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MAJOR CHANGES TO CANADA'S EXPORT CONTROL POLICY TO ELIMINATE 40 PER CENT OF EXPORT PERMITS

The Secretary of State for External Affairs, the Right Honourable Joe Clark, and International Trade Minister John C. Crosbie today announced changes to Canada's Export Control List (ECL) that will reduce the number of export permits Canadian business must obtain by 40 per cent.

"The purpose of these changes is to promote greater trade with the USSR and Eastern Europe by substantially decreasing the burden of paperwork on Canadian exporters," stated Mr. Clark. "This will make it easier for Canadians to participate more fully in the exciting process of reconstruction taking place in that region."

"Facilitating trade in high-technology products among Western countries is also a focus of the changes to the Export Control List," said Mr. Crosbie. "This will allow Canadian high-tech firms to be more competitive in major markets around the world."

The substantial reduction in East-West tensions has allowed the Coordinating Committee for Multilateral Strategic Export Controls (COCOM), of which Canada is a member, to eliminate a wide range of products from its control list. The products being decontrolled include most personal computers, a wide range of electronic components, telecommunications equipment and 25 other items. These changes, which were approved by COCOM on July 1st, are being implemented through a revised Canadian Export Control List which was approved by the Canadian Government on July 26 and takes effect immediately.

Canada played a key role in the COCOM negotiations which led to these changes, and has been a strong proponent of more liberalized trade with Eastern Europe and the USSR. "Further COCOM negotiations are scheduled for this fall, and are expected to result in additional high-tech products being removed from the COCOM and Canadian ECL."

Mr. Clark emphasized that these revisions to Canadian ECL do not affect any existing controls on exports of military equipment or other exports to South Africa. Exports to South Africa of products that have been removed from the ECL will continue to be controlled.

The second important change to Canada's export control system is the introduction of a new General Export Permit applicable for trade between Canada and other COCOM member countries. COCOM comprises the NATO countries except Iceland, plus Japan and Australia.

The new General Export Permit will enable exporters to ship most controlled industrial goods to these countries without having to apply for an individual export permit. Instead, they will make a simple declaration on their export documents that they are exporting goods subject to Canada's export controls, and attach a similar declaration from the importer acknowledging that he is receiving goods subject to export controls. The new system, called Intra-COCOM Trade, will take effect August 15, 1990, and will eliminate the need for 3000 export permits each year.

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For more information, media representatives may contact:

Media Relations Office External Affairs and International Trade Canada (613) 995-1874