



Quick Hit Developments in European Export Control

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What's New?

- **The 'Recast' EU Dual Use Regulation**
- **The "European Defence Package"**
 - EU Directive on Defence and Sensitive Security Procurement
 - EU Interpretative Communication on the National Security Exemption
 - **EU Directive on Intra-EU Transfers of Defense Products**



Legislative Framework

- International Agreements (e.g. Wassenaar Arrangement, Australia Group)
- UN Security Council resolutions for trade embargoes and sanctions
- EU Regulations and Directives
- National implementing legislation (e.g. UK Export Control Order 2009)
- EU Anti-Boycott Statutes (Cuba and Iran)

Parallels with US Framework

- ITAR Munitions List ► EU Common List of Military Equipment
- EAR Dual Use List ► EU Dual Use List
- UN Security Council resolutions for trade embargoes and sanctions
- US Anti-Boycott Laws ≠ EU Blocking Statutes

Recast EU Dual Use Regulation

- Aligns EU regime with UN Security Council Resolution 1540
 - trafficking and brokering services
 - potentially very broad
 - mandatory for items capable of WMD
 - Member States option for other dual-use items
 - transit of non-EU origin dual use items
- Requires each Member State to establish a maximum processing time for licence applications
- Transparency and exchange of information among Member States
- Assessment of compliance programs in licensing decisions

Directive on Intra-EU Transfers of Defense Products

- Designed to simplify and conform licensing systems for transfers of military equipment and technology transfers within the EU
- Will permit suppliers established in one member state to move products and technology under a single licensing scheme
- Introduces a system of ‘general’ and ‘global’ licenses in place of individual export licenses
 - General license will permit all businesses in the Member State that meet specific license conditions to transfer defense items and technology without individual prior authorization
 - Global transfer licenses will permit multiple transfers of defense articles to a named consignee or category of consignees
- Requires national implementing legislation

Probable / Possible Impacts

- New brokering rules will bring more types of activity within the licensing regime
- Prospect of greater scrutiny of compliance programs by licensing authorities
- Less forum shopping for licenses
- Reduced burden through use of general and global authorizations
- Greater uniformity in licensing decisions
- Faster decisions

Thank you

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