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American States, the G7 and the Commonwealth -- issued high-level declarations in 1991 condemning excessive arms build-ups and committing governments to action aimed at curbing them.

6. The United Nations took a major stride towards increased transparency in December 1991 when member states adopted, by overwhelming majority, a resolution entitled "Transparency in Armaments," which establishes a global arms register. Creation of such a register was a primary goal of Canada's post-Gulf War action plan to stop excessive build-ups of conventional arms, announced by the Prime Minister in February 1991. It was also recommended by a United Nations Group of Experts on which Canada was represented. Canada was instrumental in developing and gathering widespread support for the resolution. We will now work to ensure its effective implementation.

7. For the purposes of the current report, military goods are defined as in Group 2 (Munitions) of the Export Control List issued August 1990 which is based on the COCOM International Munitions List. Statistics, which are based on reports of actual exports made against permits issued under the Export and Import Permits Act (EIPA), reflect totals exported by country of destination and by ECL number with the exception of the United States. It has been a long-standing policy that permits are not required for exports of Group 2 (Munitions) to the U.S. Information provided by permit applicants, including the product, value, and names of exporter and consignee are provided to EAITC in confidence and will be protected to ensure compliance with the requirements of the EIPA.

8. Some international statistics may include all goods going to military end-users, as opposed to "military goods" as defined under ECL Group 2. Some sources may also include in their figures such products as food rations, commercial computers or other civilian equipment sold to the military. In the case of export figures compiled by Statistics Canada, 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 separate methods of compilation, no comparison can be made between the two sources. This explains why the figures contained in the Second Annual Report may differ from those contained in reports from other sources.

9. Readers should note that the 1990 Annual Report erroneously reported that \$6,395.00 of military goods were exported to the People's Republic of China (PRC). In actual fact, no military goods were exported to the PRC in 1990.

10. The Second Annual Report contains comparative figures relating to 1990.