



A Brief Overview and Status Report on Export Control Reform

Export Control Coordinators Organization

Livermore, California

June 17, 2014

Transactions We Control

BIS regulates (**controls**) “exports” and “reexports” of “items” “subject to the EAR” in addition to certain activities of U.S. persons.

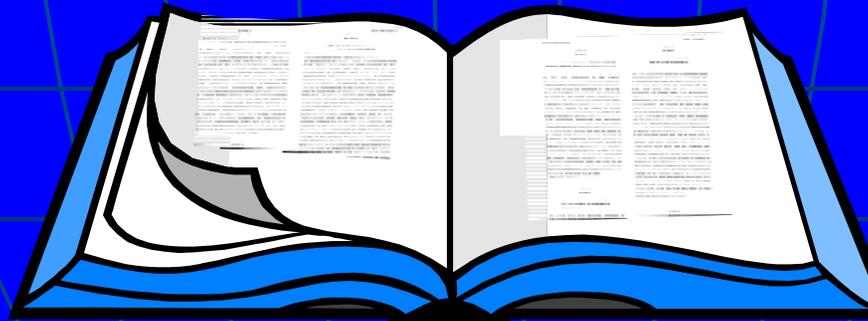


Export Administration Regulations

Items that have solely civil uses

Items used in both commercial and military/strategic applications

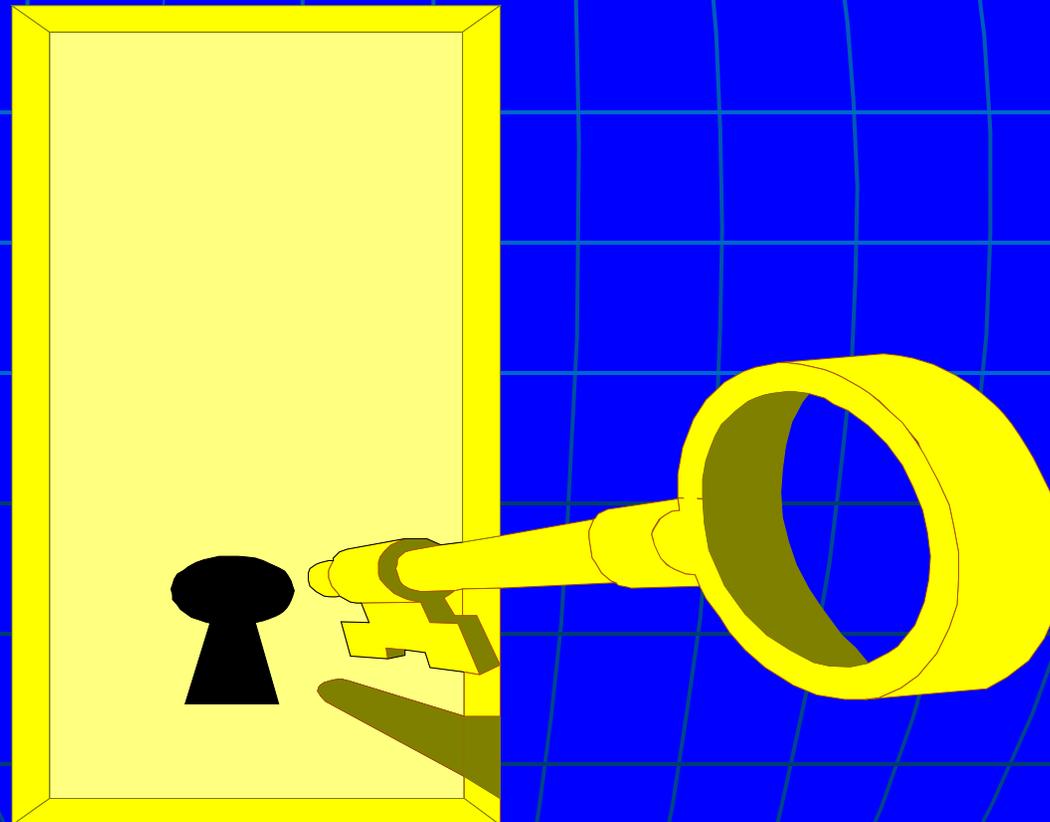
Items that no longer warrant the more stringent controls related to the U.S. Munitions List (USML)



Determining Applicable Controls and Licensing Requirements

1. **What** is the item?
2. **Where** is the item going?
3. **Who** is the end user?
4. **What** is the end use?

Commerce **Control** List and the Commerce Country Chart



Commerce **Control** List

Part 738 and Part 774 and Part 774, Supplement No. 1

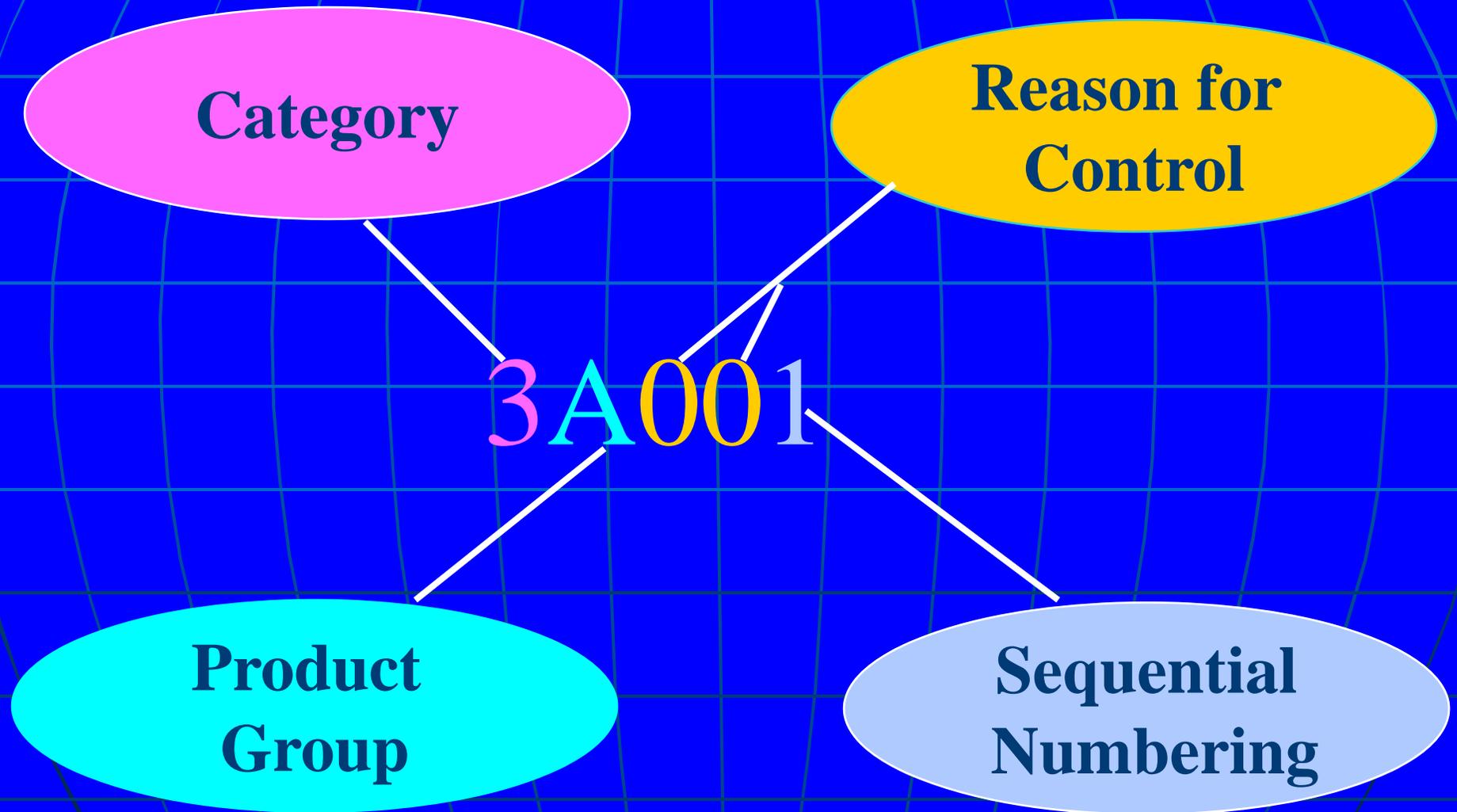
Contains lists of items subject to licensing authority of BIS

Each entry is called Export Control Classification Number (ECCN)
Five alpha-numeric characters

Items listed in terms of technical parameters

ECCN Structure

Part 738.2



Ten Categories in the CCL

Part 738.2

0. Nuclear Materials, Facilities & Equipment and **Miscellaneous**
1. Materials, Chemicals, "Microorganisms" and Toxins
2. Materials Processing
3. Electronics (Design, Development and Production)
4. Computers
5. Telecommunications-PART 1 and Information Security-PART 2
6. Sensors and Lasers
7. Navigation and Avionics
8. Marine
9. Aerospace and Propulsion Systems

e.g.: **5A001**

Product Groups

Part 738.2

5**A**101

Equipment, Assemblies
and Components

5**B**101

Test, Inspection and
Production Equipment

5**C**101

Materials

5**D**101

Software

5**E**101

Technology

Numbering System

Part 738.2

3A001

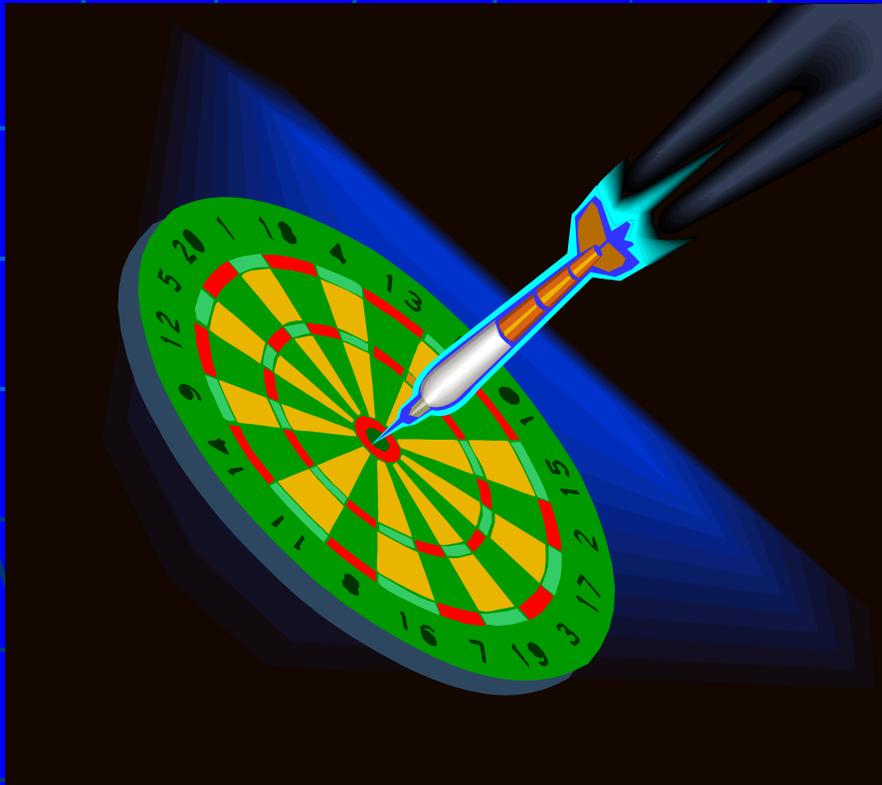


- 001-099** National Security (including Dual-Use and NSG Dual Use Annex and Trigger List)
- 100-199** Missile Technology
- 200-299** Nuclear Nonproliferation
- 300-399** Chemical and Biological Weapons
- 500-599** Items warranting NS or Foreign Policy Controls at Commerce Determination
- 600-699** WAML or formerly USML
- 900-999** Anti-Terrorism, Crime Control, Regional Security, Short Supply, UN Sanctions, etc.

Refer to Part 738.2(d) for a full explanation of how these digits are determined

How to Find an ECCN

1. Self Determine
Work with your company's
engineers and technical support



2. Ask the Manufacturer
**Then check that information
against the CCL to confirm
Remember
You remain responsible**

3. Submit a formal classification
request to BIS

Commerce Country Chart

Part 738, Supplement 1

Commerce Country Chart

Reason for Control

Countries	Chemical & Biological Weapons			Nuclear Nonproliferation		National Security		Missile Tech	Regional Stability		Firearms Convention	Crime Control			Anti-Terrorism	
	CB 1	CB 2	CB 3	NP 1	NP 2	NS 1	NS 2	MT 1	RS 1	RS 2	FC 1	CC 1	CC 2	CC 3	AT 1	AT 2
	Ireland	X					X		X	X	X		X		X	
Israel	X	X	X	X	X	X	X	X	X	X		X		X		
Italy	X					X		X	X							
Jamaica	X	X		X		X	X	X	X	X	X	X		X		X
Japan	X					X		X	X							
Jordan	X	X	X	X		X	X	X	X	X		X		X		
Kazakhstan	X	X	X			X	X	X	X	X		X	X			
Kenya	X	X		X		X	X	X	X	X		X		X		
Kiribati	X	X		X		X	X	X	X	X		X		X		
Korea, North	See Sections 742.19 and 746.4 of the EAR to determine whether a license is required in order to export or reexport to this destination.															
Korea, South	X					X		X	X	X		X		X		
Kuwait	X	X	X	X		X	X	X	X	X		X		X		
Kyrgyzstan	X	X	X	X		X	X	X	X	X		X	X			
Laos	X	X		X		X	X	X	X	X		X	X			

Possible Reasons for Control

Part 738.2

REASON FOR CONTROL REFLECTED ON COUNTRY CHART

CB: Chemical & Biological
Weapons

NP: Nuclear Nonproliferation

NS: National Security

MT: Missile Technology

RS: Regional Stability

FC: Firearms Convention

CC: Crime Control

AT: Anti-Terrorism

REASON FOR CONTROL NOT REFLECTED ON COUNTRY CHART

CW: Chemical Weapons
Convention

EI: Encryption Items

SI: Significant Items

SL: Surreptitious Listening

SS: Short Supply

UN: United Nations Embargo

Commerce Country Chart

Reason for Control

Countries	Chemical & Biological Weapons			Nuclear Nonproliferation		National Security		Missile Tech	Regional Stability		Firearms Convention	Crime Control			Anti-Terrorism	
	CB	CB	CB	NP	NP	NS	NS	MT	RS	RS	FC	CC	CC	CC	AT	AT
	1	2	3	1	2	1	2	1	1	2	1	1	2	3	1	2
Ireland	X					X		X	X	X		X		X		
Israel	X	X	X	X	X	X	X	X	X	X		X		X		
Italy	X					X		X	X							
Jamaica	X	X		X		X	X	X	X	X	X	X		X		
Japan	X					X		X	X							
Jordan	X	X	X	X		X	X	X	X	X		X		X		
Kazakhstan	X	X	X			X	X	X	X	X		X	X			
Kenya	X	X		X		X	X	X	X	X		X		X		
Kiribati	X	X		X		X		X	X			X		X		
Korea, North	See Sections 742.19 and 746.4 of the EAR to determine whether a license is required in order to export or reexport to this destination.															
Korea, South	X					X		X	X			X		X		
Kuwait	X	X	X	X		X	X	X	X	X		X		X		
Kyrgyzstan	X	X	X	X		X	X	X	X	X		X	X			
Laos	X	X		X		X	X	X	X	X		X	X			

DEGREE OF CONCERN

REASON FOR CONTROL

PDF

VERSION

EAR99

If an item subject to the EAR is NOT described by any ECCN, it is designated EAR99.

In most cases, the export of an EAR99 item can be completed using the license authorization NLR (No License Required),

but ...

Check the General Prohibitions AND the "Lists to Check" for other possible licensing requirements.

EAR 99 CONCERNS

**EMBARGOED
OR
STRONGLY
SANCTIONED**

IRAN
SUDAN
CUBA
SYRIA
NORTH KOREA

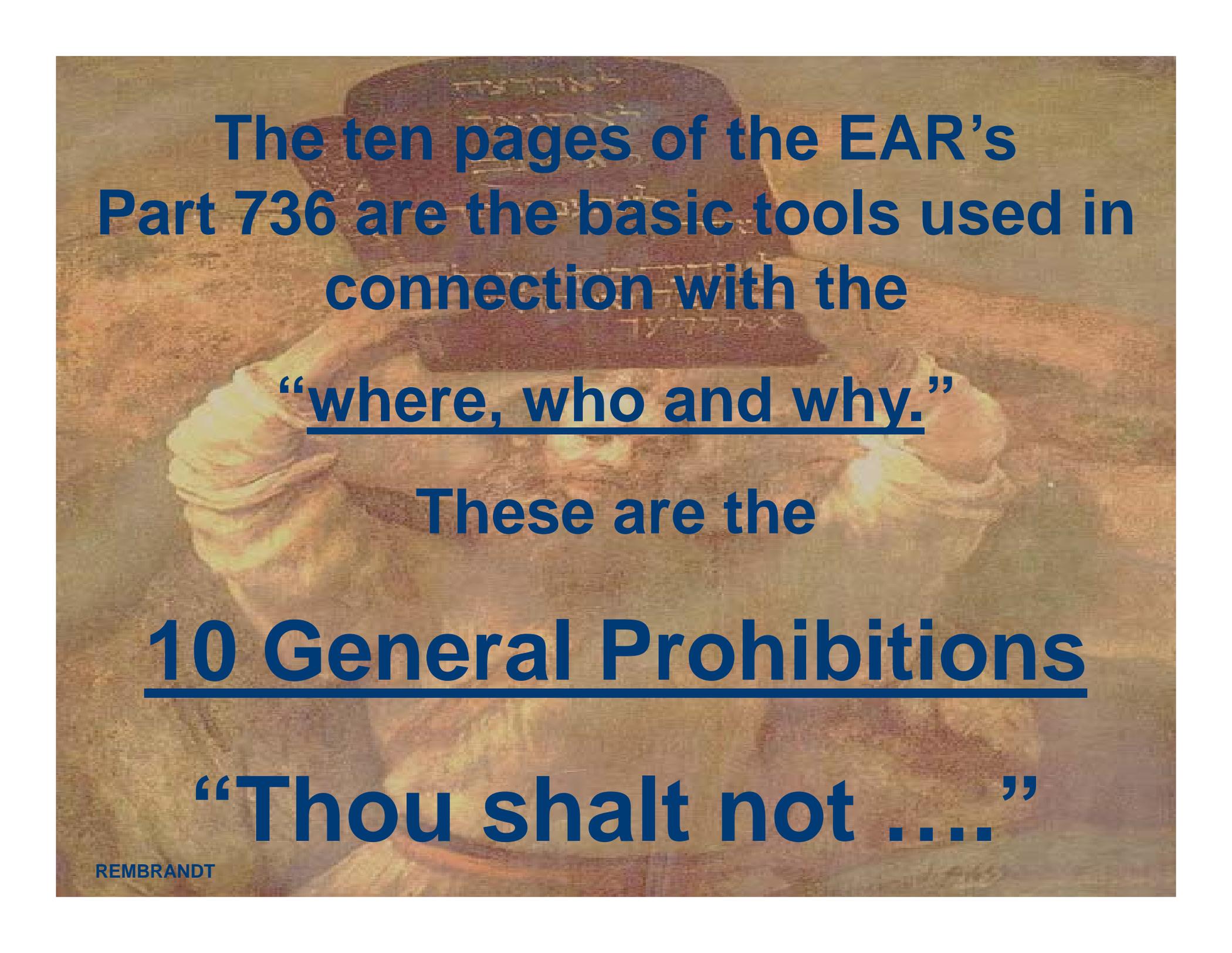
LISTS TO CHECK

DENIED PERSONS
UNVERIFIED
ENTITY
SPECIALLY DESIGNATED
NATIONALS
DEBARRED
NONPROLIFERATION
SANCTIONS

**END USE /
END USER**

NUCLEAR
CHEMICAL /
BIOLOGICAL
MISSILE TECHNOLOGY
MARITIME NUCLEAR
PRC MILITARY



The background of the slide is a reproduction of Rembrandt's painting 'The Astronomer'. It depicts a man in a dark, heavy coat sitting at a desk, looking up at a large celestial globe. The scene is dimly lit, with light coming from a window on the right, casting long shadows and highlighting the textures of the man's clothing and the desk. The overall mood is contemplative and scholarly.

**The ten pages of the EAR's
Part 736 are the basic tools used in
connection with the**

“where, who and why.”

These are the

10 General Prohibitions

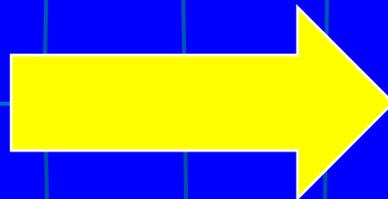
“Thou shalt not”

ITAR to EAR

Part 738

600 Series Items

On October 15, 2013 certain items formerly on the USML began to be transferred to the CCL.



No longer required that substantial degree of control.

Other items are scheduled to transfer in the immediate future.

ITAR to EAR

Part 738

600 Series Items

The purpose of this transfer was increased national security by:

Increasing interoperability with NATO and other close allies;

Reducing the current incentives for companies in non-embargoed countries to design out or avoid US-origin content;
and

Allow focus of export control resources on the transactions of greater concern.

ITAR to EAR

Part 738

600 Series Items

Licenses from Commerce still required to export and reexport most 600 series items worldwide (minus Canada), unless an EAR license exception is available.

New version of License Exception STA authorizes exports and reexports to 36 countries if (a) for ultimate end use by a government of such countries, (b) return to the US, or (c) in connection with an existing authorization.

Will make defense trade in the supply chain for NATO and other allies more efficient.

Will have specific and stringent compliance obligations.

ITAR to EAR

Part 738

600 Series Items

Framework: More “positive” USML and simultaneous establishment of EAR “600 series” structure

Revised USML categories and corresponding “600 series” ECCN’s

“Specially Designed”: Defined for both the ITAR and EAR

Transition/Implementation: grandfathering, changes to license exceptions and license structure

600 Series

Part 738

USML	Description	ECCNs	Status
I	Firearms	0y601	Proposed rule TBD
II	Artillery	0y602	Proposed rule TBD
III	Ammunition	0y603	Proposed rule TBD
IV	Launch Vehicles/Missiles	9y604	Final rule 1/2/14 To be effective 7/1/14
V	Explosives/Propellants	1y608	Final rule 1/2/14 To be effective 7/1/14
VI	Vessels of War	8y609	Effective 1/6/14
VII	Tanks/Military Vehicles	0y606	Effective 1/6/14
VIII	Aircraft	9y610	Effective 10/15/13
IX	Training Equipment	0y614	Final rule 1/2/14 To be effective 7/1/14

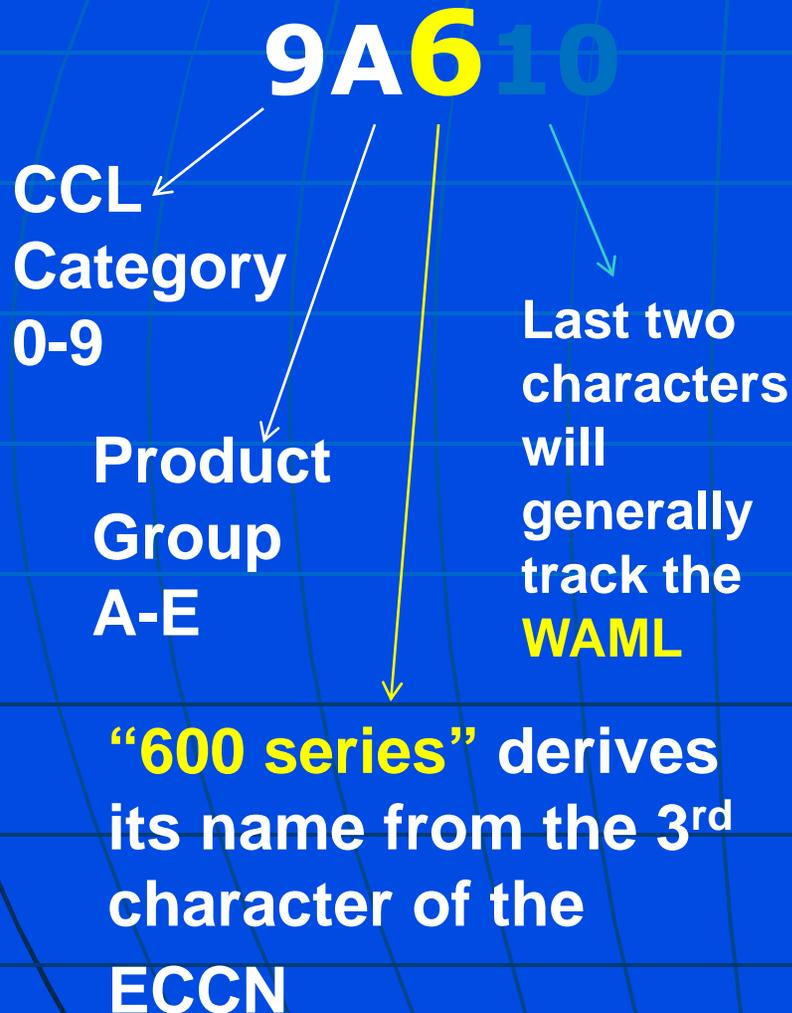
600 Series

Part 738

USML	Description	ECCNs	Status
X	Personal Protective Equipment	1y613	Final rule 1/2/14 To be effective 7/1/14
XI	Electronics	3y611, 9y620	Second Proposed rule 7/25/13
XII	Fire Control/Sensors/Night Vision	TBD	Proposed rule TBD
XIII	Miscellaneous	0y617	Effective 1/6/14
XIV	Toxicological Agents	1y607	Proposed rule TBD
XV	Spacecraft/Satellites	9y515	Proposed rule 5/24/13 Interim Final Rule 5/13/14
XVI	Nuclear	N/A	Final rule 1/2/14 To be effective 7/1/14
XVIII	Directed Energy Weapons	TBD	Proposed rule TBD
XIX	Gas Turbine Engines	9y619	Effective 10/15/13
XX	Submersible Vessels	8y620	Effective 1/6/14

600 Series

Framework



Former USML items (and -018 items) listed in the "Items" paragraph.

Order of review:

- **.a - .w**: specifically enumerated end items, materials, parts, components, accessories, and attachments
 - ◆ Some items may be "specially designed"
- **.x**: "specially designed" parts, components, accessories, and attachments that are not specifically enumerated
- **.y**: specifically enumerated parts, components, accessories, and attachments that are "specially designed"

600 Series

Framework – Another View

.a thru .w

**SPECIFICALLY ENUMERATED
(may or may not be
specially designed)**

END ITEMS

MATERIALS

PARTS

COMPONENTS

ACCESSORIES

ATTACHEMENTS

SOFTWARE

.x

**SPECIALY DESIGNED
BUT NOT
SPECIFICALLY ENUMERATED**

PARTS

COMPONENTS

ACCESSORIES

ATTACHMENTS

.y

**SPECIALY DESIGNED
AND
SPECIFICALLY ENUMERATED**

PARTS

COMPONENTS

ACCESSORIES

ATTACHMENTS

600 SERIES

Framework

9A610 Military aircraft and related commodities, other than those enumerated in 9A991.a (see List of Items Controlled)

Reason for Control: NS, RS, MT, AT, UN

Control(s)	Country Chart (See Supp. No. 1 to part 738)
NS applies to entire entry except 9A610.u, .v, .w, and .y	NS Column 1
RS applies to entire entry except 9A610.y	RS Column 1
MT applies to 9A610.u, .v, and .w	MT Column 1
AT applies to entire entry	AT Column 1
UN applies to entire entry except 9A610.y	See §746.1(b) for UN controls

LIST BASED LICENSE EXCEPTIONS (SEE PART 740 FOR A DESCRIPTION OF ALL LICENSE EXCEPTIONS)

LVS: \$1500

GBS: N/A

CIV: N/A

SPECIAL CONDITIONS FOR STA

STA: (1) Paragraph (c)(1) of License Exception STA (§740.20(c)(1) of the EAR) may not be used for any item in 9A610.a (i.e., "end item" military aircraft), unless determined by BIS to be eligible for License Exception STA in accordance with §740.20(g) (License Exception STA eligibility requests for "600 series" end items). (2) Paragraph (c)(2) of License Exception STA (§740.20(c)(2) of the EAR) may not be used for any item in 9A610.

**.a - .x items
controlled to
all countries
except
Canada**

**.y items
controlled to
Country
Group E:1
countries
and China
(Part 744.21)**

600 SERIES

PART 774 Supplement 4

Order of Review

Review the **USML**

Specifically enumerated items

“Catch-all” controls and ITAR definition of “specially designed”

If not on the USML, review the **CCL**

Review characteristics of item to determine applicable CCL category and product group.

Review applicable **600 Series** ECCNs

Specifically enumerated items

“Catch-all” controls and EAR definition of “specially designed”

Review applicable **non-600 Series** ECCNs

600 SERIES

China Military – Part 744.21(a)(2)

Part 744.21 currently imposes a license requirement for exports or reexports of certain items subject to the EAR when one knows such items are intended for a military end use.

Since **600 series items are presumptively for a military end use**, all 600 series items (including .y items) will require a license when destined for **China**.

SPECIALLY DESIGNED

Catch and Release – Part 772

“Specially designed” is a catch-and-release construct using a step by step sequential analysis.

Requires answering a series of yes/no questions that lead to an **objective determination** whether or not an item is “specially designed”

Details, steps and definition found in Part 772

Online decision tree also available



Bureau of Industry and Security

U.S. Department of Commerce
Where Industry and Security Intersect

Search... Search

- Home
- About BIS
- Regulations
- Licensing
- Enforcement
- Compliance & Training
- Policy Guidance
- Add'l Programs
- Reform

Exporter Portal

Details

Export Control Basics
Introduction to Commerce
Department Export Controls
[Learn More >>](#)



Lists to Check
Monitor any parties of concern
[Learn More >>](#)



Decision Tree Tools
Find out more specifics
on exporting
[Learn More >>](#)



SNAP-R Login
Submit export and re-export
applications, commodity
classification requests, and more..
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eMail Notification
Receive important updates
straight to your email
[Learn More >>](#)



Online Training Room
Explore multimedia online training
[Learn More >>](#)



STELA Login
Track your license application
status
[Learn More >>](#)



Special Countries
Discover which countries have
unique exporting criteria
[Learn More >>](#)



EAR
Find all about Export
Administration Regulation
[Learn More >>](#)



Best Practices
Ensure your exports fully comply
with statutory & regulatory reqs
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Red Flags
Familiarize yourself with red flags
in export transactions
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BIS Calendar
Keep up-to-date on new
seminars and events
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Regulations News
Learn about recent changes to
the EAR
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Review up-to-date news from BIS
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SPECIALLY DESIGNED

Catch and Release – Part 772

(a)(1)

The item is "caught" if as a result of "development" it has properties **peculiarly responsible** for achieving or exceeding the performance levels, characteristics, or functions in the relevant ECCN or USML paragraph.



SPECIALLY DESIGNED

Catch and Release – Part 772

(a)(1) Notes



Paragraph (a)(1) is **mainly** used for determining whether an **end item** or **material** is “specially designed,” although it also applies to other items subject to the EAR.

For **end-items** and **material**, paragraph **(a)(1)** is the **entire “specially designed” definition** – meaning (a)(1) acts as the ‘catch’ and ‘release.’ If your **end item or material is not ‘caught’** under (a)(1), then it is **NOT “specially designed.”**

For “parts,” “components,” “accessories,” “attachments,” and “software,” (P-CAAS) before determining not ‘caught’ under “specially designed,” paragraph (a)(2) should be reviewed.



600 Series

Framework – Another View

.a thru .w

**SPECIFICALLY ENUMERATED
(may or may not be
specially designed)**

END ITEMS

MATERIALS

PARTS

COMPONENTS

ACCESSORIES

ATTACHEMENTS

SOFTWARE

.x

**SPECIALY DESIGNED
BUT NOT
SPECIFICALLY ENUMERATED**

PARTS

COMPONENTS

ACCESSORIES

ATTACHMENTS

.y

**SPECIALY DESIGNED
AND
SPECIFICALLY ENUMERATED**

PARTS

COMPONENTS

ACCESSORIES

ATTACHMENTS

SPECIALLY DESIGNED

Catch and Release – Part 772



(a)(2)

“**Catches**” any “part,” “component,” “accessory,” “attachment” or “software” (**P-CAAS**) that is for use in or with a **commodity** or **defense article** ‘enumerated’ or otherwise described on the **CCL** or the **USML**



SPECIALLY DESIGNED

Catch and Release – Part 772



(b) Notes

Paragraph (b) is only used for 'releasing' "parts," "components," "accessories," "attachments" or "software" (P-CAAS).

A "part," "component," "accessory," "attachment," or "software" (P-CAAS) that meets the criteria of one or more of the paragraphs under (b) is 'released' from "specially designed."

If you are reviewing a decontrol on the **CCL** **that uses "specially designed," stop at paragraph (a)** in your analysis. Do not review paragraph (b) for decontrols on the CCL that use "specially designed."



SPECIALLY DESIGNED

Catch and Release – Part 772

(b)(1) **(CJ)**



Has the item been **identified** in an **ECCN** paragraph that **does not contain** **“specially designed”**

or

as an **EAR99** item in a **CJ** or in interagency-cleared **CCATS**

If so, the item is not “specially designed.”



SPECIALLY DESIGNED

Catch and Release – Part 772

(b)(2) (**Nuts and Bolts**)



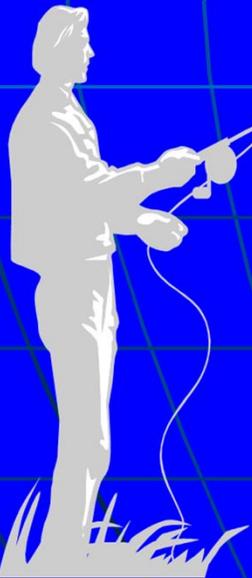
Is the "part" or minor component (regardless of 'form' or 'fit') a: fastener (meaning **only** a:

screw	bolt	nut
nut plate	stud	insert
clip	rivet	pin)

or a:

washer	spacer	insulator
grommet	bushing	spring
wire	solder?	

If so, the item is not "specially designed."



SPECIALLY DESIGNED

Catch and Release – Part 772

(b)(3) (**Same as something else**)



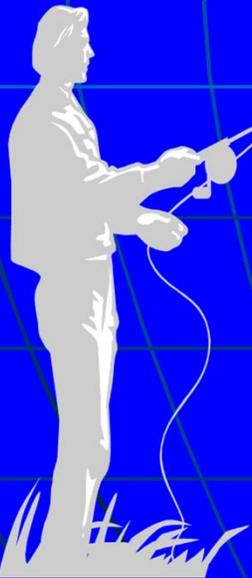
Does the “part,” “component,” “accessory,” “attachment,” or “software” (P-CAAS) have the same function, performance capabilities, **and** the same or ‘equivalent’ form and fit, as a commodity or software **used in or with** an item that:

(i) is or was in “production” (not in “development”);

and

(ii) is **not** ‘enumerated’ on the CCL or USML, **or** described in an ECCN controlled only for Anti-Terrorism (AT) reasons?

If so, the item is not “specially designed.”



SPECIALLY DESIGNED

Catch and Release – Part 772



(b)(3) Notes

Does not require research into the design history because it is limited to items that are or were in “production.”

‘Equivalent’ means that the form has been modified solely for ‘fit’ purposes. This is meant to be a very narrow carve out.



SPECIALLY DESIGNED

Catch and Release – Part 772

(b4)(b5) and (b6) Notes



For a commodity or software to be not "specially designed" on the basis of paragraphs (b)(4), (b)(5) or (b)(6), documents contemporaneous with its "development," in their totality, must establish the elements of paragraphs (b)(4), (b)(5) or (b)(6).

Such documents may include concept design information, marketing plans, declarations in patent applications, or contracts. Absent such documents, the "commodity" may not be excluded from being "specially designed" by paragraphs (b)(4), (b)(5) or (b)(6).



SPECIALLY DESIGNED

Catch and Release – Part 772

(b)(4) (**Both controlled and uncontrolled**)



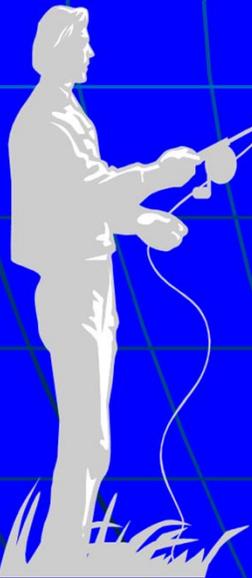
Was or is "part," "component," "accessory," "attachment," or "software" (P-CAAS) developed **with "knowledge"** it would be for use in or with commodities or software:

(i) described in ECCN

and

(ii) also in commodities or software which are **not** on the CCL or USML, **or** are described in an ECCN controlled only for Anti-Terrorism (AT) reasons?

If so, the item is not "specially designed."



SPECIALLY DESIGNED

Catch and Release – Part 772



(b) (5) (General Purpose)

Was or is the "part," "component," "accessory," "attachment" or "software" (P-CAAS) developed as a general purpose commodity or software (with no "knowledge" that it would be used in or with):

a particular commodity or type of commodity?

If so, the item is not "specially designed."



SPECIALLY DESIGNED

Catch and Release – Part 772

(b)(6) **(Uncontrolled Only)**



Was or is the "part," "component," "accessory," "attachment," or "software" (P-CAAS) being developed **with "knowledge"** that it would be for use in or with commodities or software:

(i) described in an ECCN controlled only for AT reasons and also for EAR99 commodities or software, *or*

(ii) exclusively for use in or with EAR99 commodities or software?

If so, the item is not "specially designed."



OY521

An algebraic notation meaning:
0A521, 0B521, 0C521, 0D521 or 0E521

Part 774, Supplement 5

Any commodity (A/B), material (C), software (D) or technology (E) subject to the EAR that is not listed elsewhere in the CCL but provides at least a **significant military or intelligence advantage** to the United States or for foreign policy reasons.

RS-1 // No License Exceptions Except GOV (U.S. government only)

Specific items are listed separately in Supplement 5,
Part 774

OY521

An algebraic notation meaning: 0A521, 0B521, 0C521, 0D521 or 0E521

Supplement No. 5 to Part 774— Items Classified Under ECCNS 0A521, 0B521, 0C521, 0D521 and 0E521

The following table lists items subject to the EAR that are not listed elsewhere in the CCL, but which the Department of Commerce, with the concurrence of the Departments of Defense and State, has identified warrant control for export or reexport because the items provide at least a significant military or intelligence advantage to the United States or for foreign policy reasons.

Item descriptor Note: The description must match by model number or a broader descriptor that does not necessarily need to be company specific	Date of initial or subsequent BIS classification. (ID = initial date; SD = subsequent date)	Date when the item will be designated EAR99, unless reclassified in another ECCN or the OY521 classification is reissued	Item-specific license exception eligibility
0A521. Systems, Equipment and Components			
No. 1: Biosensor systems and dedicated detecting components, i.e. cartridges and cells, capable of detecting all of the following aerosolized bioagents: anthrax, ricin, Botulinum toxin, Francisella tularensis, orthopoxvirus and Yersinia pestis, and having all of the following characteristics:	March 28, 2013 (ID)	March 28, 2014	License Exception GOV under §740.11 (b)(2)(ii) only.
a. Capable of showing results in three minutes or less;			
b. Has an integrated bioaerosol collector and identifier;			
c. Contains antibodies for any of the bioagents listed above; and			
d. Utilizes bioluminescence as a process.			
Related Controls. (1) See ECCN 1A004.c for detection systems and ECCN 2B351 for toxic gas monitoring systems and their dedicated detecting components, both of which are different from ECCN 0A521.			
Biosensor Systems. (2) See 22 CFR Part 121, Category XIV (f) (2) for equipment for the detection, identification, warning or monitoring of biological agents that is subject to the export licensing jurisdiction of the U.S. Department of State, Directorate of Defense Trade Controls.			
Technical Notes:			
1. For the purposes of this entry, the term dedicated means committed entirely to a single purpose or device.			
2. This entry does not control biosensor systems that detect food borne pathogens.			
0B521. Test, Inspection and Production Equipment			
[Reserved]			
0C521. Materials			
[Reserved]			
0D521. Software			
No. 1 0D521 "Software" for the function of Biosensor Systems controlled by ECCN 0A521.	March 28, 2013 (ID)	March 28, 2014	License Exception GOV under §740.11 (b)(2)(ii) only.
No. 2 "Source code" for the "development" of fly-by-wire control systems	June 20, 2013 (ID)	June 20, 2014	License Exception GOV under §740.11 (b)(2)(ii) only.
0E521. Technology			
No. 1: 0E521 "Technology" for the "development" or "production" of Biosensor Systems controlled by ECCN	March 28, 2013 (ID)	March 28, 2014	License Exception GOV

Important Concepts

After determining "License Requirements,"
determine if there is an available mechanism for

OVERCOMING
that requirement.

This potential mechanism is called a

License Exception.

Why would you use a License Exception?

COUNTRY GROUPS

Part 740, Supplement 1

A - Regime members

- A:1 Former *CoCom
- A:2 Missile Technology Control Regime
- A:3 Australia Group (Chemical/Biological Weapons)
- A:4 Nuclear Suppliers Group
- A:5 STA-36 Countries
- A:6 STA-8 Countries

B – Group B Countries (Less Restricted)

C – Reserved – Not Used

D - Countries of concern

- D:1 National Security Concerns
- D:2 Nuclear Concerns
- D:3 Chemical/Biological Concerns
- D:4 Missile Technology Concerns
- D:5 U.S. Arms Embargoed Countries

E – Embargoed/Terrorist Supporting Countries

- E:1 Terrorist Supporting Countries
- E:2 Unilateral Embargo (Currently Cuba Only)



*Coordinating Committee for Multilateral Export Controls

Potential License Exceptions for 600 Series

The primary License Exception for 600 Series items is

STA

In some cases, the following License Exceptions may also be available for very restricted use:

LVS

TMP

RPL

TSU

GOV

These will not be addressed in detail here **but.....**

General Restrictions

Part 740.2

You may not use any License Exception if any of these apply **unless specifically otherwise authorized** if the item is a:

600-Series destined for a D:5 country;

Contractual sale of **Major Defense Equipment** in 600-Series to:

non-A:5 countries and valued at **≥\$15M**; or to

A:5 countries and valued at **≥\$25M**;

Strategic Trade Authorization

STA - Part 740.20

1A002 "Composite" structures or laminates, having any of the following (see List of Items Controlled).

LICENSE REQUIREMENTS

Reason for Control: NS, NP, AT

Control(s)	Country Chart (See Supp. No. 1 to part 738)
NS applies to entire entry	NS Column 2.
NP applies to 1A002.b.1 in the form of tubes with an inside diameter between 75 mm and 400 mm	NP Column 1.
1 AT applies to entire entry	AT Column 1.

LIST BASED LICENSE EXCEPTIONS (SEE PART 740 FOR A DESCRIPTION OF ALL LICENSE EXCEPTIONS)

LVS: \$1,500; *N/A* for NP; *N/A* for "composite" structures or laminates controlled by 1A002.a, having an organic "matrix" and made from materials controlled by 1C010.c or 1C010.d.

GBS: *N/A*

CIV: *N/A*

REPORTING REQUIREMENTS See §743.1 of the EAR for reporting requirements for exports under License Exceptions, Special Comprehensive Licenses, and Validated End-User authorizations

SPECIAL CONDITIONS FOR STA

STA: License Exception STA may not be used to ship any item in this entry to any of the destinations listed in Country Group A:6 (See Supplement No.1 to part 740 of the EAR).

LIST OF ITEMS CONTROLLED

Strategic Trade Authorization

STA - Part 740.20

Two **different** versions

For instructional purposes only, referred to as STA-Original and STA-600

STA-Basic used for Non-600 Series Items

Both versions refer extensively to (36) A:5 and (8) A:6 Countries

APR cannot be used for goods exported under STA.

This listed exception is considered a hybrid because **it is available** (provided all conditions are met) **unless** the CCL listing indicates otherwise.

Wassenaar reporting requirements (743.1) for items identified as sensitive in Part 774, Supplement 6

Strategic Trade Authorization

STA - Part 740.20

Exporter, reexporter or transferor must furnish ECCN of each item on at least initial shipment

Consignee can rely on ECCN information provided by exporter unless the consignee knows it is incorrect

Exporter, reexporter or transferor must notify consignee that the shipment is made under STA and identify the specific shipment involved

Strategic Trade Authorization

STA - Part 740.20

For all items exported under STA other than source code or technology, exporter, reexporter or transferor must obtain a certain Letter of Acknowledgement from the recipient agreeing to their responsibilities

For source code or technology, exporter, reexporter or transferor must obtain an agreement in the form of a contract, nondisclosure or similar agreement accepting restrictions on further disclosures (740.20(d)(4))

Retain in accordance with Part 762

Strategic Trade Authorization

STA-**Original** – Part 740.20

Authorizes the immediate export, reexport or transfer of most items to the 36 A:5 Countries AND the immediate export, reexport or transfer of many items to the 8 A:6 countries.

Specifically excludes certain reasons for control AND certain specified ECCN's in Categories 0, 1 and 9.

Review ALL individual ECCN entries for additional restrictions.

Strategic Trade Authorization

STA-**Original** – Part 740.20

A: 6 Countries: NS only unless indicated on CCL as not available

Strategic Trade Authorization

STA-600 – Part 740.20

9E610 Technology “required” for the “development,” “production,” operation, installation, maintenance, repair, overhaul, or refurbishing of military aircraft and related commodities controlled by 9A610, equipment controlled by 9B610, materials controlled by 9C610, or software controlled by 9D610 (see List of Items Controlled).

LICENSE REQUIREMENTS

Reason for Control: NS, RS, MT, AT, UN

Control(s)	Country Chart (See Supp. No. 1 to part 738)
NS applies to entire entry except 9E610.y	NS Column 1
RS applies to entire entry except 9E610.y	RS Column 1
MT applies to “technology” “required” for the “development,” “production,” operation, installation, maintenance, repair, overhaul, or refurbishing of commodities or software controlled for MT reasons in 9A610, 9B610, or 9D610 for MT reasons	MT Column 1
AT applies to entire entry	AT Column 1
UN applies to entire entry except 9E610.y	See §746.1(b) for UN controls

LIST BASED LICENSE EXCEPTIONS (SEE PART 740 FOR A DESCRIPTION OF ALL LICENSE EXCEPTIONS)

CIV: N/A

TSR: N/A

SPECIAL CONDITIONS FOR STA

STA: (1) Paragraph (c)(1) of License Exception STA (§740.20(c)(1) of the EAR) may not be used for 9E610.b. (2) Paragraph (c)(2) of License Exception STA (§740.20(c)(2) of the EAR) may not be used for any technology in 9E610.

LIST OF ITEMS CONTROLLED

Strategic Trade Authorization

STA-**600** – Part 740.20

1. Available for export, reexport to and in-country transfers within A:5 Countries (**ONLY**)
2. Government or non-government provided the ultimate end user is A:5 armed force, police, paramilitary, law enforcement, customs, correctional, fire, search and rescue or U.S. government
3. For development, production, operation, installation, maintenance, repair, overhaul or refurbishing (A:5 Countries)

An additional paragraph (Part 740.20(d)(2)(vi) acknowledging these three points is required for Letters of Acknowledgement when 600 Series items is involved

Strategic Trade Authorization

STA-**600** – Part 740.20

A paragraph (Part 740.20(d)(2)(vii) agreeing to U.S. government end-use checks is also required for Letters of Acknowledgement when 600 Series items to non-government consignees is involved

For items with multiple reasons for control, purchaser, intermediate consignee, ultimate consignee and end-user must have previously been approved on BIS or DDTTC license

An **AES filing** is required for all “600 series” items enumerated or described in paragraphs .a through .x (regardless of value and **including exports to Canada**) (Part 758.1)



QUESTIONS????

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