



CHALLENGES & OPPORTUNITIES FOR TRADE: ITAR, UK/U.S. DEFENSE TRADE TREATY, DEVELOPMENTS IN EUROPE

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US – UK – Canada Trilateral Symposium

Trade Developments in Europe
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BAE SYSTEMS



EU Directive 2009 / 43 / EC of 6 May 2009

The 'Transfer' or 'ICT' Directive

Simplifying Intra – Community Arms Transfers

Timescales

30 June 2009

Enters into force

30 June 2011

All laws, regulations, admin
procedures to be in place

30 June 2012

Measures to be applied

Key Features

1. Member States (MS) remain responsible for licensing defence goods.
2. Directive covers only arms transfers between MS, not exports to 3rd parties.
3. Exports under ITAR unaffected.
4. Procedures for intra-community arms transfers simplified.
5. Retransfer controls discouraged but must be complied with.

Licenses under ICT

1. General Transfer Licence
authorising exports where conditions met
(equivalent to UK Open General Export Licence)
2. Global Transfer Licence
authorising multiple exports by individual
suppliers, valid for 3 years (equivalent to UK
Open Individual Export Licence)
3. Individual Transfer Licence
authorising single transfer by individual supplier
(equivalent to UK Standard Individual Export
Licence)

General Transfer Licence (Article 5)

MS must introduce as a minimum General Transfer Licences for:

- End use by armed forces of MS
- 'Certified Undertaking' as Recipient
- Demonstration, Evaluation or Exhibition
- Maintenance or Repair by Originating Supplier

Certification (Article 9)

Certification of Undertakings by MS according to criteria:

- Compliance history
- Defence track record
- Designation of senior executive as responsible officer
- Written commitment by responsible officer to supply requested information on end use/user of products transferred by other MS.
- Detailed description, countersigned by responsible officer, of compliance procedures.



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Presenter: Sam Sevier, Director, Western Region

MK Technology – Global Trade Consulting

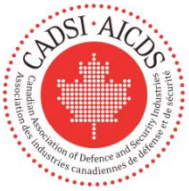
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- DDTC-DTAG efforts on ITAR application processing update
 - DDTC’s Special Emphasis
 - Update CJ Process
 - NSC Guidance
 - Out Reach – Get Compliant, Stay Compliant
 - Work with industry for Successful Outcomes
 - ITAR User Friendly
 - » DTAG definition recommendations

- Initial DTAG look at the UK-US Defense Trade Treaty
 - Senate requirement
 - Implementing Wording
 - DTAG Review
 - Text - Definitions
 - USG “carve outs”
 - Recommendation to DDTC



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International Committee



- Export Control Regimes
 - How Canadian Industry complies
- Challenges
 - Time Delays
 - Educating domestic industry
 - Human Rights versus Security
- Opportunities
 - Modernizing the lists of Controlled Goods
 - Moving goods to other jurisdictions
 - Exemptions