

Chrystia Freeland Minister of Foreign Affairs House of Commons Ottawa, Ontario, K1A 0A6

January 28, 2019

Dear Minister Freeland,

Greetings from Canadian Friends Service Committee, the peace and social justice agency of Quakers in Canada. Thank you for your letter of December 13, 2018, in response to our email of June 21, 2017. Thank you for confirming that the promotion and protection of human rights is an integral part of Canada's engagement with countries including Saudi Arabia, and informing us of the circumstances in which these concerns are raised by Canada. Thank you too for mentioning the Arms Trade Treaty (ATT) and Canada's accession to it through Bill C-47 and your stated commitment to a stronger and more rigorous arms export system.

Unfortunately we must state our continued grave concerns about Canada's accession to the ATT.

The Canadian Commercial Corporation (CCC) signs contracts with foreign governments and also signs contracts with Canadian suppliers. It is our understanding that roughly 60% of these contracts are for military end-uses. CCC doesn't make anything itself, so effectively, it is a broker. This makes it a very important actor in Canada's arms export system. Yet CCC *is not referenced* in Bill C-47 or the Export and Import Permits Act (EIPA). This is a glaring omission.

It is entirely unclear to us what criteria are used by the CCC when it conducts human rights reviews of export contracts. It appears that CCC may take reviews for *financial* risks more seriously than it does reviews for human rights risks. Given that Saudi Arabia has historically had, and continues to have, one of the worst human rights records in the world, it is nothing less than scandalous to us that CCC would have apparently satisfied its internal criteria for human rights reviews and signed a contract with Saudi Arabia in February 2014, *two years* before Global Affairs Canada's review and issuing of export permits! How can a contract with heavy penalties for breaking it be entered into prior to a satisfactory review by Global Affairs? We believe that CCC and all other Crown agencies should be subject to the same obligations under the ATT. This is entirely absent in Bill C-47.

CCC could also play a significant role in improving Canada's opaque and inadequate reporting on its involvement in the arms trade, in particular given that CCC is responsible for all military contracts with the Pentagon worth more than \$150,000 US under the Defence Production Sharing Agreement (DPSA). We note that the DPSA also received no mention in Bill C-47.





As long as the loophole remains where Canada can send military goods or goods with military end uses to the US without reporting on them or engaging in human rights reviews, Canada won't be meeting its obligations under the ATT. The ATT is meant to apply globally, and calls on state parties to have "an effective and transparent national control system regulating the transfer of conventional arms." We can't see how such a system will be possible for Canada while exempting the majority of Canadian arms exports, which go to the US.

As an historic peace church, the Religious Society of Friends has witnessed for peace for over 350 years. We long to live in a country that proactively builds peace and does not contribute to the devastation wrought by armed conflict. You note that Canada is seeking to address this brutal devastation in conflict affected countries like Yemen. Yet Canada is simultaneously fueling this devastation through its arms exports to Saudi Arabia and other human rights violators. We call on you to act immediately to strengthen Canada's arms controls so that they meet and exceed the standards of the ATT.

In Friendship,

Stephen Bishop Clerk, Canadian Friends Service Committee

cc James Gordon Carr, Minister of International Trade Diversification Elizabeth May, Green Party of Canada Mario Beaulieu, Bloc Québécois Erin O'Toole, Conservative Party of Canada Hélène Laverdière, New Democratic Party



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