

EU

Various States Join EU in Renewing Sanctions in Respect of Actions Undermining or Threatening the Territorial Integrity, Sovereignty and Independence of Ukraine

The EU Council has [announced](#) that Montenegro, Albania, Liechtenstein, Norway and Ukraine have aligned themselves with the EU's decision to renew until 15 March 2017 its sanctions imposing asset freezes and travel bans against people and entities who have been involved in undermining Ukraine's territorial integrity or sovereignty. These countries will, therefore, ensure that their national policies conform to the EU's restrictive measures.

EU Extends List of Prohibited Exports to North Korea

A UN Security Council decision has been implemented by the EU to extend the list of goods that it is prohibited to transfer to, procure for or provide technical assistance in, in relation to North Korea. The new list of goods is in Annex Ig of Implementing [Regulation 2016/1831](#), which amends Council [Regulation 329/2007](#).

EU Renews Sanctions Against Burundi

The EU Council has renewed the EU sanctions against Burundi until 31 October 2017. The sanctions include travel bans and asset freezes against four people whose activities are deemed to be undermining democracy or obstructing the search for a political solution to the crisis in Burundi. The EU Council's [press release](#) stated that the absence of progress in the situation concerning the four sanctioned people justified the renewal of the sanctions. See [Decision 2016/1745](#) amending [Decision 2015/1763](#).

Update of the Dual-Use Export Control List

The Commission has adopted its annual [Delegated Regulation](#) that updates the EU dual-use export control list and brings it in line with the decision taken within the framework of the international non-proliferation regimes and export control arrangements. In summary, the majority of the changes, such as the updates of the control of laser measuring systems and a new control for electronic equipment that can perform high-speed analogue-to-digital conversions, derive from the Wassenaar Agreement. The Wassenaar Agreement has also triggered structural changes within information security, including the removal of several controls, those on aerospace and missile seals, some hydraulic fluids and underwater cameras.

Moreover, a new Nuclear Suppliers Group control for laser measuring systems had been added in Category 2 as a result of the Wassenaar Arrangement changes. The Commission Delegated Regulation will enter into force upon its publication two months after adoption.

UK

Updated SPIRE Website and Email Addresses

In order to reflect that the ECO is now part of the Department for International Trade (DIT), some aspects of Spire, the ECO's online export licensing system, have been amended. The following website addresses are now live: [Spire home page](#), [ECO reports and statistics](#), [Goods and OGEL checker](#). For exporters, this means that any licenses or other documents that were issued by the Department for Business, Innovation and Skills (BIS) and which carry the BIS name/logo will continue to have legal effect as if they were issued by DIT.

House of Lords Hearing on the Legality of EU Sanctions-listing Process

On 11 October, the House of Lords EU Justice Sub-Committee [heard](#) evidence from members of the Foreign and Commonwealth Office on the legality of the EU sanctions listing process. Topics discussed included the legality of the Council's process for listing and re-listing sanctions and what value Parliamentary scrutiny can add to this process, as well as the ramifications of Brexit for future UK alignment with EU sanctions.

Among the submissions on what the main reasons are for the EU courts annulling so many sanctions listings was that the EU Council has no or insufficient evidence to prove that the allegations made in the published reasons for listing a person or entity. It was submitted that the credibility of EU targeted sanctions could be damaged by the practice of the EU Council to re-list entities that have won their cases on the basis of unchanged facts with slightly amended reasons. Furthermore, in relation to the impact of Brexit, one of the members stated that if the UK ceases to be a Member State of the EU, it will not be bound by EU sanctions, and there will be no obligation for the UK to align itself with all autonomous EU sanctions. Nevertheless, the UK will continue to be obliged to implement United Nations Security Council sanctions.

US

US Further Eases Economic Sanctions Against Cuba

The US Treasury Department's Office of Foreign Assets Control (OFAC) and Commerce Department's Bureau of Industry and Security (BIS) have issued companion rules further easing restrictions on trade and travel between the US and Cuba (available [here](#) and [here](#), respectively). Building on the series of measures adopted since the US President's December 2014 announcement of a new policy toward Cuba, these latest measures authorise a variety of trade intended to strengthen economic ties between the two countries. They include, among other things, new authorisations for transactions related to Cuban-origin pharmaceuticals and joint medical research; civil aviation safety-related services; services related to the development, repair, maintenance and enhancement of Cuban infrastructure; and various humanitarian-related services. Additional notable measures are a new general license authorising US persons to negotiate contracts with parties in Cuba that are contingent on obtaining US government authorisations (or such authorisations being no longer required), and the removal of monetary limits on Cuban goods imported by travelers as accompanied baggage for personal use.

DDTC and BIS Announce Reforms to Controls on Fire Control, Laser, Imaging and Guidance Equipment

The US Department of State, Directorate of Defense Trade Controls (DDTC) has published a [final rule](#) announcing long awaited changes to Category XII of the US Munitions List (USML), which covers fire control, laser, imaging, and guidance equipment. The rulemaking is the latest of the administration's Export Control Reform initiative. It moves many items previously controlled under the ITAR to EAR jurisdiction, and amends USML Categories VIII, XIII and XV to reflect that items previously described in those Categories will be controlled under the revised Category XII of the EAR. The rule will be effective on 31 December 2016. BIS has issued a [companion rule](#) making corresponding amendments to the Commerce Control List, including by revising Export Control Classifications Number (ECCN) 7A611 and creating new "600 series" ECCNs 7B611, 7D611, and 7E611.

DOJ Publishes New Guidance on Voluntary Disclosures

The US Department of Justice's National Security Division (NSD) has published new guidance on export control voluntary disclosures, entitled *Guidance Regarding Voluntary Self-Disclosures, Cooperation, and Remediation in Export Control and Sanctions Investigations Involving Business Organizations*. The guidance describes the policy of NSD to encourage business organisations to voluntarily self-disclose criminal violations of US export control and sanctions laws, and outlines the mitigation afforded to parties who make such disclosures. The guidance is published on the DOJ's website and is available for download [here](#).

About Our Team

Worldwide

Ukraine Renews and Expands Russia Sanctions

Petro Poroshenko has [declared](#) the renewal of Ukraine's unilateral sanctions on Russia, and has also expanded the list of people and entities subject to the sanctions for being involved in the violation of Ukraine's territorial integrity. The entities targeted by the new listings include Russian military firms, financial institutions supporting the Luhansk and Donetsk People's Republics, and sea and air transportation companies doing business with occupied areas of Crimea.

Enforcement Actions

US Citizen and Two Russian Nationals Arrested for Export Control Violations

On 6 October 2016, the US Department of Justice [announced](#) the arrest of a US citizen for the alleged export of controlled items to Russia, as well as the arrest of two Russian nationals on related conspiracy charges. The complaints allege a conspiracy to obtain microelectronics associated with use in military systems, such as digital-to-analog converters and integrated circuits, and ship them to Russia without the required license from the Department of Commerce.

BIS Issues Orders Denying Export Privileges to Two Individuals

BIS published two notices denying export privileges to individuals convicted of violating the *International Emergency Economic Powers Act*: (1) Russell Henderson Marshall ([published](#) 6 October 2016, effective through 24 April 2025); and (2) Junaid Peerani ([published](#) 26 October 2016, effective through 14 August 2018).

Upcoming Events

ITAR and the EAR: US Trade Controls Compliance in Europe – London, UK – 31 January – 1 February 2017

[George Grammas](#) will participate in C5's 5th forum on compliance with ITAR and the EAR and be among the panelists to discuss "How to Work with Conflicting Definitions". See [here](#) for conference agenda and registration info.

7th Annual Advanced ITAR & EAR Compliance Conference & Workshops – Washington DC – 8-9 February 2017

The firm will once again partner with Marcus Evans to host the two-day gathering. The 2017 conference will provide a forum for professionals in the field to discuss with industry and government experts the evolving Export Control Reform, as well as provide assistance with developing compliance strategies to comprehensively address existing regulations and updates. Follow our [blog](#) for additional information.

Our Export Controls & Sanctions team is built on the ability to advise on the shifting regulatory framework on both sides of the Atlantic. We have extensive experience in advising and representing a wide range of companies and financial intuitions in Europe, the US and other jurisdictions on export control and sanctions from a multijurisdictional perspective. Our Export Controls & Sanctions team is part of our overall International Trade Practice, providing a “one-stop shop” solution to global trade compliance through rapid, professional and tailored advice and compliance tools to fit your business needs and processes. If you have any questions relating to sanctions, please contact a member of our EU or US Sanctions team listed herein. You can also email InternationalTradeCompliance@squirepb.com for assistance.

Resources to Strengthen Compliance

We encourage you to visit the [Trade Practitioner Blog](#) where you will find more updates on export controls, sanctions and other international trade topics. In addition, organisations engaged in the trade of items specially designed for military or space applications are encouraged to download our complimentary ITAR Practitioner’s Handbook covering the International Traffic in Arms Regulations (ITAR) and the US Department of Commerce “600 Series”.

Download a copy of the handbook [here](#).

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