

Canada under Contract to Supply the IDF with Artillery Propellant

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According to publicly available US Department of Defense (DOD) procurement records, in September 2024 a Canadian Crown corporation signed a contract to provide the US DOD with artillery propellants that will be supplied to Israel. This agreement was finalized while the intensive bombardment of Gaza continued, months before the signing of a ceasefire that ultimately collapsed in March 2025.

This agreement was signed after Canada [announced](#) that it was suspending arms exports to Israel, which authorities stated would explicitly include weapons transfers through the United States.

The Contract

According to the US government, this contract, valued at US\$55.1 million (approximately CAD\$78.8 million at the time of publication), was [awarded](#) to General Dynamics Ordnance and Tactical Systems - Canada (GD-OTS-Canada) in Valleyfield, Quebec on September 26, 2024.

It amended a [larger agreement](#) signed in July 2019 between the Canadian Commercial Corporation (CCC), acting on behalf of GD-OTS-Canada, and the DOD, operating through [Army Contracting Command - New Jersey](#). This original agreement, currently valued at US\$1.25 billion (approximately CAD\$1.79 billion), covered the general supplying of artillery propellants to the US Army.

After Russia's 2022 invasion of Ukraine, the contract was amended to prioritize the supplying of 155mm artillery propellants to the Ukrainian government. Then, during the bombardment of Gaza by Israel that began in 2023 with Operation Swords of Iron, the contract was amended again to include Israel as a recipient of the propellants.

Modification Number	Action Date	Amount	Action Type	Transaction Description
0	09/28/2023	\$181,829,716	--	UKRAINE: INCREASE PRODUCTION CAPACITY OF M31-TYPE TRIPLE BASE PROPELLANT. read less
P00001	04/02/2024	\$334,170,284	B: SUPPLEMENTAL AGREEMENT FOR WORK WITHIN SCOPE	INCREASE OBLIGATION TO 100% OF THE NOT-TO-EXCEED VALUE IN SUPPORT OF UKRAINE AND PROVIDE EXTENSION FOR SUBMISSION OF A QUALIFYING PROPOSAL. read less
P00002	09/26/2024	\$55,125,000	A: ADDITIONAL WORK (NEW AGREEMENT, JUSTIFICATION REQUIRED) read less	THE PURPOSE OF MOD P00002 IS TO INCREASE THE NOT-TO-EXCEED (NTE) VALUE UNDER THE UNDEFINITE DELIVERY ORDER FOR THE M31AZ TRIPLE BASE ACCELERATION EFFORT IN SUPPORT OF UKRAINE & ISRAEL. THIS EFFORT ALSO OBLIGATES 49% OF THAT INCREASE TO THE NTE. read less

Click on image to enlarge

Excerpt of subaward announcement, with Action Date, subaward value, and Israel identified as an end-user highlighted in red. Image amended with red markups by Project Ploughshares. Original Award History can be accessed via the US Department of the Treasury [here](#).

Under the agreement, the US government will distribute the propellant to both Ukraine and Israel. The latest contract amendment indicates only the total value of the propellants supplied to both countries, not how much each will receive.

Valleyfield's production of 155mm Shell Propellants

The September 2024 contract concerns the supply of M31A2 Triple Base propellant, a type of explosive fuel used to launch artillery shells. M31A2 propellant is [specifically required](#) in the 155mm M232A1 propelling charge, which is one of two charges used in the Modular Artillery Charge System (MACS). These charges are loaded into the breech of artillery systems prior to firing. GD-OTS-Canada's Valleyfield plant is the [sole source](#) of this type of propellant for the US Army, which is responsible for supplying most munitions to US military aid recipients, including Israel.

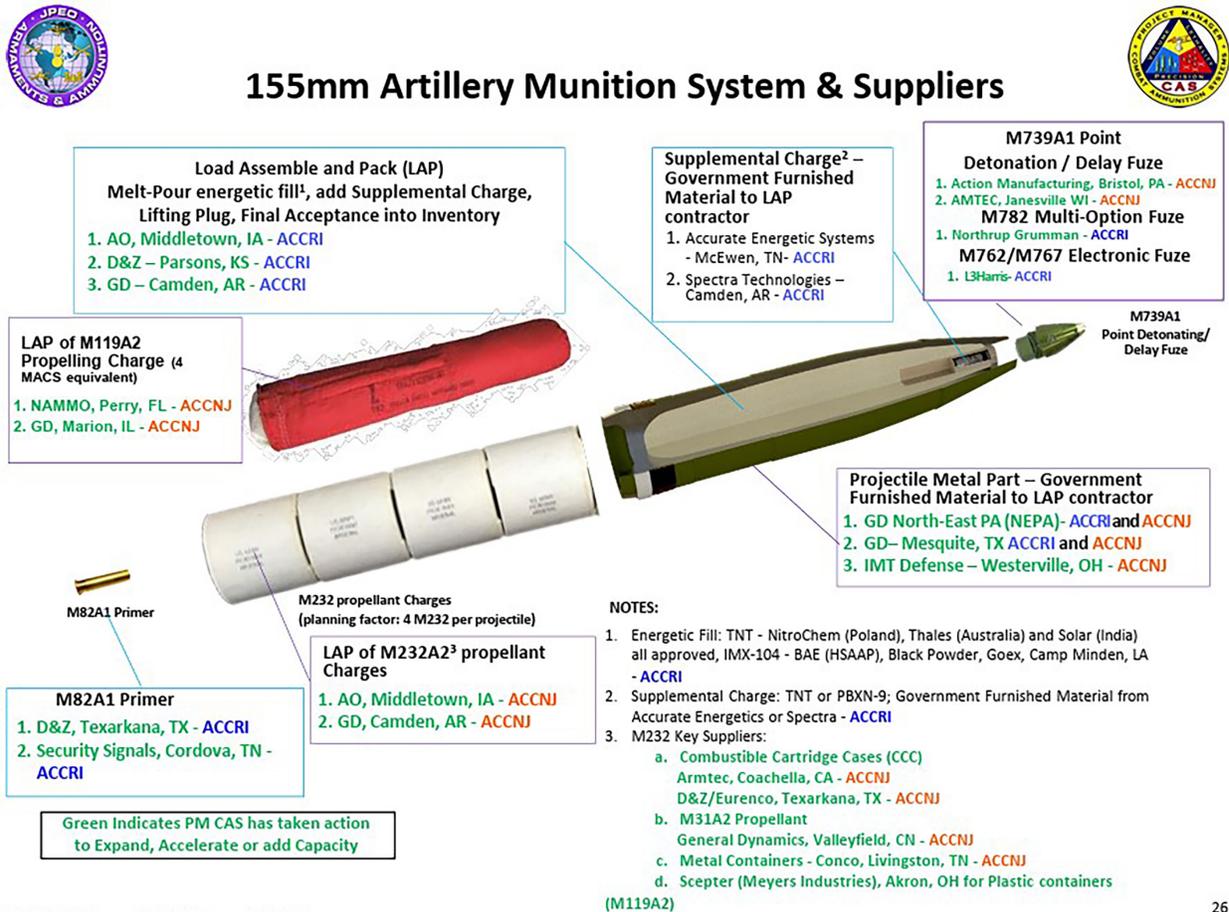


Diagram of 155mm munition system and suppliers. Four individual propellant charges are pictured behind the projectile. Image accessed via the US Army's [Joint Program Executive Office \(JPEO\) for Armaments and Ammunition](#).

Since Russia's invasion of Ukraine, the 155mm shell has become one of the most in-demand pieces of military equipment in the world, with global manufacturers posting [record profits](#). This surge in demand has led to major investments to boost production, including scaling up capacity to produce the propellants that fire 155mm shells at the GD-OTS-Canada [Valleyfield plant](#).

Denouncing Israeli Use of 155mm Shells

Throughout Operation Swords of Iron, Israel has relied heavily on 155mm shells, most supplied by the US government. In the operation's first 1.5 months, Israeli artillery brigades [reportedly](#) fired approximately 10,000 of these shells into Gaza.

Since the onset of the operation following the October 7 attacks, more than [50,000](#) Palestinians have reportedly been killed and much of the Gaza Strip has been levelled. According to the UN Satellite Centre (UNOSAT) Gaza Strip Comprehensive Building Damage Assessment [dashboard](#), by December 2024, 136,710 structures in the region had been either damaged or totally destroyed. When the ceasefire agreement between Israel and Hamas broke down in March 2025, the bombardment resumed, killing more than 400 Palestinians in the first day.

Throughout this operation, Israel has repeatedly faced credible allegations of violating international humanitarian law (IHL). Humanitarian and human rights monitors have identified the use of explosive weapons in populated areas (EWIPA) – largely airstrikes and ground-launched munitions such as 155mm artillery shells – as the [primary driver](#) of civilian harm events.

A consortium of human rights and humanitarian organizations, led by Oxfam International US, is urging American authorities to stop the provision of explosives, [specifically 155mm shells](#), to the IDF. These organizations warn that, because Gaza is “one of the world’s most densely populated areas, 155mm artillery shells are inherently indiscriminate.” In their view, it is “difficult to imagine a scenario in which high explosive 155mm artillery shells could be used in Gaza in compliance with IHL.”

These concerns have been echoed by other monitoring bodies. According to the [Arms Sales Accountability Project](#), there is “overwhelming evidence of a broad pattern of violations of international humanitarian and human rights law by the Israeli authorities” that employ ground-launched munitions, specifically 155mm shells. The Arms Sales Accountability Project states that this is true in both the Gaza offensive that began in 2023 and in previous Israeli military operations in Gaza, including those in 2009-2010, 2014, and 2021.

Canada’s Stance on Arming Israel Weakened by Loopholes

Canada is a State Party to the Arms Trade Treaty (ATT), which bars the transfer of weapons if there is a substantial risk that the recipient of those weapons could use them in violations of IHL – a threshold which has evidently been crossed in the case of Israel. Any further export – either directly or via the United States – of military goods that Israel could use in Gaza would therefore be a violation of Canada’s obligations under the ATT.

For this reason, the Canadian government [partially suspended](#) direct arms transfers to Israel, first suspending new arms export authorizations in January 2024, and later that year suspending [approximately 30 previously-approved permits](#).

However, [long-standing loopholes](#) that allow Canada’s arms exports to (and through) the United States to bypass nearly all regulatory oversight have raised significant concerns

that Canadian armaments are still being sent to Israel via the United States, without public disclosure.

These concerns were justified when, in August 2024, the US government [announced](#) that it was seeking congressional approval for a Foreign Military Sale to Israel of 50,000 M933A1 120mm High Explosive Mortar Cartridges and related equipment, valued at US\$61.1 million (approximately CAD\$87.4 million). GD-OTS-Canada was identified as the manufacturer of the explosives.

The announcement appeared to take Canadian authorities by surprise. In early September, following intense [media scrutiny](#), Foreign Affairs Minister Joly stated that Canadian authorities would [block](#) this sale, as Global Affairs Canada would not “have any form of arms or parts of arms be sent to Gaza, period. How they’re being sent and where they’re being sent is irrelevant.”

Yet, only two weeks later, GD-OTS-Canada was under a new contract to provide 155mm propellants to the US DOD for end-use by Israel — a contract explicitly brokered by the CCC, a Canadian crown corporation.

This series of events reveals the flaws in the arms free-trade zone between Canada and the United States, which allows the provision of armaments to regimes that abuse human rights, without scrutiny from, or accountability on the part of, Canadian officials. Other examples include the more than [\\$100 million](#) in Canadian-made F-35 components that have been exported to Israel through the US DOD.

And while this transaction for Quebec-made propellants was announced publicly, it is not known what other Canadian-made weapon systems have been transferred to Israel by way of the United States with no fanfare.

Lack of Transparency for US Arms Transfers

The 2024 contract amendment marked the first time that Israel was directly named as a recipient of Canadian-made 155mm propellants. However, as Canada has long been a major munitions supplier to the DOD, there remains a significant risk that some of these Canadian-made weapon systems have been sent on to third parties, including Israel.

Even in times of relative peace, the DOD constantly procures munitions, and Canada is a main supplier. The CCC states that GD-OTS-Canada has been a munitions supplier to the US Army for [more than 25 years](#), with GD-OTS-Canada’s four Quebec-based campuses viewed as part of a larger, integrated North American defence industrial base. The close relationship between GD-OTS-Canada and the US military is underscored by the aforementioned fact that GD-OTS-Canada is the [sole source](#) supplier of certain propellants to the US Army.

Segments of US Army-procured munitions are stockpiled overseas. Within Israel, the DOD manages the strategic stockpile known as the [War Reserve Stockpile Allies-Israel](#) or “WR-SA-I,” which includes a host of military systems, such as munitions for the 155mm artillery system.

This in-place arsenal, which can supply Israel with military goods during emergencies, has been criticized for lacking [basic oversight or transparency](#) mechanisms that would indicate when weapon systems have been added to the stockpile or, critically, when they've been taken out. And while the volume of military goods housed in WRSA-I isn't publicly reported, the Congressional Research Services has stated that its contents could have a value as high as [US\\$4.4 billion](#).

In the opening weeks of Operation Swords of Iron, US authorities began providing the 155mm shells that were "[held in large volumes](#)" in WRSA-I to support the IDF bombardment of Gaza, which quickly reached unprecedented levels of destruction.

The CCC attributes recent increases in the annual value of Canadian arms transfers to the United States to America's supplying Ukraine with munitions, including propellants used to fire 155mm shells. Soon after Russia's invasion of Ukraine, WRSA-I was tapped by US authorities to provide munitions to the Ukrainian military.

However, in December 2023, some munitions, including 57,000 155mm artillery shells, which were initially sent to Ukraine, were returned to Israel for use in Operation Swords of Iron.

As Canada is a major contributor of the necessary propellants for the US Army's stockpiles of 155mm artillery, there is reasonable grounds for concern that some Canadian-made military goods have been supplied through routine US procurement channels to WRSA-I and thereafter, to the IDF. However, the lack of transparency in how munitions move into and out of WRSA-I makes confirmation impossible.



Project Ploughshares is a Canadian peace research institute with a focus on disarmament efforts and international security specifically related to the arms trade; emerging military and security technologies; nuclear weapons; the protection of civilians; outer space; and the intersection of climate, peace, and security.

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