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own military holdings, in addition to imports and exports, as part of its submission. The establishment of the UN Register was one of the goals of the Prime Minister's post-Gulf War action plan to bring greater transparency to international arms flows and in so doing to contribute to the prevention of excessive build-ups of conventional weapons.

6. The format of the Third Annual Report has been altered to reflect changes to the Export and Import Permits Act, namely the introduction of the Automatic Firearms Country Control List (AFCCL). The AFCCL was introduced in 1991 and includes all countries with which Canada has bilateral defence, research, development and production agreements. There are currently 13 countries on the AFCCL. They are listed in Annex 1.

7. For purposes of the current report, the definition of military goods is based on Group 2 (Munitions) of the Export Control List issued January 1992 which in turn is derived from the COCOM International Munitions List. Statistics are obtained from reports filed by exporters of actual shipments made against permits issued under the Export and Import Permits Act (EIPA). They show total exports by country of destination and by ECL number. It has been long-standing Canadian policy that permits not be required for exports of Group 2 (Munitions) to the United States. Therefore, statistics on military exports to that country are not available. Information provided by permit applicants, including the product, value, and names of exporter and consignee are provided by exporters to EAITC in confidence and is protected to ensure compliance with the requirements of the EIPA.

8. Statistics on Canadian military exports available from other sources may cover all goods going to military end-users, as opposed to "military goods" as defined under ECL Group 2. These may, for example, include such products as food rations, commercial computers or other civilian equipment sold to the military. Statistics Canada uses that methodology in compiling figures on military exports. Since there is no direct correlation between the commodity codes used by Statistics Canada and the ECL item numbers, and given that each source uses different methods of compilation, no comparison can be drawn between these two sources. This explains why the figures contained in the Third Annual Report may differ from those contained in reports from other sources.

9. The Third Annual Report contains comparative figures relating to 1991.