

Alert: Canada Updating its Controls Over Exports and Technology Transfers

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The Canadian government has announced a number changes to Canada's Export Control List (ECL), which sets out the goods, services and technology subject to export and technology transfer controls that include permit and reporting requirements. Many additions and removals of controls, as well as clarifications to existing controls, were made in order to reflect Canada's obligations and commitments under international control regimes – in this case, the *Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies*, the Nuclear Suppliers Group, the Missile Technology Control Regime and the Australia Group. The amendments will bring Canada up to date with its commitments under these international arrangements as of April 2011.

The changes impact goods, software and technology that are dual-use commercial items in ECL Group 1 (including encryption), military items in Group 2, missile control-related items in Group 6, as well as chemical and biological items in Group 7.

In contrast with the government's recent practice, there will be a waiting period before these announced changes come into force, which will allow Canadian businesses to review the amendments and make the necessary changes to their policies and procedures regarding exports and technology transfers. It is expected that a new (April 2011) version of A Guide to Canada's Export Controls (Guide) will formally come into effect on March 15, 2013. Until that time, the June 2010 version of the Guide will remain in effect. The government has also advised that copies of the new April 2011 Guide will be made available as of March 15.

The new regulation was published on the Canada Gazette website on February 13, 2013 and can be found at <http://www.gazette.gc.ca/rp-pr/p2/2013/2013-02-13/html/sor-dors12-eng.html>. Further information from the Export Controls Division can be found at http://www.international.gc.ca/controls-controles/about-a_propos/expor/ecl-lmtec.aspx?lang=eng&view=d.

McCarthy Tétrault's International Trade & Investment Law Group has extensive experience in dealing with export controls and economic sanctions measures and is available to advise on related enforcement, compliance and strategic planning matters.