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- a) which pose a threat to Canada and its allies;
 - b) involved in or under imminent threat of hostilities;
 - c) under United Nations Security Council sanctions; and
 - d) 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.

With the exception of exports to the United States, permits are required for the export of military goods and technology to all destinations. The approval of the Minister of Foreign Affairs is required for the export of all offensive military goods and technology unless they are destined to a NATO (North Atlantic Treaty Organization) ally or to a small group of specified like-minded countries. In the case of non-offensive military goods and technology, the Minister is also consulted if any of the above-mentioned conditions apply. Before the Minister's approval is sought, extensive consultations are held within DFAIT and with the Department of National Defence.

Military Export Statistics

Statistics on military exports are obtained from reports filed by exporters of actual shipments made against permits issued under the *Export and Import Permits Act* (EIPA). These reports include the country of destination and description of the goods. Since the integration of the North American munitions industry in World War II, it has been long-standing policy, as noted above, that permits are not required for the export of Group 2 items to the United States. Therefore statistics on military exports to that country are not readily available and are not included in this report. Information provided by permit applicants, including product description and value, as well as the identification of the exporter and consignee is provided to DFAIT in confidence and is protected to ensure compliance with reporting procedures.

Statistics on Canadian military exports available from other sources such as Statistics Canada may include goods going to military end-users, as opposed to "military goods" as defined in the 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 such 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 the data from these two sources.

It should be noted that the term "military goods" as used in the ECL usually does not equate to "weapons", i.e. items designed to inflict bodily harm. Exports are dominated by non-lethal systems such as radar systems, aircraft simulators and software designed for military use.