

## **Questions and Answers - A Fact Sheet on Private Member's Bill C-233**

### **An Act to Amend the Import and Export Permits Act**

#### **Closing Canada's U.S. Arms-Export Loophole: The "No More Loopholes Act"**

##### **Q. What is Canada's current export control regime for arms?**

A. Currently, Canadian exports of military goods and technologies are subject to the Export and Imports Permits Act (EIPA) and the Arms Trade Treaty (ATT).

The EIPA requires Canadian individuals and organizations wishing to export controlled items, including military goods and technologies, to obtain a permit issued by the Minister of Foreign Affairs.

Section 7.3(1) of the EIPA requires the Minister to deny export permit applications for controlled items if there is a "substantial risk" that the export or brokering of the items would undermine peace and security or could be used either to commit or to facilitate serious violations of international humanitarian and human rights laws.

The ATT prohibits signatories from exporting military goods and technologies where at least one of the following situations would exist:

- the exportation would violate United Nations Security Council measures, particularly arms embargoes;
- the exportation would violate the exporting country's obligations under international agreements; or
- the exporting country has knowledge that the controlled items being exported would be used to commit genocide, crimes against humanity or other specified attacks against civilians.

##### **Q: What is the issue regarding Canadian arms-export laws currently?**

They contain giant loopholes:

- Arms, components and technology can be shipped to the United States without permits, risk assessments, or public reporting.
- Once in the U.S., these Canadian-made parts are built into weapons systems – such as F-35 fighter jets and Apache attack helicopters – which are then sent to Israel, Saudi Arabia and other conflict zones.

### **Q: How did this happen?**

In 2019, even though Canada amended its Export and Import Permits Act to align with the Arms Trade Treaty (ATT), however, the U.S. remains exempted.<sup>1</sup> As such, the export or brokering of most military goods and technologies to the US do not need an export permit, allowing this trade to continue unregulated and unreported. For the past two years, arms manufacturers in Canada have profited from this loophole as civilians in Gaza face bombing, starvation, and destruction.

### **Q: If Canada signed onto the Arms Trade Treaty, isn't Canada committed to preventing human rights abuses?**

Yes — on paper. Canada's ATT commitments forbid exporting weapons likely to be used to bomb civilians, starve communities, or commit other human rights violations. In practice, the U.S. loophole undermines those commitments and lets Canadian-made bullets, components, and technology flow into conflicts abroad.

### **Q: What's the impact?**

Project Ploughshares reported that the Canadian Commercial Corporation (CCC) signed a contract worth nearly \$80 million for artillery propellants destined for the U.S.; some were later used in weapons transferred to Israel. Canadian-made parts have been integrated into larger weapons systems now used in Gaza, despite government claims to have blocked similar sales. Each shipment erodes Canada's credibility and risks complicity in alleged breaches of international humanitarian law.

### **Q. What steps have other countries taken to ensure they are not complicit?**

A. Switzerland and Germany implemented end-use control measures that include on-site inspections of exported military goods. Netherlands has language in their laws that would require further assessment if goods are re-exported to other countries.

---

<sup>1</sup> 1. [section 2\(a\)](#) of the ECL, which states that Canada's export controls do not apply to U.S. destined exports of most controlled items, including military goods and technologies;

2. GAC's [A Guide to Canada's Export Control List](#), which indicates that, "[u]nless otherwise specified, the export controls for military, dual-use and strategic items contained in this Guide apply to all destinations except the United States"; and

3. Canada–U.S. [reciprocal arrangements](#) that enable trade between Canada and the United States in most military goods and technologies without the need for an export permit. “

### **Q: What is MP Jenny Kwan's Private Member's Bill C-233 proposing?**

MP Jenny Kwan has introduced the No More Loopholes Act, a Private Member's Bill that would:

- End the U.S. exemption. That means no countries will be exempted from permits, risk assessments and accountability. All exports to the United States will be required to undergo the same permit, risk-assessment, and transparency rules as any other country.
- Clarify that export controls includes all parts, components and technology or is necessary for the use of arms, ammunition, implements or munitions of war.
- Prevent the issuance of general export or brokering permits for military goods and technology.
- Require end use certificates only if it would sufficiently mitigate substantial risk of war crimes.
- Require annual reports to Parliament on Canada's compliance with the EIPA and ATT.
- Help end Canada's complicity in human rights violations linked to weapons transfers.

### **Q: Who supports closing the loophole?**

- The UN Human Rights Council and independent UN experts have called for halting arms transfers that fuel violations of humanitarian law.
- Civil-society groups in Canada, including Arms Embargo Now, Lead Now, Canadians for a Just Peace in the Middle East, Oxfam, Project Ploughshares, Independent Jewish Voices and the Canadian Muslim Public Affairs Committee advocate for stronger export controls.
- Canadians across the country who do not want their taxes or industries tied to atrocities.

### **Q: What's the call to action?**

Parliament must act now to:

1. Close the U.S. loophole once and for all.
2. Ensure Canada's export-control laws live up to our international treaty obligations and human rights standards.
3. Prioritize peace and civilian protection over arms-trade profits.

**All MPs — regardless of party — are urged to support the No More Loopholes Act and help end Canada's complicity in war crimes and human rights abuses.**