communities and in the prairies. Furthermore, the domestic arms manufacturing lobby is not influential given the small role the Canadian arms industry plays in the global arms market as a supplier and a recipient. For instance, Canada exports only \$30 million annually of arms and only two firms actively produce small arms. At the same time, this factor may weaken the credibility and influence of a Canadian initiative that focuses solely on the transfer of small arms. It should be noted that the small number and value of arms produced are of high quality. Canada does have a legitimate interest in maintaining a national production base for its own purposes. However, Canada is not without guilt regarding the transfer of small arms in questionable circumstances.

Punitive measures must also be included to enforce the agreement.

Amnesty measures and gun buy-backs should be considered to make an initiative attractive for targeted actors.

B. Policy Options

- 1. Pursuit of an agreement among states that acquisitions of new light weapons, primarily small arms to upgrade/replace existing items be offset by destruction [under international supervision or observation] of older equivalent items.
- 2. Pursuit of regional small arms conventions based on the model established by the OAS Convention.
- 3. Bilateral transparency agreements linked with mutual customs agreements covering import-exports of small arms and standardisation of permit documents.
- 4. Embargoes to prevent the transfer of small arms.
- 5. Development of aid packages which target capacity building and infrastructure to assist with the demand side of the equation.
- 6. Educate states who are not fully appreciative of the issue and therefore strengthen the coalition.
- 7. Norm-building at the UN through a declaratory instrument that sets out criteria and/or circumstances under which states would refuse to export arms to another state. Or, such a declaratory instrument could list the conditions under which states would export arms. These criteria and circumstances would incorporate law-enforcement and/or arms control/disarmament aspects of the issue. The groundwork is then established for an eventual binding legal instrument.
- 8. A similar declaratory instrument could be developed that targets small arms currently in circulation in the state in question and link aid packages with the destruction of small arms.
- 9. Buy-back programs in post-conflict regions to avoid the potentially destabilising spread of small arms to other hot-spots.
- 10. Provision of security or peacekeepers for a period of time after demobilisation or disarmament.