based on the Harmonized Commodity Description Coding System (HS), and may include non-military goods such as: commercial computers; civil-certified aircraft; guns and ammunition designed exclusively for industrial uses, such as the lighting of gas flares at oil wells; or other civilian equipment. Since there is no direct correlation between the commodity codes used by Statistics Canada and the ECL numbers, and because each source uses different methods of data collection, a meaningful comparison of the information from these sources is extremely difficult.

An internationally accepted standard for statistics on worldwide military trade is UNROCA (see Annex D). However, the Register limits itself to the number of exported units of complete weapon systems and does not include parts, components or the wide assortment of non-lethal support systems (such as radar equipment, simulators and software designed for military use) that make up a significant component of Canada's military exports.

Global Affairs Canada also produces an Annual Report to Parliament on the "Administration of the *Export and Import Permits Act*," which is a statutory requirement in the EIPA. This report provides an overview of permit data and service standards, which includes Group 2 (Munitions List) permits. Following tabling in Parliament, this report is also available at <http://www.international.gc.ca/controls-controles/report-rapports/index.aspx?lang=eng>.

Data Interpretation Notes

The following data interpretation notes apply:

- i) Procurement contracts awarded by governments may have very high values and extended delivery schedules; a single contract may account for a large share of total military exports in a given year. Major changes in totals from one year to another may be explained by the beginning or end of a small number of large contracts.
- ii) Other than Table 11, the data presented does not include exports of military goods to the U.S.
- iii) The ECL item numbers used are explained with illustrative examples. The full ECL, which consists of detailed descriptions of all goods and technology controlled under the EIPA, can be found in “A Guide to Canada’s Export Controls”, which is available at www.exportcontrols.gc.ca.
- iv) Totals may vary between tables: For instance, Table 6 reports annual values of total exports of military goods and technology by destination country. Table 10 breaks down the value of exports to individual countries according to the ECL item number. However, the sum total of exports by ECL item number to an individual country calculated from Table 10 does not equal the total value of exports to that destination reported in Table 6. Since goods or technology included in a single export permit may be classified under multiple ECL item numbers, Tables 9 and 10 and Chart 4 contain some double-counting, which inflates the actual value of total exports.
- v) Small value exports: Table 8 indicates exports of “technology” controlled under item 2-22 of the ECL. Exports of this nature often cannot easily be quantified. For this reason, “lots” rather than unit quantities are commonly used where exports of technology may be transferred via different intangible means. For zero-value technology transactions, a nominal value (e.g. \$50 or under) is assigned. The inclusion of such data within this report is consistent with past practice.
- vi) A multi-destination permit (or MDP) allows exports to multiple countries under a single permit. Group 2 MDPs only allow exports to like-minded countries that are members of the export control regimes to which Canada is party, and that have implemented an effective system of export controls. MDPs are offered to exporters who have an exporting history with the Export Controls Division and have implemented defined processes and procedures when planning, marketing and shipping items included in the ECL to foreign clients to ensure a reasonable level of assurance (due diligence) that goods or technology will not be exported to unauthorized or illegitimate end-uses or end-users. The values exported under MDPs are included in all the tables reporting the total value of military exports. However, Tables 2, 7, and 11, along with Chart 3, do not include the number of MDPs utilized per destination as a single permit can cover exports to multiple destinations.
- vii) The number of Group 2 permits issued in 2017 (reported in Table 5 as 3136) does not equal the number of Group 2 permits utilized in 2017 (2137) because a single permit issued in any given year can be valid for up to a period up to five years and be exported against during any year in which it is valid.
- viii) Exporters are not required to submit reports to Global Affairs for Group 2 Export Permits where no value is being transferred. Examples include exports where goods were sent to Canada for repair, and are being returned to the original owner; exports where goods were sent to Canada for testing, trials, or fit-ups, and are being returned; the return to foreign owners of controlled goods borrowed or leased by a Canadian company (e.g., deactivated automatic firearms used as movie props); exports of faulty or discrepant material; or exports of goods for destructive testing.

Table 5: 2017 - Summary of Export Permits by all ECL Groups⁸

	Submitted Applications	Returned Without Action	Withdrawn	Cancelled	Issued Permits	Denied
Group 1 (Dual-Use List)	1854	51	63	11	1727	2
Group 2 (Munitions List)	3401	94	62	108	3136	1
Group 3 (Nuclear Non-Proliferation List)	164	3	3	0	158	0
Group 4 (Nuclear-Related Dual-Use List)	173	10	2	3	158	0
Group 5 (Miscellaneous Goods and Technology)	228	13	47	0	168	0
Group 6 (Missile Technology Control Regime List)	88	1	3	2	81	1
Group 7 (Chemical and Biological Weapons Non-Proliferation List)	48	8	1	0	39	0
Others	677	162	413	0	102	0
Totals	6633	342	594	124	5569	4

⁸ Data for this table is taken from the 2017 “Annual Report to Parliament on the Administration of the *Export and Import Permits Act*.” The data is drawn from the Export Controls Online (EXCOL), an online database used to process export permit applications. The information on EXCOL is not publically available. Unlike the information presented elsewhere in this report, which only covers Group 2 (Munitions List) items, this table covers all control groups. Group 2 (Munitions List) is highlighted.

Notes for Table 5

Returned without action: A permit application is returned without action by Global Affairs Canada if it is administratively incomplete, or if there is inconsistent information. A company that wishes to pursue the export would then be required to submit a new permit application.

Withdrawn: Permit applications may be withdrawn either at the request of the exporter (e.g., if the permit is no longer required because the commercial deal falls through or if the company becomes aware of commercial, political or other types of risk that may affect their application, and decides not to pursue the commercial opportunity), or by Global Affairs Canada (e.g., if the goods or technology proposed for export are not controlled, or if a General Export Permit applies).

Cancelled: An export permit that has been issued may be cancelled for administrative reasons (e.g., at the request of applicant as the permit is no longer required, or due to an error on the permit requiring replacement by a new permit), or by direction of the Minister of Foreign Affairs. An export permit that has been cancelled is no longer valid for the export of goods or technology.

Issued: Means a permit has been approved and issued. If an issued permit was subsequently cancelled, it is only counted once in the cancelled column.

Denied: Means a permit that was denied by the Minister of Foreign Affairs, either directly or further to policy direction received by officials. This is unusual, occurring in fewer than 1% of cases annually, and is generally for reasons of Canada's foreign and defence policy, as provided in the criteria for controlling the export of military, dual use and strategic goods outlined above.

Table 6: 2017 – Export Value of Military Goods and Technology to All Destinations⁹

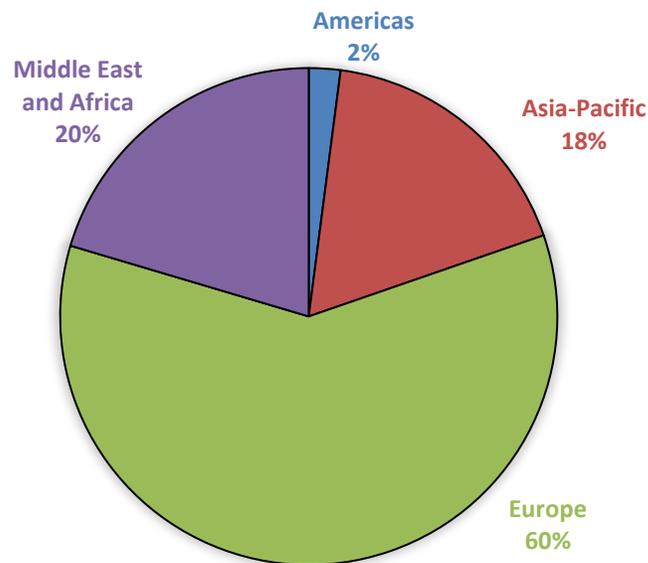
Destination	Total Value	Percentage
Afghanistan	\$15,577.74	0.00%
Algeria	\$2,957,974.94	0.29%
Argentina	\$1,976,040.26	0.19%
Armenia	\$23,835.00	0.00%
Australia	\$86,473,822.95	8.39%
Austria	\$378,329.98	0.04%
Azerbaijan	\$50,016.00	0.00%
Bangladesh	\$1,717.00	0.00%
Belgium	\$4,590,562.04	0.45%
Belize	\$87,291.00	0.01%
Botswana	\$601,904.00	0.06%
Brazil	\$237,871.94	0.02%
Brunei Darussalam	\$4,249,733.85	0.41%
Bulgaria	\$209,391.03	0.02%
Chile	\$3,068,609.67	0.30%
Colombia	\$114,688.85	0.01%
Costa Rica	\$49.00	0.00%
Curaçao	\$228,000.00	0.02%
Czech Republic	\$4,401,472.14	0.43%
Denmark	\$3,472,207.16	0.34%
Egypt	\$2,873,665.10	0.28%
Estonia	\$2,329.15	0.00%
Finland	\$1,254,413.37	0.12%
France	\$26,007,852.73	2.52%
Georgia	\$4,189.42	0.00%
Germany	\$65,924,517.97	6.39%
Ghana	\$1,100.00	0.00%
Gibraltar	\$6,957.99	0.00%
Greece	\$706,151.00	0.07%
Greenland	\$814.98	0.00%
Guyana	\$58,711.99	0.01%
Haiti	\$199.00	0.00%
Hong Kong	\$79,837.75	0.01%
Hungary	\$133,239.77	0.01%
Iceland	\$7,290.68	0.00%
India	\$3,702,670.93	0.36%
Indonesia	\$3,089,576.20	0.30%
Iraq	\$2,446.58	0.00%

⁹ Percentage values of “0.00” appear when the percentage falls below 0.004% of the total value.

Destination	Total Value	Percentage
Ireland	\$15,532.40	0.00%
Israel	\$10,033,454.41	0.97%
Italy	\$14,561,963.60	1.41%
Japan	\$17,001,286.47	1.65%
Jordan	\$436,752.81	0.04%
Kazakhstan	\$363,384.00	0.04%
Kenya	\$335,861.75	0.03%
Korea (South), Republic of	\$12,624,288.03	1.22%
Kuwait	\$23,236.00	0.00%
Laos, Lao People's Democratic Republic	\$15,609.00	0.00%
Latvia	\$679.99	0.00%
Lebanon	\$7,346.64	0.00%
Lithuania	\$33,760.00	0.00%
Luxembourg	\$17,202,702.99	1.67%
Macedonia	\$589.99	0.00%
Madagascar	\$52.00	0.00%
Malaysia	\$1,994,631.84	0.19%
Malta	\$17,828.97	0.00%
Mexico	\$1,599,194.36	0.16%
Mongolia	\$1,109.94	0.00%
Namibia	\$3,569.79	0.00%
Netherlands	\$25,548,952.80	2.48%
New Caledonia	\$4,761.12	0.00%
New Zealand	\$5,496,376.24	0.53%
Nigeria	\$1,226,244.88	0.12%
Norway	\$19,395,728.67	1.88%
Oman	\$207,438.77	0.02%
Peru	\$88,823.51	0.01%
Philippines	\$3,219.78	0.00%
Poland	\$2,140,778.12	0.21%
Portugal	\$164,500.50	0.02%
Romania	\$16,194.56	0.00%
Russian Federation	\$2,198.93	0.00%
Saudi Arabia	\$497,494,143.06	48.25%
Singapore	\$5,232,673.22	0.51%
Slovakia	\$14,340.35	0.00%
Slovenia	\$26,520.00	0.00%
South Africa	\$2,614,072.95	0.25%
Spain	\$16,821,914.54	1.63%
Sri Lanka	\$1,716.80	0.00%
Sweden	\$5,580,041.59	0.54%
Switzerland	\$8,101,026.26	0.79%

Destination	Total Value	Percentage
Taiwan	\$629,066.67	0.06%
Thailand	\$2,855,628.96	0.28%
Tunisia	\$1,000.00	0.00%
Turkey	\$48,269,530.60	4.68%
Turks and Caicos Islands	\$12,399.00	0.00%
Uganda	\$19,466.55	0.00%
Ukraine	\$141,544.44	0.01%
United Arab Emirates	\$6,320,137.65	0.61%
United Kingdom	\$89,466,775.67	8.68%
Zambia	\$11,921.39	0.00%
Total	\$1,031,177,031.72	100.00%

Chart 3: 2017 - Utilized Export Permits of Military Goods and Technology - Percentage by Region¹⁰



¹⁰ Does not include Multi-Destination Permits. See data note vi. on page 14.

Table 7: 2017 -Number of Utilized Export Permits for Military Goods & Technology to all Destinations¹¹

Destination	Number of Permits Utilized in 2017	Percentage of Total
Afghanistan	1	0.05%
Algeria	7	0.33%
Argentina	8	0.37%
Armenia	3	0.14%
Australia	103	4.82%
Austria	12	0.56%
Azerbaijan	1	0.05%
Bangladesh	2	0.09%
Belgium	34	1.59%
Belize	3	0.14%
Botswana	1	0.05%
Brazil	6	0.28%
Brunei Darussalam	4	0.19%
Bulgaria	2	0.09%
Chile	5	0.23%
Colombia	3	0.14%
Costa Rica	1	0.05%
Curaçao	1	0.05%
Czech Republic	19	0.89%
Denmark	31	1.45%
Egypt	3	0.14%
Estonia	1	0.05%
Finland	16	0.75%
France	155	7.25%
Georgia	3	0.14%
Germany	179	8.38%
Ghana	1	0.05%
Gibraltar	2	0.09%
Greece	2	0.09%
Greenland	2	0.09%
Guyana	2	0.09%
Haiti	1	0.05%
Hong Kong	5	0.23%
Hungary	7	0.33%
Iceland	2	0.09%
India	25	1.17%
Indonesia	16	0.75%

¹¹ This table does not contain data from Multi-Destination Permit Exports. See Data Note vi on page 14

Destination	Number of Permits Utilized in 2017	Percentage of Total
Iraq	1	0.05%
Ireland	3	0.14%
Israel	291	13.62%
Italy	72	3.37%
Japan	49	2.29%
Jordan	5	0.23%
Kazakhstan	1	0.05%
Kenya	2	0.09%
Korea (South), Republic of	52	2.43%
Kuwait	1	0.05%
Laos, Lao People's Democratic Republic	1	0.05%
Latvia	1	0.05%
Lebanon	1	0.05%
Lithuania	4	0.19%
Luxembourg	9	0.42%
Macedonia	1	0.05%
Madagascar	1	0.05%
Malaysia	7	0.33%
Malta	3	0.14%
Mexico	9	0.42%
Mongolia	1	0.05%
Namibia	2	0.09%
Netherlands	59	2.76%
New Caledonia	3	0.14%
New Zealand	42	1.97%
Nigeria	5	0.23%
Norway	43	2.01%
Oman	3	0.14%
Peru	2	0.09%
Philippines	3	0.14%
Poland	40	1.87%
Portugal	14	0.66%
Romania	1	0.05%
Russian Federation	3	0.14%
Saudi Arabia	34	1.59%
Singapore	27	1.26%
Slovakia	6	0.28%
Slovenia	1	0.05%
South Africa	45	2.11%
Spain	50	2.34%
Sri Lanka	1	0.05%

Destination	Number of Permits Utilized in 2017	Percentage of Total
Sweden	33	1.54%
Switzerland	88	4.12%
Taiwan	9	0.42%
Thailand	16	0.75%
Tunisia	1	0.05%
Turkey	52	2.43%
Turks and Caicos Islands	1	0.05%
Uganda	2	0.09%
Ukraine	13	0.61%
United Arab Emirates	28	1.31%
United Kingdom	324	15.16%
Zambia	2	0.09%
Total	2137	100.00%

Table 8: 2017 – Group 2 (Munitions List) of Canada’s ECL

ECL Item	Illustrative Examples ¹²
2-1	Smooth-bore weapons with a calibre of less than 20 mm, other arms and automatic weapons with a calibre of 12.7 mm or less and accessories
2-2	Smooth-bore weapons with a calibre of 20 mm or more, other weapons or armament with a calibre greater than 12.7 mm, projectors and accessories
2-3	Ammunition and fuse-setting devices, and specially designed components
2-4	Bombs, torpedoes, rockets, missiles, other explosive devices and charges, and related equipment and accessories specially designed for military use; and specially designed components
2-5	Fire control, related alerting and warning equipment, and related systems; test and alignment and countermeasure equipment specially designed for military use; and specially designed components and accessories
2-6	Ground vehicles and components
2-7	Chemical or biological toxic agents, riot control agents, radioactive materials, and related equipment, components and materials
2-8	Energetic materials and related substances
2-9	Vessels of war, special naval equipment and accessories, and components specially designed for military use
2-10	Aircraft, lighter-than-air vehicles, unmanned airborne vehicles, aero-engines and aircraft equipment, related equipment and components, specially designed or modified for military use
2-11	Electronic equipment, military spacecraft and components not controlled elsewhere
2-12	High-velocity kinetic energy weapon systems and related equipment, and specially designed components
2-13	Armoured or protective equipment and constructions and components
2-14	Specialized equipment for military training or for simulating military scenarios, simulators specially designed for training in the use of any firearm or weapon controlled in 2-1 or 2-2, and specially designed components and accessories

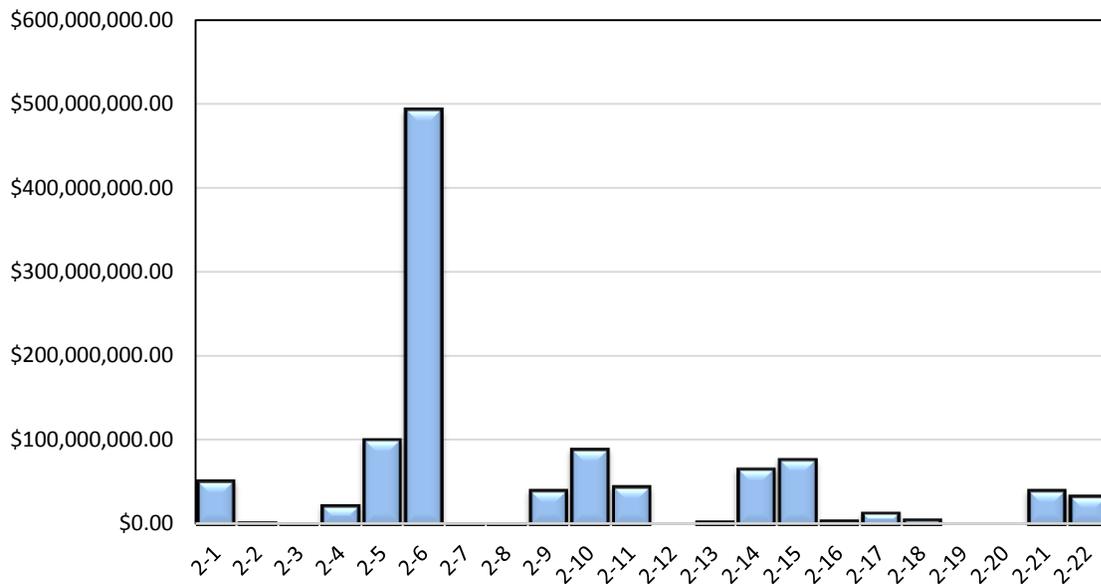
¹² The full list of goods and technology, including precise definitions of the terms used in the table, may be found in A Guide to Canada’s Export Controls, available at www.exportcontrols.gc.ca.

ECL Item	Illustrative Examples ¹²
2-15	Imaging or countermeasure equipment, specially designed for military use, and specially designed components and accessories
2-16	Forgings, castings and other unfinished products the use of which in a controlled product is identifiable by material composition, geometry or function, and which are specially designed for any products controlled in 2-1 to 2-4, 2-6, 2-9, 2-10, 2-12 or 2-19
2-17	Miscellaneous equipment, materials, libraries and specially designed components
2-18	Equipment for the production of products referred to in the Munitions List
2-19	Directed energy weapon systems, related or countermeasure equipment and test models, and specially designed components
2-20	Cryogenic and superconductive equipment, and specially designed components and accessories
2-21	Software
2-22	Technology

Table 9: 2017 - Exports of Military Goods and Technology by ECL Item Number¹³

ECL Number	Total Value	Percentage
2-1	\$51,728,339.83	4.75%
2-2	\$1,682,940.06	0.15%
2-3	\$784,461.90	0.07%
2-4	\$21,971,493.04	2.02%
2-5	\$100,909,425.83	9.27%
2-6	\$493,558,729.67	45.34%
2-7	\$692,433.99	0.06%
2-8	\$921,060.00	0.08%
2-9	\$40,326,627.31	3.70%
2-10	\$89,236,015.90	8.20%
2-11	\$44,669,516.02	4.10%
2-12	\$0.00	0.00%
2-13	\$2,573,768.48	0.24%
2-14	\$66,017,180.21	6.06%
2-15	\$77,282,109.30	7.10%
2-16	\$3,685,626.83	0.34%
2-17	\$13,635,218.21	1.25%
2-18	\$5,239,293.68	0.48%
2-19	\$0.00	0.00%
2-20	\$0.00	0.00%
2-21	\$40,264,804.14	3.70%
2-22	\$33,450,629.17	3.07%

Chart 4: 2017- Exports of Military Goods and Technology by ECL Item Number and Value¹⁴



¹³ Data contains some double counting. See data interpretation notes on p.14, note iv.

¹⁴ Data contains some double counting. See data interpretation notes on p.14, note iv.

Table 10: 2017 – Exports of Military Goods and Technology by Destination and ECL Item¹⁵

Destination	ECL Number	Value
Afghanistan	2-6	\$15,577.74
	2-13	\$15,577.74
Algeria	2-1	\$1,259,500.00
	2-11	\$5,041.33
	2-15	\$1,273,687.50
	2-18	\$979,141.80
	2-22	\$1,628.69
Argentina	2-1	\$4,887.26
	2-3	\$105.00
	2-6	\$637,500.00
	2-10	\$1,333,548.00
Armenia	2-1	\$17,264.00
	2-11	\$6,571.00
Australia	2-1	\$20,878,124.88
	2-2	\$63,114.29
	2-3	\$163,058.50
	2-5	\$2,792,293.41
	2-6	\$927,945.41
	2-7	\$165,750.00
	2-9	\$10,668,381.31
	2-10	\$26,977,713.36
	2-11	\$2,605,423.83
	2-13	\$646,367.91
	2-14	\$7,975,741.21
	2-15	\$2,184,684.86
	2-16	\$180,596.94
	2-17	\$7,878.01
2-18	\$129,373.93	
2-21	\$7,328,516.43	
2-22	\$3,425,226.59	
Austria	2-1	\$41,821.98
	2-11	\$85,788.00
	2-21	\$250,000.00
	2-22	\$720.00
Azerbaijan	2-15	\$50,016.00
Bangladesh	2-1	\$1,717.00
Belgium	2-1	\$211,876.16

¹⁵ Data contains double counting as some items can be classified under more than one ECL number. See data interpretation notes on p.14, note iv.

Destination	ECL Number	Value
	2-2	\$5,392.57
	2-5	\$880,089.86
	2-6	\$294,767.27
	2-8	\$818,480.00
	2-10	\$1,036,529.49
	2-11	\$431,643.78
	2-13	\$6,000.00
	2-17	\$859,100.00
	2-18	\$96,138.11
	2-21	\$2.00
	2-22	\$60.00
Belize	2-1	\$78,365.00
	2-3	\$8,926.00
Botswana	2-10	\$601,904.00
Brazil	2-3	\$750.00
	2-10	\$234,978.86
	2-13	\$1,783.08
	2-22	\$360.00
Brunei Darussalam	2-10	\$206,130.05
	2-14	\$4,043,603.80
Bulgaria	2-3	\$1,380.00
	2-11	\$171,219.03
	2-22	\$36,792.00
Chile	2-13	\$11,497.08
	2-15	\$53,110.31
	2-18	\$3,737.28
	2-22	\$3,000,265.00
Colombia	2-6	\$113,088.85
	2-22	\$1,600.00
Costa Rica	2-1	\$49.00
Curaçao	2-11	\$228,000.00
Czech Republic	2-1	\$272,993.85
	2-4	\$3,221,299.00
	2-10	\$28,969.29
	2-22	\$878,210.00
Denmark	2-1	\$1,512,548.97
	2-4	\$5,100.00
	2-6	\$38,450.62
	2-10	\$57,600.00
	2-11	\$207,777.89
	2-13	\$12,841.60

Destination	ECL Number	Value
	2-15	\$14,788.24
	2-17	\$1,600,000.00
	2-18	\$12,849.84
	2-22	\$10,250.00
Egypt	2-5	\$2,851,022.60
	2-15	\$4,644.00
	2-21	\$180.00
	2-22	\$17,818.50
Estonia	2-1	\$2,329.15
Finland	2-1	\$94,289.00
	2-3	\$14,026.00
	2-10	\$272,153.37
	2-11	\$233,758.00
	2-15	\$634,287.00
	2-18	\$2,500.00
	2-22	\$3,400.00
France	2-1	\$1,895,844.70
	2-2	\$59,400.00
	2-3	\$176,735.30
	2-4	\$131,188.00
	2-5	\$1,267,642.90
	2-6	\$1,979,685.40
	2-9	\$2,148,829.50
	2-10	\$8,638,574.72
	2-11	\$2,277,108.82
	2-13	\$19,288.87
	2-15	\$6,892,054.81
	2-18	\$27,892.00
	2-21	\$328,275.60
	2-22	\$165,332.11
Georgia	2-1	\$3,869.42
	2-3	\$320.00
Germany	2-1	\$165,805.87
	2-2	\$160,200.00
	2-3	\$71,000.00
	2-4	\$340,341.73
	2-5	\$30,467,843.36
	2-6	\$3,556,162.82
	2-7	\$118,000.00
	2-9	\$2,084,614.40
	2-10	\$5,121,503.99

Destination	ECL Number	Value
	2-11	\$5,461,254.74
	2-13	\$23,831.77
	2-14	\$8,890,777.35
	2-15	\$1,921,816.13
	2-16	\$289,901.82
	2-17	\$926,847.20
	2-18	\$43,214.35
	2-21	\$5,148,118.82
	2-22	\$1,160,989.97
Ghana	2-1	\$1,100.00
Gibraltar	2-1	\$399.99
	2-11	\$6,558.00
Greece	2-1	\$66,862.00
	2-10	\$604,009.00
	2-21	\$35,280.00
Greenland	2-1	\$439.98
	2-3	\$375.00
Guyana	2-1	\$2,711.99
	2-3	\$56,000.00
Haiti	2-1	\$199.00
Hong Kong	2-1	\$15,037.75
	2-15	\$64,800.00
Hungary	2-1	\$1,220.00
	2-3	\$145.71
	2-14	\$86,000.00
	2-21	\$15,357.90
	2-22	\$30,516.16
Iceland	2-3	\$4,950.00
	2-11	\$2,340.68
India	2-5	\$12,917.68
	2-10	\$1,052,993.66
	2-11	\$1,417,544.24
	2-15	\$1,582.02
	2-17	\$150,000.00
	2-21	\$960,000.03
	2-22	\$415,290.02
Indonesia	2-1	\$282,464.57
	2-5	\$120,328.00
	2-7	\$40,822.88
	2-10	\$2,118.69
	2-15	\$2,643,210.00

Destination	ECL Number	Value
	2-22	\$632.06
Iraq	2-7	\$2,446.58
Ireland	2-9	\$799.96
	2-11	\$10,402.68
	2-18	\$4,279.76
	2-22	\$50.00
Israel	2-1	\$88,990.92
	2-4	\$3,692,274.90
	2-5	\$242,612.38
	2-6	\$144,959.58
	2-10	\$2,079,963.64
	2-11	\$3,621,626.34
	2-13	\$6,544.60
	2-14	\$8,578.24
	2-15	\$237,745.28
	2-16	\$20,457.12
	2-18	\$2,894.40
	2-21	\$58,891.24
	2-22	\$32,357.50
Italy	2-1	\$109,294.00
	2-5	\$85,282.72
	2-9	\$383,191.92
	2-10	\$1,493,029.74
	2-11	\$1,388,023.69
	2-14	\$5,202,210.32
	2-15	\$149,306.61
	2-16	\$379,077.00
	2-17	\$2,708,302.00
	2-18	\$52,636.00
	2-21	\$23,184.15
	2-22	\$2,921,285.57
Japan	2-1	\$196,007.00
	2-4	\$448,000.00
	2-6	\$35,405.55
	2-9	\$546,227.22
	2-10	\$3,235,718.20
	2-11	\$9,327,873.92
	2-14	\$1,635,104.52
	2-15	\$370,836.25
	2-16	\$1,943,506.00
	2-22	\$70,333.90

Destination	ECL Number	Value
Jordan	2-1	\$6,649.64
	2-6	\$305,000.00
	2-15	\$125,103.17
Kazakhstan	2-1	\$363,384.00
Kenya	2-1	\$253,021.75
	2-5	\$82,840.00
Korea (South), Republic of	2-1	\$948.00
	2-5	\$139,168.00
	2-6	\$663,673.38
	2-7	\$21,937.84
	2-9	\$5,653,153.84
	2-10	\$1,284,822.62
	2-11	\$705,071.15
	2-14	\$2,959,431.03
	2-15	\$133,389.91
	2-17	\$210,000.00
	2-21	\$330,827.26
	2-22	\$904,641.00
Kuwait	2-10	\$23,236.00
Laos, Lao People's Democratic Republic	2-1	\$15,609.00
Latvia	2-1	\$679.99
Lebanon	2-1	\$7,346.64
Lithuania	2-1	\$33,760.00
Luxembourg	2-1	\$300.00
	2-4	\$10,204,121.08
	2-7	\$3,492.71
	2-14	\$3,679,824.82
	2-15	\$182,854.78
	2-21	\$3,028,390.06
2-22	\$103,719.54	
Macedonia	2-1	\$589.99
Madagascar	2-3	\$52.00
Malaysia	2-4	\$9,631.80
	2-6	\$1,623,719.00
	2-7	\$27,549.75
	2-9	\$112,064.40
	2-10	\$211,686.32
	2-15	\$9,980.57
Malta	2-1	\$17,828.97
Mexico	2-1	\$1,429.46
	2-10	\$196,711.11

Destination	ECL Number	Value
	2-15	\$1,397,034.79
	2-22	\$4,019.00
Mongolia	2-1	\$1,109.94
Namibia	2-1	\$3,569.79
Netherlands	2-1	\$5,938,879.52
	2-4	\$1,121,218.80
	2-5	\$525,490.00
	2-6	\$9,760,800.00
	2-9	\$2,031,465.84
	2-10	\$4,135,575.27
	2-11	\$184,909.53
	2-13	\$8,828.25
	2-15	\$8,680.00
	2-16	\$704,480.40
	2-18	\$31,879.90
	2-21	\$1,019,885.05
	2-22	\$567,062.24
New Caledonia	2-1	\$4,761.12
New Zealand	2-1	\$88,894.85
	2-2	\$211.25
	2-3	\$360.00
	2-5	\$1,078,938.33
	2-6	\$1,158,145.27
	2-9	\$5,079.00
	2-10	\$2,845,942.04
	2-11	\$1,168,104.27
	2-13	\$119,657.18
	2-14	\$293,259.82
	2-17	\$10.00
	2-18	\$558,507.53
	2-22	\$4,622.46
Nigeria	2-10	\$1,154,690.00
	2-11	\$71,554.88
Norway	2-1	\$438,055.39
	2-2	\$189,305.35
	2-6	\$368,038.00
	2-9	\$3,990,331.74
	2-10	\$1,057,185.18
	2-11	\$174,000.00
	2-13	\$370.00
	2-14	\$7,127,421.37

Destination	ECL Number	Value
	2-15	\$4,244,168.31
	2-18	\$3,083.98
	2-21	\$1,791,632.83
	2-22	\$12,136.52
Oman	2-7	\$55,412.50
	2-14	\$15,088.12
	2-15	\$43,614.78
	2-22	\$93,323.37
Peru	2-5	\$11,779.15
	2-6	\$70,744.36
	2-13	\$70,744.36
	2-22	\$6,300.00
Philippines	2-1	\$3,219.78
Poland	2-1	\$194,903.11
	2-7	\$17,197.63
	2-10	\$1,912,573.13
	2-11	\$345.00
	2-14	\$2,365.90
	2-17	\$39.00
	2-18	\$11,183.43
	2-21	\$690.62
	2-22	\$1,480.30
Portugal	2-1	\$23,884.00
	2-2	\$60,175.00
	2-9	\$13,448.00
	2-10	\$66,993.50
Romania	2-6	\$16,194.56
Russian Federation	2-1	\$2,198.93
Saudi Arabia	2-1	\$13,540,706.00
	2-4	\$2,094.23
	2-5	\$25,466,595.58
	2-6	\$454,175,069.36
	2-10	\$628,605.00
	2-11	\$2,008,840.58
	2-13	\$1,572,002.86
	2-14	\$148,476.97
	2-15	\$257,386.84
	2-18	\$1,770,783.52
	2-22	\$1,731,802.88
Singapore	2-1	\$500.00
	2-3	\$235.00

Destination	ECL Number	Value
	2-6	\$1,720,135.15
	2-7	\$2,977.70
	2-9	\$1,225,979.84
	2-10	\$1,278,270.72
	2-14	\$182,927.46
	2-15	\$24,024.00
	2-21	\$228,247.67
	2-22	\$2,080,971.73
Slovakia	2-1	\$12,580.35
	2-3	\$1,760.00
Slovenia	2-1	\$26,520.00
South Africa	2-1	\$181,034.80
	2-6	\$72,970.00
	2-10	\$5,180.00
	2-11	\$1,679,773.15
	2-17	\$658,368.00
	2-21	\$16,117.00
	2-22	\$630.00
Spain	2-6	\$5,761,806.59
	2-7	\$140,000.00
	2-9	\$651,849.64
	2-10	\$68,972.00
	2-11	\$472,172.63
	2-13	\$13,485.36
	2-14	\$394,228.96
	2-15	\$6,184,986.24
	2-18	\$29,209.50
	2-21	\$1,392,679.56
	2-22	\$1,992,524.06
Sri Lanka	2-1	\$1,716.80
Sweden	2-1	\$13,867.04
	2-3	\$12,625.75
	2-6	\$3,809,409.00
	2-9	\$394,742.00
	2-10	\$757,662.68
	2-11	\$32,850.00
	2-14	\$54,750.00
	2-21	\$313,799.64
	2-22	\$205,935.48
Switzerland	2-1	\$108,664.21
	2-2	\$67,620.00

Destination	ECL Number	Value
	2-3	\$224,550.00
	2-5	\$1,196,598.00
	2-6	\$3,883,266.33
	2-7	\$17,000.00
	2-10	\$1,041,504.66
	2-11	\$317,799.45
	2-13	\$4,995.00
	2-14	\$100,595.23
	2-15	\$9,755.28
	2-18	\$322,066.00
	2-21	\$11,000.01
	2-22	\$806,612.09
Taiwan	2-9	\$33,060.00
	2-10	\$395,468.66
	2-11	\$119,664.77
	2-15	\$80,783.24
	2-22	\$90.00
Thailand	2-1	\$130,974.08
	2-10	\$2,649,221.34
	2-13	\$15,653.54
	2-21	\$45,000.00
	2-22	\$14,780.00
Tunisia	2-1	\$1,000.00
Turkey	2-5	\$32,189,457.74
	2-6	\$703,652.78
	2-7	\$79,846.40
	2-9	\$20,890.76
	2-10	\$3,428,299.60
	2-11	\$7,433,606.86
	2-14	\$127,751.00
	2-15	\$32,452,646.04
	2-17	\$2,706,312.00
	2-18	\$873,786.86
	2-21	\$1,077,360.65
	2-22	\$9,618.03
Turks and Caicos Islands	2-3	\$12,399.00
Uganda	2-6	\$19,466.55
Ukraine	2-1	\$130,344.12
	2-3	\$6,483.84
	2-13	\$4,626.48
	2-22	\$90.00

Destination	ECL Number	Value
United Arab Emirates	2-1	\$7,200.00
	2-3	\$3,724.80
	2-5	\$34,700.00
	2-6	\$129,060.00
	2-10	\$3,958,211.60
	2-11	\$360,150.16
	2-15	\$1,827,091.09
	2-17	\$3,808,362.00
United Kingdom	2-1	\$2,954,273.73
	2-2	\$1,077,521.60
	2-3	\$24,500.00
	2-4	\$2,796,223.50
	2-5	\$1,463,826.12
	2-6	\$1,574,036.10
	2-8	\$102,580.00
	2-9	\$10,362,517.94
	2-10	\$9,157,766.41
	2-11	\$2,452,717.62
	2-13	\$19,672.80
	2-14	\$23,089,044.09
	2-15	\$13,804,041.25
	2-16	\$167,607.55
	2-18	\$284,135.49
2-21	\$16,861,367.62	
2-22	\$12,737,152.40	
Zambia	2-1	\$11,921.39

Exports to the United States of Certain Group 2 (Munitions List) Controlled Items

As noted in the Report Summary on page 4, Global Affairs Canada only collects data on military exports to the United States if the item requires a permit to be exported to the United States. The items requiring an export permit to the United States are listed below.

Because most military goods and technology may be exported to the United States without obtaining an export permit, data on exports of military goods and technology to the United States have not been provided in past editions of the Military Report, prior to 2016.

For 2017 this information is being updated by publishing information on permits that were utilized in 2017, and for the first time, the aggregate value of exports of military goods to the U.S. for which a permit was required.

- In 2017, 66 export permits were utilized for the export to the United States of goods controlled under Group 2 (Munitions List) of the ECL. See Table 11 for more detailed information.

Within Group 2 (Munitions List) of the ECL, export permits are required to the United States in the following circumstances:

- All exports to the United States of prohibited firearms controlled under item 2-1 (e.g. automatic weapons) or 2-2 (e.g. weapons with a calibre greater than 12.7mm) of the ECL must be authorized in advance with an export permit. Details on the application process can be found in the Export Controls Handbook at www.international.gc.ca/controls-controles/military-militaires/handbook-manuel.aspx?lang=eng&menu_id=78
- Permits are required for the export to the United States of any ammunition controlled under item 2-3 of the ECL that is destined for end-use by police or military agencies. Permits are not required for the export of sporting ammunition.
- Permits are required for the export to the United States of goods controlled under item 2-4.a (e.g. bombs) of the Export Control List.

Goods exported from Canada to the U.S. are thereafter subject to U.S. export controls regardless of whether a Canadian export permit was required. Goods exported from Canada through the U.S. to a third country (i.e., transit/transshipment) require a Canadian export permit for the third country when they leave Canada.

Permits are also required for the export to the United States of certain goods controlled on other ECL Groups, including all items on Group 3 (the Nuclear Non-Proliferation List), all items on Group 4 (the Nuclear-related Dual-Use List), most items on Group 5 (Miscellaneous Goods and Technology), and certain items on Group 6 (the Missile Technology Control List) and Group 7 (the Chemical and Biological Weapons Non-Proliferation List).

Table 11: 2017 – Number of Permits Utilized and Value Exported for certain Group 2 (Munitions List) Controlled Goods and Technology to the United States

ECL	Type of goods	Number of Permits Utilized	Value	Notes
2-1	Smooth-bore weapons with a calibre of less than 20 mm, other arms and automatic weapons with a calibre of 12.7 mm (calibre 0.50 inches) or less and accessories, and specially designed components therefor	35	\$28,105,683.05	- An export permit is required for all prohibited firearms regardless of destination
2-2	Smooth-bore weapons with a calibre of 20 mm or more, other weapons or armament with a calibre greater than 12.7 mm (calibre 0.50 inches), projectors and accessories, as follows, and specially designed components therefor	4	\$855,566.04	- Both temporary and permanent exports of either Restricted or Non-Restricted firearms to the United States may be made without obtaining an export permit.
2-3	Ammunition and fuze setting devices, and specially designed components therefor	4	\$4,315,733.84	- Both temporary and permanent exports of sporting ammunition to the United States may be made without obtaining an export permit.
2-4	Bombs, torpedoes, grenades, smoke canisters, rockets, mines, missiles, depth charges, demolition-charges, demolition-devices, demolition-kits, "pyrotechnic" devices, cartridges and simulators (i.e., equipment simulating the characteristics of any of these items), specially designed for military use; Note that item 2-4 includes: Smoke grenades, fire bombs, incendiary bombs and explosive devices; missile rocket nozzles and re-entry vehicle nosetips.	23	\$50,277,721.90	- The description of this category is taken from control text agreed at the Wassenaar Arrangement. Canada does not manufacture or export "mines".
	Total	66	\$83,554,704.83	

6. Service Standard Targets

Further to the information found in the Export Control Handbook (see www.exportcontrols.gc.ca), the processing time for straightforward applications that contain all required supporting documentation is 10 working days, and for more complex applications that contain all required supporting document is 40 working days. The performance target for achieving this standard is set at 90 percent.

Consultations are required for more complex applications, based on a risk assessment of the items being exported, along with the consignee country, and the intended end-use and end-user. The purpose of these intra- and inter-departmental consultations is to fully assess the risks and implications of proposed exports with respect to Canada's foreign and defence policy and national security considerations. Various Canadian government departments and agencies, including various divisions within Global Affairs Canada and Canada's network of missions abroad, may be involved in the consultation process.

More information on service standards can be found in the Export Controls Handbook at: www.international.gc.ca/controls-controles/export-exportation/TOC-exp_ctr_handbook-manuel_ctr_exp.aspx?lang=eng

Table 12: 2017 - Export Permit Applications

Export Applications Processed¹⁶	
Consultations Not Required	3392
Consultations Required	3241
Total	6633

Table 13: 2017 - Global Affairs Canada Service Standards for all Military, Dual-use and Strategic Export Permit Applications

Applications Category and Service Standard	Number of Applications Meeting Service Standard	Number of Applications Not Meeting the Service Standard	Percentage of Applications Meeting Service Standard
Consultations Not Required <10 days	3255	137	95.96%
Consultations Required <40 days	3013	228	92.96%
Combined Total	6268	365	94.49%

¹⁶ The number of applications reported in Table 12 does not only include items in Group 2 of the ECL but also processed applications for all Military, Dual-use and Strategic goods.

7. Annexes

Annex A: Canada's Area Control List (ACL)

The export or transfer of any goods or technology (including technical data, technical assistance and information necessary for the development, production or use of a good) to countries on the ACL is controlled and must be authorized by an export permit issued by the Minister of Foreign Affairs under the authority of the EIPA. Export permits are normally issued only for those goods and technology that respond to humanitarian needs or circumstances.

As of December 31, 2017, the ACL was comprised of one country: the Democratic People's Republic of Korea (North Korea), which was added on July 14, 2010.

Guidance on exports to countries listed on the ACL is published in the following Notice to Exporters, which is available on the internet at: <http://www.international.gc.ca/controls-controles/systems-systemes/excol-ceed/notices-avis/172.aspx?lang=eng>

Annex B: Canada's Automatic Firearms Country Control List (AFCCCL)

Further to Section 4.1 of the EIPA, certain prohibited firearms, weapons, devices, or components thereof that are included on the Export Control List may be exported only to destinations on the AFCCCL and only to consignees that are government or authorized by government. These must be authorized by an export permit issued by the Minister of Foreign Affairs under the authority of the EIPA. As per the EIPA, Canada has inter-governmental defence, research, development, and production arrangements with countries on the AFCCCL

The following goods and their components and parts, as defined in Section 4.1 of the EIPA and Section 84 of the Criminal Code, are subject to the AFCCCL, when these items are also included on the ECL:

- an automatic firearm, whether or not it has been altered to discharge only one projectile with one pressure of the trigger;
- any firearm that is prescribed by regulation to be a prohibited firearm;
- any weapon, other than a firearm, that is prescribed by regulation to be a prohibited weapon;
- any component or part of a weapon, or any accessory for use with a weapon, that is prescribed by regulation to be a prohibited device;
- a cartridge magazine that is prescribed by regulation to be a prohibited device.

At the time of publication, the AFCCCL was comprised of the following countries:

- | | |
|-------------------|-----------------------------|
| 1. Albania | 21. Lithuania |
| 2. Australia | 22. Luxembourg |
| 3. Belgium | 23. Netherlands |
| 4. Botswana | 24. New Zealand |
| 5. Bulgaria | 25. Norway |
| 6. Chile | 26. Peru |
| 7. Croatia | 27. Poland |
| 8. Czech Republic | 28. Portugal |
| 9. Denmark | 29. Republic of Colombia |
| 10. Estonia | 30. Republic of Korea |
| 11. Finland | 31. Romania |
| 12. France | 32. Saudi Arabia |
| 13. Germany | 33. Slovakia |
| 14. Greece | 34. Slovenia |
| 15. Hungary | 35. Spain |
| 16. Iceland | 36. Sweden |
| 17. Israel | 37. Turkey |
| 18. Italy | 38. United Kingdom |
| 19. Kuwait | 39. United States |
| 20. Latvia | 40. Ukraine (added in 2017) |

The Regulation establishing the AFCCCL can be found at <http://laws-lois.justice.gc.ca/eng/regulations/SOR-91-575/FullText.html>

Annex C: Canada's International Transfers (Government to Government Transfers)

From time to time, the Government of Canada, normally via the Department of National Defence, will provide surplus military equipment to foreign governments through sale or donation. When determining sales and donations to foreign governments, the Government of Canada considers a number of factors, including the nature of the goods, the country of origin, the applicable controls relating to its distribution and the applicable Government of Canada policies.

Records pertaining to these types of transfers are kept by the Department of National Defence. The information presented here is also publicly reported in Canada's submission to the United Nations Register of Conventional Arms (UNROCA) and only covers government transfers of conventional arms as defined by UNROCA.

Canada's international transfers in 2017 were:

- France: 200 x BLU-111 Bomb, Utility were sold to France's Ministry of Armed Forces.
- United States of America: 4 x Mk41 Vertical Launch System were donated to the U.S. Navy.

More information on the sale and donation of surplus equipment is available at www.forces.gc.ca/en/business-acquire-surplus-equipment/index.page

Annex D: United Nations Register of Conventional Arms (UNROCA)

Canada continues to actively promote greater transparency in the trade of conventional arms. In 1991, Canada was a founding contributor to UNROCA, which is an international, voluntary transparency mechanism under which Member States of the United Nations supply information to the Register on imports and exports of seven categories of conventional arms.

The Register is updated annually and makes a significant contribution to transparency, confidence-building and enhanced global security. Since the inception of the Register, more than 90 countries on average have made annual submissions to it; of these, about 70 have done so consistently, including Canada. As a result, the Register has become an important and authoritative source of information. The Register tracks data on the following seven categories of conventional arms: battle tanks, armoured combat vehicles, large-calibre artillery systems, combat aircraft, attack helicopters, warships, and missiles and missile launchers.

Canada is also one of a growing number of countries that voluntarily submit data to the Register on military holdings and on procurement through national production. In addition, Canada is one of several Member States that voluntarily supplies information on imports and exports of Small Arms and Light Weapons (SALW) to the Register as part of their annual report. This information goes beyond the minimum currently required by the UN.

Further information is available at the following links:

- United Nations Register of Conventional Arms: www.un.org/disarmament/convarms/register/
- Heavy Conventional Arms: www.un-register.org/HeavyWeapons/Index.aspx
- Small Arms and Light Weapons: www.un-register.org/SmallArms/Index.aspx

Actual Exports from Canada of Conventional Arms and SALW in 2017

The following table represents actual exports of conventional arms and SALW as defined by UNROCA reporting best practices, from Canada, during the 2017 calendar year, against export permits issued by Global Affairs Canada, for military, security or police end-use in the destination country.

Editions of the Report on the Exports of Military Goods from Canada and reports to UNROCA prior to 2016 listed total quantities of conventional arms and SALW that were authorized for export under permits issued in the course of the reporting year. This practice (i.e., reporting the “maximum allowable exports under issued permits”) was not optimal, as it does not allow for the tracking of actual, versus potential, transfers of conventional arms and SALW. Since 2016, Canada reports actual exports/transfers of reportable conventional arms and SALW that occurred during the reporting year.

Table 14: 2017 – UNCAR: Actual Exports from Canada of Conventional Arms and SALW

	Conventional Weapons		Small Arms ⁽¹⁾				Light Weapons	
	II	VII					I	II
Destination	ACV	Missile	Pistols	Rifles & Carbines	Assault Rifles	LMGs	HMGs	HH/UB GLs
ECL Item ⁽²⁾	2-6	2-4	2-1	2-1	2-1	2-1	2-2	2-2
Denmark				3	887			
France					39			
Hong Kong				7				
Indonesia				1				
Jordan				4				
Netherlands				2	500			
Norway					100			
Saudi Arabia	52			1190				
Thailand				100				
United Kingdom				3490	230			
Total	52			4797	1756			

LEGEND:

ACV: Armoured Combat Vehicle (full systems only)

LMG: Light Machine Gun (full automatic firearm up to 12.7 mm / .50 calibre)

HH/UB GL: Hand-Held/Under-Barrel Grenade Launcher

HMG: Heavy Machine Gun (full automatic firearm over 12.7 mm / .50 calibre)

NOTES:

1. All bolt-action and semi-automatic rifles are reported under “Rifles & Carbines”. Full-automatic firearms that are not submachine guns and that do not fall into the Light Machine Gun or Heavy Machine Gun category are reported under “Assault Rifles”.
2. For illustrative examples of ECL items listed under Group 2 (Munitions List) see Table 8 on page 23. Please note that as only full systems are reported to UNROCA, the values presented in Table 10 (which reports all exports, including parts and components) may not correspond to the units items exported, as reported in this chart.

Annex E: International Cooperation on Military Trade

The major multilateral export control regimes in which Canada participates are described below. Participating governments negotiate common lists of goods and technology that are implemented by all, according to national legislation. Each participating government takes its own licensing decisions in accordance with applicable domestic law. These lists evolve in response to changing international and technological circumstances. Updates and amendments are made on a periodic basis. Changes to Canada's Export Control List are incorporated annually through a regulatory amendment process.

Wassenaar Arrangement - Export Control List Groups 1 and 2

Most items have been included on the ECL because of Canada's commitments to like-minded countries that participate in multilateral export control regimes or because of Canada's obligations as a signatory to international agreements that seek to control and monitor the movement of sensitive goods and technology.

The control regime that deals with the military and dual-use goods and technology covered in Group 2 (Munitions List) of the ECL is the Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies, founded in 1996. The "Initial Elements" define the objectives of the Wassenaar Arrangement as, *inter alia*:

"to contribute to regional and international security and stability, by promoting transparency and greater responsibility in transfers of conventional arms and dual-use goods and technologies, thus preventing destabilising accumulations."

Through national policies, the 42 Participating States seek to ensure that transfers of items covered by the common control lists do not contribute to the development or enhancement of military capabilities that have the potential to undermine regional and global security and stability. Participating States also commit to take every precaution to ensure that such goods and technologies are not diverted to illegitimate end-uses.

More information about the Wassenaar Arrangement and its Participating States is available at www.wassenaar.org

Nuclear Suppliers Group - Export Control List Groups 3 and 4

Canada has a long-standing nuclear non-proliferation policy that is designed, among other objectives, to ensure that Canada's nuclear exports are not used for any nuclear weapon purposes or their development. As a party to the Treaty on the Non-Proliferation of Nuclear Weapons that came into force in 1970, Canada will not provide source or special fissionable material or equipment or material especially designed or prepared for the processing, use or production, of special fissionable material, to any Non-Nuclear Weapon State for peaceful purposes, unless the source or special fissionable material is subject to International Atomic Energy Agency safeguards.

In the late 1970s, a group of nuclear supplier countries, including Canada, agreed on a set of guidelines for nuclear transfers to any Non-Nuclear Weapon State for peaceful purposes. These became known as the Nuclear Suppliers Group Guidelines. In 1992, the Nuclear Suppliers Group established a list of nuclear-related dual-use goods and technology that could make a major contribution to a nuclear explosive activity or a non-safeguarded nuclear fuel cycle activity.

ECL Group 3 includes items that are nuclear-specific. ECL Group 4 includes nuclear-related dual-use items, i.e. items that are used in non-nuclear applications but that could also be used in a nuclear explosive activity or a non-safeguarded nuclear fuel cycle activity.

More information about the Nuclear Suppliers Group and its membership is available at www.nuclearsuppliersgroup.org

Missile Technology Control Regime - Export Control List Group 6

The Missile Technology Control Regime was established in 1987 to address concerns about the proliferation of systems capable of delivering weapons of mass destruction, namely, chemical, biological or nuclear weapons. ECL Group 6 includes items agreed upon by the Partners of the Missile Technology Control Regime that are used in, or could be used in, the proliferation of systems capable of delivering chemical, biological or nuclear weapons.

More information about the Missile Technology Control Regime and its members is available at www.mtcr.info

Australia Group - Export Control List Group 7

The Australia Group was established in 1985 with the objective of preventing the proliferation of chemical and biological weapons. The participants (national governments) in the Australia Group have developed common export controls on chemical substances and biological agents and related items that could be used in the production of chemical and biological weapons.

More information about the Australia Group, including its membership, is available at www.australiagroup.org

Organization for the Prohibition of Chemical Weapons - Export Control List Group 7

The Organization for the Prohibition of Chemical Weapons was established in 1997 when the Chemical Weapons Convention came into force. The goal of the Member States is to achieve a world that is free of chemical weapons and of the threat of their use, and in which cooperation in chemistry for peaceful purposes for all is fostered. The ECL contains chemicals and precursors that are controlled under the Chemical Weapons Convention. Some of the Chemical Weapons Convention chemicals and precursors are also controlled by the Australia Group.

More information about the Organization for the Prohibition of Chemical Weapons and its Member States is available at www.opcw.org

Arms Trade Treaty

The Arms Trade Treaty (ATT) was adopted by the UN General Assembly in 2013 to establish international norms for the conventional arms trade. Unregulated and irresponsible arms transfers intensify and prolong conflict, lead to regional instability, facilitate human rights abuses on a massive scale, and hinder social and economic development. The ATT promotes responsibility, transparency and accountability in the global arms trade. Canada is preparing to accede to the ATT and will also contribute to the UN Trust Fund that helps other countries accede to the ATT.

More information about the Arms Trade Treaty and its Member States is available at www.un.org/disarmament/convarms/att/