

Minister
of Foreign Affairs



Ministre
des Affaires étrangères

Ottawa, Canada K1A 0G2

May 30, 2024

Mr. Ali Ehsassi, M.P.
Chair
Standing Committee on Foreign Affairs and International Development
House of Commons
Ottawa, ON K1A 0G6

Dear Mr. Ehsassi,

It is my pleasure to respond on behalf of the Government of Canada to the Twenty-Third Report of the House of Commons Standing Committee on Foreign Affairs and International Development, entitled “*Canada’s Sanctions Regime: Transparency, Accountability and Effectiveness*”. I would like to commend the Committee for its diligence and dedication in conducting a review of such an important part of Canada’s foreign policy toolkit. I appreciate as well that this study was conducted with a significant degree of collaboration across party lines between members of different political parties.

Canada’s robust sanctions regime serves as a key tool to respond to threats to the rules-based international order, violations of internationally recognized human rights, and acts of corruption. In addition to imposing all sanctions adopted by the United Nations Security Council, Canada, often in concert with allies and like-minded partners, also imposes autonomous sanctions under the *Justice for Victims of Corrupt Foreign Officials Act (JVCFOA)*, otherwise known as the *Sergei Magnitsky Law*, and the *Special Economic Measures Act (SEMA)*.

Canada has established a rigorous process to consider and evaluate circumstances that may warrant the use of sanctions, including possible cases of human rights violations and corruption, while also considering the broader political and international contexts when determining whether sanctions or any other tools in Canada’s foreign policy toolbox constitute the most effective and appropriate response.

Since the passage of the JVCFOA and related amendments to the SEMA in 2017, the environment has evolved and we find ourselves amidst an international security crisis. Canada’s use of sanctions has shifted, from a tool of last resort to an important response mechanism to address pressing international issues, including human rights violations and threats to international peace and security. The Russian invasion of Ukraine in February 2022 hastened this shift, and since then Canada, often along with allies, has imposed an unprecedented number of autonomous sanctions measures, designating thousands of individuals and entities as well as introducing new and multifaceted prohibitions in a variety of sectors. The use of sanctions in response to other international crises has also increased, notably in Haiti, Iran, Myanmar, Sri Lanka, Lebanon, Sudan, as well as in relation to the October 7 terrorist attacks by Hamas against Israel. Such measures, particularly when coordinated with like-minded allies and partners, brings

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significant pressure to bear on those engaging in acts of corruption, violating human rights, and undermining the rules-based international system which keeps us all safe.

Additionally, we have strengthened the Government's ability to manage entry into Canada in a more holistic way that reinforces the impacts of sanctions. This was made possible by legislative amendments to the *Immigration and Refugee Protection Act (IRPA)*, contained within Bill S-8 which received royal assent in June 2023. These amendments aligned immigration inadmissibility provisions with grounds for being sanctioned under the SEMA and ensured that non-state actors who are sanctioned can also be found inadmissible, among other things.

Our government is fully committed to exploring ways to maximize the effectiveness and coherence of Canadian sanctions measures. Efforts are already underway to integrate lessons learned from the past two years into Canada's sanctions tools and policy. The Government will also continue to evaluate how to best make use of, and refine, Canada's autonomous sanctions regime in the face of new developments, emerging issues, and the shifting global context.

Both myself, and my Cabinet colleagues, the Minister of Public Safety, Democratic Institutions and Intergovernmental Affairs, the Minister of Finance, and the Minister of Immigration, who have responsibilities for the effective administration of Canada's sanctions regime, are grateful for the insights and recommendations provided by the Committee through this Report. Attached, you will find additional, detailed responses to the Committee's recommendations. This Report, alongside the similar Report presented last year by the Senate Standing Committee on Foreign Affairs and International Trade, will serve as a valuable resource as we work to ensure that Canada's autonomous sanctions remain fit for purpose in an evolving global landscape.

Sincerely,



The Honourable Mélanie Joly, P.C., M.P.
Minister of Foreign Affairs

Government Response to the to the Twenty-Third Report of the House of Commons Standing Committee on Foreign Affairs and International Development, entitled “Canada’s Sanctions Regime: Transparency, Accountability and Effectiveness”

Recommendation 1: That the Government of Canada provide detailed explanations for all measures imposed pursuant to its autonomous sanctions legislation, including specific rationales for the listing of individuals and entities under the relevant regulations.

The Government of Canada agrees with this recommendation.

In addition to the Regulatory Impact Analysis Statements related to sanctions regulations, the objectives associated with sanctions measures, including the rationales for listing individuals and entities, are also incorporated in the communications materials that accompany sanctions announcements, including news releases. This information is also available on the Global Affairs Canada (GAC) sanctions website.

The Government will continue to publicly communicate explanations for all measures imposed pursuant to Canadian autonomous sanctions and to make this information as clear and accessible as possible.

Recommendation 2: That the Government of Canada ensure that its Consolidated Canadian Autonomous Sanctions List is user-friendly, searchable and regularly updated, and that each entry includes the information necessary for compliance activities and the rationale for the designation.

The Government of Canada agrees with this recommendation.

When individuals or entities are listed under Canadian autonomous sanctions, they are added to the publicly available Consolidated Canadian Autonomous Sanctions List. GAC will continue to review ways to refine the formatting of the Consolidated Canadian Autonomous Sanctions List to more clearly and efficiently identify sanctioned individuals and entities.

However, in order to comply with the *Privacy Act*, any identifying information published by Canada is limited to what can be sourced from the public domain.

Recommendation 3: That, within a reasonable time frame, the Government of Canada publish more detailed written guidance on its autonomous sanctions legislation and regulatory measures adopted pursuant to this legislation to enable and enhance sanctions compliance.

The Government of Canada agrees in principle with this recommendation.

GAC will continue to engage with stakeholders as it develops expanded guidance on Canadian autonomous sanctions to provide Canadians and persons in Canada with the resources to fully and effectively comply with Canadian sanctions, notably in response to the significant increase in the breadth and scope of Canadian sanctions measures since the Russian invasion of Ukraine in February 2022. In addition, as outlined in the 2023 Fall Economic Statement, the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) will also begin to provide regulated entities with guidance in support of their new obligations in relation to sanctions evasion reporting.

While the Government of Canada can provide guidance that aligns with normal regulatory responsibilities, it is important to note that it cannot provide legal advice to members of the public. If assistance is required to interpret Canadian sanctions regulations, private legal counsel should be consulted.

Recommendation 4: That the Government of Canada publish comprehensive information for the public outlining the processes by which sanctions are imposed and by which exemption permits may be issued, and that it update this information as appropriate.

The Government of Canada agrees with this recommendation.

Canadian autonomous sanctions enter into force via the Governor in Council process. Comprehensive information on this process is publicly available on the Government of Canada website. Similarly, comprehensive information on the permit application process is publicly available on the GAC sanctions website.

The Government will continue to review the publicly available information on sanctions to ensure that it is sufficient and remains current, and that updates are published in a timely manner, as appropriate.

Recommendation 5: That the Government of Canada institute service standards for the processing of permit applications pursuant to its autonomous sanctions legislation, while respecting the exceptional nature of permits and the scrutiny required.

The Government of Canada agrees in principle with this recommendation.

Canada strives to process sanctions-related permit applications as quickly as possible. However, each permit application is unique and may involve varying degrees of complexity. Due diligence for each permit application is required to ensure the integrity of Canada's sanctions regime, and the processing of each application often requires broad consultations across the Government of Canada. Establishing common service standards for all permit applications could impede the Government's ability to properly conduct this due diligence. Furthermore, the ability to evaluate applications in a timely manner is oftentimes affected by missing information when the applications are submitted, which requires subsequent follow-up which in turn causes delays.

Recommendation 6: That the Government of Canada adopt clear, consistent, and comprehensive humanitarian carve-outs across its sanctions regimes and related legislation, in line with international humanitarian law and relevant resolutions of the United Nations Security Council.

The Government of Canada agrees with this recommendation.

Canada strives to minimize adverse consequences for the civilian population in states targeted by Canadian sanctions, including on the delivery of humanitarian assistance. To this end, many of Canada's autonomous sanctions regulations include legislated humanitarian-related exceptions. Where exceptions do not apply, Canadians and persons in Canada have the ability to apply for a permit to seek authorization for activities which would otherwise be prohibited. Permit applications related to humanitarian assistance activities are prioritized, as was made clear in the response to the 2023 earthquake in Syria and to the COVID-19 pandemic. Information on humanitarian exceptions is publicly available on the GAC sanctions website.

In addition to autonomous sanctions, Canada recently amended its multilateral sanctions regulations under the *United Nations Act* on June 19, 2023 to include exceptions for humanitarian assistance, thereby fulfilling its obligations to implement the decisions of the United Nations Security Council, set out in Resolutions 2615 and 2664, to further mitigate the impact of UN sanctions on the delivery of humanitarian assistance.

The Government will continue to identify ways to further reduce any adverse impacts of sanctions on the delivery of humanitarian assistance, while also ensuring the integrity of Canada's sanctions against targeted states, entities, and individuals.

Recommendation 7: That the Government of Canada publish detailed written guidance explaining the humanitarian carve-outs in its sanctions regimes, consistent with the protection of impartial humanitarian action under international humanitarian law.

The Government of Canada agrees in principle with this recommendation.

As was indicated in response to Recommendation 3, GAC will continue to engage with stakeholders as it develops expanded guidance on Canadian autonomous sanctions, including related to humanitarian exceptions. If assistance is required to interpret Canadian sanctions regulations, however, private legal counsel should be consulted.

Recommendation 8: That the Government of Canada explore the establishment of an external consultative body on sanctions, including representatives from civil society, the financial sector and the private sector, which would meet regularly, advance meaningful dialogue on Canada's sanctions regime, and develop an effective process for collecting feedback and documentation.

The Government of Canada agrees in principle with this recommendation.

Stakeholder engagement is an important component of Canada's sanctions regime, from the identification of potential sanctions targets through to successful compliance and enforcement of sanctions measures. Since the creation of a dedicated sanctions team in 2018, GAC has significantly increased its engagement with implicated stakeholders from civil society, the financial sector and the private sector, participating across a breadth of bilateral and multilateral meetings and events to bolster dialogue and promote greater awareness of Canadian sanctions.

The Government supports efforts to further strengthen stakeholder engagement, and will work with implicated departments and agencies to consider various forms of interaction with key stakeholder groups.

Recommendation 9: That the Government of Canada report to Parliament on the implementation and results of the \$76 million that was announced in October 2022 to strengthen Canada's capacity to implement its sanctions.

The Government of Canada takes note of this recommendation.

The \$76 million investment, allotted to GAC, the Department of Finance, and the Royal Canadian Mounted Police (RCMP), is strengthening Canada's implementation of sanctions, including by bolstering the expertise to develop, maintain and enforce sanctions measures, as well as enhancing stakeholder engagement and outreach.

While the Government recognizes the importance in providing updates and results of the implementation of this investment, these will be reflected in departmental reporting from GAC, the Department of Finance, and the RCMP, including their respective Departmental Results Reports. Tabling a dedicated report to Parliament would duplicate these efforts and provide no additional information.

Recommendation 10: That the Government of Canada allocate budgetary resources to the sanctions units within Global Affairs Canada, the Royal Canadian Mounted Police, the Canada Border Services Agency, and all other implicated departments and agencies, at a level commensurate with the growing importance of sanctions policy and the increasing complexity and challenges associated with sanctions implementation and enforcement.

The Government of Canada agrees in part with this recommendation.

To reflect the growing importance of sanctions as a primary Canadian foreign policy tool, on October 7, 2022, the Prime Minister announced an investment of \$76 million, allocated between GAC, the Department of Finance, and the RCMP, to strengthen Canada's capacity to implement sanctions and ensure Canada can move more quickly to restrain and seize property of sanctions individuals and/or entities.

As part of ongoing efforts to ensure the Canadian sanctions architecture is fit for purpose, the Government will continue to assess resource requirements for all implicated departments and agencies, including GAC, the RCMP, and the Canada Border Services Agency (CBSA), to address the increasing complexity and challenges associated with sanctions implementation and enforcement.

Recommendation 11: That the Government of Canada reinforce specialized training programs on sanctions for all implicated personnel.

The Government of Canada agrees with this recommendation.

Officials involved in administering Canadian sanctions receive training on the specifics of Canada's sanctions regime, including on how to conduct open-source research and draft the necessary documents that support the regulatory process. Training sessions are also organized with partners both internal and external to government to develop a more holistic understanding of the sanctions environment. Canada also regularly exchanges best practices with allies to improve methodologies and content.

The Government will continue to explore avenues and opportunities to provide those involved in work related to Canadian sanctions with training to be effective in their roles.

Recommendation 12: That, as part of the expansion in budgetary and training resources recommended above, the Government of Canada take specific steps to further strengthen the capacity of the Royal Canadian Mounted Police and the Canada Border Services Agency to enforce Canada's sanctions regime.

The Government of Canada agrees in principle with this recommendation.

Proper enforcement is a critical component of ensuring the effectiveness of Canadian sanctions. Accordingly, and building off the elements outlined in Recommendations 10 and 11, the

Government will further examine the recommendation and will continue to explore avenues and opportunities to strengthen the capacity of the RCMP and the CBSA to enforce Canada's sanctions regime.

Recommendation 13: That, building on the recommendation contained in the 2017 report of the House of Commons Standing Committee on Foreign Affairs and International Development – entitled *A Coherent and Effective Approach to Canada's Sanctions Regimes: Sergei Magnitsky and Beyond* – and in light of developments since that time, the Government of Canada review the way in which it is administering its autonomous sanctions legislation and the *Export and Import Permits Act* to ensure it is maximizing the efficiency, effectiveness, and resourcing of their complementary aspects. The review should seek to determine whether the separate units in Global Affairs Canada that are responsible for administering this legislation should be amalgamated in whole or in part.

The Government of Canada takes note of this recommendation.

While the Government recognizes the importance of proper administration of all legislation, the authorities, scope, and nature of Canadian autonomous sanctions legislation differ from the *Export and Import Permits Act* (EIPA). These differences underscore a requirement for unique specialization and expertise in the administration of these different pieces of legislation.

While many like-minded allies, such as the United States and United Kingdom, administer sanctions and export controls in different departments, Canada already administers both elements within GAC. This proximity allows for greater information-sharing and coordination when required. This was exemplified by Canada's broad set of economic measures taken toward Russia in response to its invasion of Ukraine. A close coordination and alignment of sanctions and export controls restrictions allowed a fast response from Canada to limit Russia's ability to finance its illegal war, increase pressure to change behavior, and expose supporters of Russia's grave breach of international peace and security.

The Government will continue to allocate resources appropriately to ensure all legislation, including the JVCFOA, the SEMA, and the EIPA, are effectively and efficiently administered.

Recommendation 14: That the Government of Canada, in collaboration with international partners and working closely with other relevant law enforcement agencies, develop a strategy to address sanctions violations – including offshore export havens and jurisdiction shopping – while increasing the enforcement of existing controls.

The Government of Canada agrees with this recommendation.

The effective implementation and enforcement of sanctions is a shared responsibility across the Government of Canada, implicating several departments and agencies. These parties continue to work closely together to enhance strategic coordination and tactical-level efforts pertaining to sanctions enforcement. Internationally, Canada regularly engages with like-minded allies and participates in a number of diplomatic and law enforcement forums, such as the G7 Enforcement Coordination Mechanism and the Export Enforcement 5. Canada and its international partners use these forums to coordinate sanctions activities, including to inform the development of new measures, as applicable, and potential enforcement activities. In particular, these forums serve as a venue to exchange information where gaps could present opportunities for sanctions evasion, and to discuss international engagement to advocate for support of sanctions.

The Government will continue to support these efforts to bolster both domestic enforcement of Canadian autonomous sanctions, and multilateral coordination to mitigate global sanctions circumvention efforts.

Recommendation 15: That, within a reasonable time frame, the Government of Canada conduct a comprehensive review of the departmental and agency mandates, authorities, coordination mechanisms and reporting relationships supporting its sanctions regime, with equal emphasis given to the needs and challenges associated with sanctions policy, administration, and enforcement, and that it publish the results. As well, in the process of conducting this comprehensive review, that the Government of Canada consider other models or systems in place used by allies to enforce, coordinate, and monitor sanctions.

The Government of Canada agrees in principle with this recommendation.

Canada's sanctions architecture is complex, and the effective administration and enforcement of Canadian sanctions requires a whole-of-government approach with significant effort and coordination among several departments and agencies. Close review of the mandates and operations underpinning this structure is important in order to maintain a high-functioning sanctions regime, and this work is undertaken on a regular basis. For example, the 2023 Fall Economic Statement announced new measures to combat sanctions evasion by permitting the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) to use its expertise in an effort to support sanctions enforcement.

As part of Canada's engagement with like-minded allies with similar autonomous sanctions authorities, consideration is also regularly given to the models and systems they employ in order to determine whether there are best practices that Canada can employ in its own sanctions regime, while also acknowledging the differences in our respective government and legal systems.

The Government will continue to support the work being undertaken by all implicated departments and agencies to review the interdepartmental division of responsibilities regarding Canada's sanctions regime, and consider the most appropriate manner to communicate these efforts.

Recommendation 16: That, in Budget 2024, the Government of Canada provide details on the structure and mandate of the proposed Canada Financial Crimes Agency.

The Government of Canada takes note of this recommendation.

The Government has a strong commitment to addressing and combatting financial crime, including sanctions enforcement. Recent measures to enhance the tools available to investigators and prosecutors of financial crime through improvements to Canada's legal framework, as well as investments in the agencies responsible for investigation and overall enforcement of financial crime, demonstrate this concrete commitment. Budget 2024 reaffirms the Government's commitment to establish a new Canada Financial Crimes Agency (CFCA), as Canada's lead enforcement agency against financial crime, and provided \$1.7 million over two years, starting in fiscal year 2024-25, to the Department of Finance to finalize the design and legal framework for the CFCA. This work will include confirming the details of the CFCA's proposed mandate and structure.

Recommendation 17: That the Government of Canada consider designating a unit within the proposed Canada Financial Crimes Agency responsible for sanctions enforcement.

The Government of Canada takes note of this recommendation.

The Department of Finance will lead efforts to finalize the design of the CFCA, taking into consideration the full range of potential roles and responsibilities to be assigned to the Agency, including for sanctions enforcement. This work will be undertaken in close collaboration with federal partners to ensure that a new CFCA can address challenges across the financial crime enforcement landscape in Canada and will be equipped to contribute to the Government's broader priorities, including sanctions enforcement, where applicable.

Recommendation 18: That the Government of Canada publish comprehensive data annually on Canadian exports of dual-use goods, as it does for military goods, including the value of those exports, descriptions of the goods, and their authorized end users.

The Government of Canada agrees in principle with the perceived intent of this recommendation in that it recognizes the need to continue to improve transparency in reporting on strategic exports, and will continue to strive to make improvements in that regard.

While an annual report on the export of military goods and technologies has been published on a voluntary basis since the early 1990s, amendments made to the EIPA in 2019 raised the bar on Canada's export control regime, including with respect to transparency, in line with Canada's longstanding leadership in this regard. These amendments created a legal obligation to table in Parliament "a report in respect of arms, ammunition, implements and munitions of war, that were exported in the preceding year under the authority of and in accordance with an export permit issued under subsection 7(1)" by May 31 of the subsequent year. The amendment also created a legal obligation to table an annual report in Parliament on the operations of the EIPA that also contains related data.

The Government of Canada wishes to clarify that some elements of this recommendation are not entirely reflective of current reporting practices on military items – for example, military reporting does not in fact include information related to authorized end-users, but rather includes information on country of end use. Nonetheless, the level of detail contained in the reports published by GAC already significantly exceeds the requirements in the EIPA, even following the 2019 amendments. This reporting includes the number of permits issued on all groups under the Export Control List (ECL), which include Group 1 dual-use goods and technology. Reports also include, for all ECL groups, information on denials, service standards met for permit applications, and the status of permit applications. In recent years, additional data on brokering transactions has been added into annual reporting, following engagement with interested stakeholders to enhance transparency by making both reports clearer and more user-friendly.

The Government remains committed to achieving the proper balance of providing transparency to Canadians while also fulfilling its legal obligations to protect private information it receives in confidence from exporters as part of the permitting process. The Government will continue to engage with all relevant stakeholders on how best to ensure that this balance is achieved, and to incorporate their feedback where feasible, while respecting commercial confidentiality, protecting the security of Canada and our allies, meeting the Government's legal reporting obligations under the EIPA, and maintaining year-over-year consistency with respect to publicly reported data to enable stakeholder to accurately monitor trends. In this vein, GAC will explore reporting on the number of Group 1 dual-use permits issued.

Recommendation 19: That the Government of Canada increase its investment in dedicated capacity for sanctions diplomacy with the objective of maximizing the number of partners that are applying the same or similar sanctions measures, closing any implementation gaps that may exist, and countering any sanctions circumvention that may be taking place.

The Government of Canada agrees in principle with this recommendation.

Wherever possible, Canada coordinates closely with like-minded allies to maximize the effectiveness of sanctions. This coordination has increased to unprecedented levels since the Russian invasion of Ukraine in February 2022. However, coordination does not mean that allies will impose identical sanctions measures, as countries may employ unique approaches to individual foreign policy considerations or have differing domestic legal frameworks.

Canada regularly participates in G7 and Five Eyes sanctions coordination initiatives, and maintains strong bilateral working relationships on sanctions with allies, including through our mission network. Canada, along with its allies, continues to also engage with non-traditional partner countries, advocating for stronger action to counter sanctions circumvention efforts around the globe.

The Government will continue to bolster sanctions diplomacy efforts, including in the context of GAC's efforts in its multi-year organizational transformation, following the launch of the Future of Diplomacy discussion paper in June 2023, and will maintain Canada's forceful advocacy for strong global sanctions coordination.

Recommendation 20: That the Government of Canada present an annual report to Parliament on its autonomous sanctions, including an overview of the objective and assessed impact of each regime established in relation to a foreign state, alongside a summary of the amount of assets in Canada that have been effectively frozen and transactions that have been blocked and any seizure or restraint orders that have been made, as can be publicly disclosed in accordance with the *Privacy Act* and the protection of Canada's national security interests.

The Government of Canada takes note of this recommendation.

The Government of Canada is committed to sharing information on sanctions with the public, including parliamentarians, to the fullest extent possible. It does so on an ongoing basis, for example through the parliamentary tabling of updates to autonomous sanctions regulations, engagement with Parliamentary committees, interventions in debate by Ministers and Parliamentary Secretaries, responses to verbal and written questions, the issuing of news releases and statements, and revisions to government web pages. Notably, once entered into force, all new autonomous sanctions regulations are tabled in both Houses of Parliament within 5 sitting days for regulations under the SEMA and within 15 days for the JVCFOA. Information relating to scope, intent, and enforcement of sanctions is made available online through various Government of Canada webpages, including the GAC sanctions website and reporting from the RCMP on frozen assets and blocked transactions. Information is also provided in Regulatory Impact Analysis Statements published in the *Canada Gazette, Part II*, and news releases and backgrounders that are issued alongside new sanctions-related measures. In addition, the annual Departmental Results Reports, published by GAC and other federal departments involved in the administration of Canada's autonomous sanctions regime, already includes information on the implementation of autonomous sanctions.

With respect to the imposition and implementation of autonomous sanctions, there are multiple timelines in play which could confound efforts to produce an annual report that contains comprehensive, validated, up to date information at a single point in time. Producing such a report would in many cases be duplicative of existing efforts to provide both the public and parliamentarians with information as it becomes available, all while requiring additional resources to compile. Additionally, there is considerable risk that the information contained therein would be out of date by the time of publication. Furthermore, due to instances of ongoing investigations, and to preserve commercial confidentiality, some information must remain confidential. GAC has a central role to play in ensuring the effectiveness of sanctions as a foreign policy tool. Implementation and enforcement relies on collaboration between departments and agencies. For example, the CBSA and the RCMP are responsible for investigating potential sanctions violations. Such investigations are often complex and dynamic, and require that information be kept in confidence as the investigation process unfolds. While the Government remains committed to transparency as it relates to sanctions enforcement, there are limitations to the information that can be shared during the enforcement phase.

Recommendation 21: That the Government of Canada review its autonomous sanctions on a regular basis to ensure that the measures are calibrated precisely to achieve each regime’s intended objective and that the associated designations remain appropriate.

The Government of Canada agrees with this recommendation.

To ensure autonomous sanctions measures continue to align with policy objectives, the Government will continue incorporating analyses of individual sanctions regimes as part of Canada’s overall due diligence process, and will pursue adjustments to these regimes as appropriate. This was most recently seen with updates to Canada’s autonomous sanctions related to Zimbabwe, made in March, 2023.

Recommendation 22: That the Government of Canada review its autonomous sanctions legislation to determine whether any harmonization or further elaboration of its human rights and corruption triggers is required.

The Government of Canada agrees with this recommendation.

The JVCFOA and the SEMA are important elements of Canada’s foreign policy toolkit, providing the Government with an important degree of flexibility to implement sanctions in response to evolving global issues. While complementary, each law has a distinct purpose.

Recent amendments to these pieces of legislation underscore the Government’s commitment to bolstering their effectiveness. In June 2022, both the JVCFOA and the SEMA were amended to allow for the seizure and possible forfeiture of assets in Canada belonging to designated individuals and/or entities. An amendment to the SEMA in June 2023 further strengthened Canadian autonomous sanctions by expanding the scope of who can be designated under this piece of legislation.

The Government will continue to periodically review its autonomous sanctions legislation, including the interplay between the human rights and corruption triggers contained in both the JVCFOA and the SEMA, to ensure the legislation remains effective and fit for purpose.

Recommendation 23: That the Government of Canada review its autonomous sanctions legislation and the approaches of like-minded jurisdictions to identify best practices and ensure that Canada’s legislative framework corresponds to Canada’s interests and commitments in relation to national security, foreign policy, and human rights and is designed in a way that enables the government to address the full range of circumstances in which the imposition of sanctions may be required.

The Government of Canada agrees with this recommendation.

The increased prominence of autonomous sanctions as foreign policy tool for Canada and its like-minded allies necessitates careful consideration of how to administer and enforce them in the most appropriate manner possible. Canada regularly engages with allies, both bilaterally and in multilateral forums, to review our respective sanctions regimes and architectures and identify best practices that can be employed to maximize their effectiveness. In addition, as outlined in response to Recommendation 22, Canadian autonomous sanctions legislation is regularly reviewed and amendments are made, when appropriate, to ensure it can be used to address the full range of circumstances in which Canada may wish to impose sanctions.

The Government will continue to support these ongoing efforts to maintain alignment between Canada’s autonomous sanctions legislative framework and Canada’s interests and commitments pertaining to sanctions.