

News Release

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EXTERNAL AFFAIRS ANNOUNCES NEW EXPORT CONTROL LISTS

The Secretary of State for External Affairs, the Right Honourable Joe Clark, announced today that he is recommending to cabinet measures that will streamline Canada's system of export controls, add South Africa to the Area Control List, and delete the nine Warsaw Pact countries plus Vietnam and North Korea from that list.

The addition of South Africa to the Area Control List (ACL) means that Canada will control the export to South Africa of all high-technology products, including all computers, software, telecommunications equipment, aircraft, helicopters, and four-wheel-drive vehicles. By placing South Africa on the ACL, the Government of Canada is taking action consistent with agreements reached at Commonwealth Foreign Ministers' meetings.

Mr. Clark also announced that all nine Warsaw Pact countries along with Vietnam and North Korea will be removed from the ACL, in order to reduce burdensome constraints on trade with those countries. "The removal of these countries from the Area Control List is designed to facilitate the free flow of trade in non-strategic goods," Mr. Clark said.

Finally, Mr. Clark announced a major revision of Canada's Export Control List (ECL). The ECL is an extensive list of technology and products subject to control under the Export and Import Permits Act, and for which export permits must be obtained prior to export. Changes to the list involve adding those goods which are sensitive for strategic and foreign policy reasons and deleting those which are no longer of concern. The revisions to the list are in keeping with updates to the export control lists of other COCOM member countries (NATO -except for Iceland- plus Japan), and put Canadian exporters on an equal basis with their European and Japanese competitors. There have been no reductions on controls of nuclear and military products.

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Secretary of State
for
External Affairs

Secrétaire d'État
aux
Affaires extérieures

Canada

The changes will lead to a 25-per-cent reduction in the number of export permit applications. This will reduce the paper burden on exporters of industrial products falling under the controls, while concentrating those controls on military and sensitive strategic goods.

The Department of External Affairs, in cooperation with the Canadian Exporters' Association, is holding a series of seminars to explain the changes in export controls.

The seminars will be held across Canada during the month of March. All exporters who require export permits are urged to attend. For information on the seminars, contact the Export Controls Division of External Affairs (613) 996-2387 or the Canadian Exporters' Association (800)-267-7729, (613) 238-8888.

The seminar series dates and locations are:

Ottawa	Tuesday, March 7 Skyline Hotel
Montreal	Wednesday, March 8 Chateau Champlain Hotel
Toronto	Thursday, March 9 Constellation Hotel
London	Friday, March 10 Radisson Hotel
Halifax	Monday, March 13 World Trade and Convention Centre
Winnipeg	Monday, March 20 Westin Hotel
Edmonton	Tuesday, March 21 Edmonton Convention Centre
Vancouver	Wednesday, March 22 Hotel Vancouver

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BACKGROUNDER

The Export Control List (ECL) is a list of 150 products whose export is controlled by the Government of Canada. Exports are controlled for five reasons:

to ensure that military equipment or articles having a strategic value will not be available to any country where their use might be detrimental to the security of Canada.

to promote the further processing in Canada of a natural resource.

to limit or keep under surveillance the export of raw or processed materials.

to implement an intergovernmental arrangement or commitment.

to ensure an adequate supply of goods in Canada for defence or other needs.

The list contains primarily strategic industrial, military and nuclear products, although some more common goods such as cedar logs, certain types of clothing and rare species of flora and fauna are also controlled. Examples of strategic industrial products on the list include computers, sophisticated telecommunications equipment, and numerically controlled machine tools. Canada's ECL is being revised to bring it into agreement with the COCOM list, which is used by our allies as the basis for their export control systems. It is important that Canada's ECL be as up to date as those of our allies, otherwise Canadian exporters face more export restrictions than their competitors.

COCOM is short for the Coordinating Committee for Multilateral Strategic Export Controls. It is a non-treaty group of representatives from 16 countries (NATO minus Iceland, plus Japan), whose task is to coordinate controls on exports of sensitive goods and technology to the Warsaw Pact, the People's Republic of China, and various of their satellites. COCOM members agree to control goods and technology which would directly and significantly assist the military capability of the Warsaw Pact and China. They implement these controls by including the COCOM List of controlled goods in their own Export Control Lists.

The Area Control List (ACL) is a list of countries for which all exports are subject to export control requirements. A country is placed on the ACL when we wish to control the export of products in addition to those listed on the ECL. For example, in the case of South Africa, we will be controlling all the items on the ECL plus all computers, all software, all telecommunications equipment, all aircraft and parts, and four-wheel-drive vehicles. After the announced changes to the ACL, only South Africa and Libya will be on the list.