

EU

EU Imposes Asset Freeze Measures on Crimean Members of the Russian Parliament

The EU Council has added six members of the Russian Parliament, all were elected to the State Duma from the Crimea and Sevastopol region of Ukraine in September, to its sanctions adopted with respect to territorial integrity or sovereignty of Ukraine. [Regulation \(EU\) 2016/1955](#) implementing [Regulation 269/2014](#) and [Decision 2016/1961](#) amending [Decision 2014/145/CFSP](#).

UK

Export Control Organisation (ECO) Publishes Blog on End-Users of Exported Goods

As part of the ECO's effort to move end-user undertakings from a paper-based system to a digital one, the ECO is [asking](#) all exporters if they have any overseas customers that are end-users of their products that would be willing to help the ECO shape the other side of the end-user undertaking procedure.

The ECO is asking exporters' customers what they find difficult about the current process, what causes hold-ups at their end and if there is any information that they are asked to provide that is often difficult to address. End-users willing to get in touch with the ECO to offer input on the current end-user undertaking process or share feedback for the new digital procedure should [email](#) the organisation.

The UK Foreign and Commonwealth Office (FCO) Publishes Its Annual Report for the 2015/2016 Year

In its [annual report](#), the FCO recognises that the UK played an instrumental role in ensuring that the EU remained united in upholding sanctions on Russia, in promoting sanctions on ISIS and in negotiating the Joint Comprehensive Plan of Action (JCPOA) nuclear deal with Iran. According to the report "while there has been good progress ... we have continued to raise serious concerns about Iranian ballistic missile test at UN Security Council," but the FCO remains "committed to ensuring Iran's compliance ... and upholding our obligations under the agreement." The report states that the FCO has engaged extensively with British businesses to assist them in exploring new opportunities offered by sanctions relief, including working with the US government to examine concerns from the banking sector over the interaction with US primary sanctions adopted with respect to Iran.

ECO Publishes Latest Version of Consolidated List of Military and Dual-Use Items

On 16 November, the ECO published a new version of its [consolidated list](#) of controlled military and dual-use items that require an export licence issued by the ECO. The list includes items such as radioactive sources and torture goods. It also includes dual-use items (that are designed for civilian purposes, which also potentially have a military application) such as lasers, avionics, navigation and high-tech engineering equipment.

ECO Updates and Amends Five Open General Export Licences (OGELs)

The ECO has [updated and amended](#) five OGELs following an update to the EU dual-use list, which was published in the [EU Official Journal](#), on 15 November 2016. The updates include changes to the goods schedule of each relevant licence. Of note, Côte d'Ivoire and Liberia have been removed from the list of excluded destinations for the OGEL. All licences have also been updated to refer to the new Department for International Trade, of which the ECO now forms a part and to amend the address for the Ministry of Defence team in the Export Control Joint Unit. The licences affected include the following:

- [Open general export licence \(export after exhibition: dual-use items\)](#)
- [Open general export licence \(export after repair/replacement under warranty: dual-use items\)](#)
- [Open general export licence \(export for repair/replacement under warranty: dual-use items\)](#)
- [Open general export licence \(PCBs and components for dual-use items\)](#)
- [Open general export licence \(oil and gas exploration: dual-use items\)](#)

ECO Revokes OGEL (International Non-Proliferation Regime Decontrols: Dual-Use Items)

The OGEL (dealing with international non-proliferation regime decontrols: dual-use items) which allowed, subject to certain conditions, the export of specified dual-use (having a civilian and military application) items has been permanently [revoked](#), as it is no longer useful to exporters. If an export can no longer meet the terms and conditions of a particular licence because the scope of the goods to destinations have changed, or if a licence has been revoked, then exports will need to de-register from the licence via [SPIRE](#).

Worldwide

Canadian Parliamentary Committee to Evaluate Canada's Sanctions Regimes

The Standing Committee on Foreign Affairs of Canada's Parliament is [reviewing](#) Canada's [Freezing Assets of Corrupt Foreign Official Act](#) and [Special Economic Measures Act](#), two crucial pieces of sanctions legislation, including the process for designations, enforcement and monitoring mechanisms, and the impact of the sanctions. The Committee is set to assess the role and effectiveness of sanctions as a foreign policy tool and Canada's broader strategic approach to imposing sanctions.

US

BIS Amends EAR to Update Military Arms Embargo Status of Côte d'Ivoire, Liberia, Sri Lanka and Vietnam

US Commerce Department's Bureau of Industry and Security (BIS) has issued a [final rule](#) amending various provisions of the Export Administration Regulations (EAR) to account for changes to controls on exports of arms and related materiel to Côte d'Ivoire, Liberia, Sri Lanka and Vietnam. These actions follow the recent termination of the arms embargos of Côte d'Ivoire and Liberia, which were initially imposed through United Nations Security Council Resolutions, and arms embargos of Sri Lanka and Vietnam imposed by the US State Department. Under the final rule, each country is now removed from Country Group D:5 in Supplement No. 1 to part 740 of the EAR, as well as Part 746 of the EAR. These changes mirror the [rulemaking](#) in September 2016 by the US State Department's Directorate of Defense Trade Controls (DDTC) removing these countries from the arms embargo provisions at Section 126.1 of the International Traffic in Arms Regulations (ITAR).

DDTC and BIS Harmonised Destination Control Statement Rules Go Into Effect

On 15 November 2016, companion rules issued by DDTC and BIS went into effect that adopt a harmonised destination control statement for controlled exports. Exporters must now include the new destination control statement on the commercial invoice for covered items that are exported, retransferred or reexported in tangible form. And, in the case of 9x515 and "600 series" items controlled under the EAR, the exporter must include the Export Control Classification Number (ECCN). The destination control statement rules are codified in the ITAR at 22 C.F.R. §123.9 and in the EAR at 15 C.F.R. §758.6.

DDTC Publishes Final Rule Revising USML Categories VIII and XIX

In the latest steps taken to implement the President's Export Control Reform initiative, DDTC has published a [final rule](#) implementing revisions to Categories VIII (aircraft and related articles) and XIX (gas turbine engines and associated equipment) of the United States Munitions List (USML). Among other things, the rule clarifies the scope of items covered by those categories and, in a few instances, moves certain advanced military platforms previously controlled under the EAR to the ITAR, effective 31 December 2016.

Events

ECO Holds Second Cyber Export Control Seminar

On 24 November, the ECO held a second Cyber Export Control Seminar in association with the National Cyber Security Centre and the Foreign & Commonwealth Office. Topics discussed during the seminar included:

- Category Part II "information security" Wassenaar Arrangement-based controls and decontrols
- Category 5 Part I surveillance and Category 4 intrusion aspects
- Forthcoming changes to the controls

We attended this seminar and would be happy to answer questions or provide information on the changes made to the Wassenaar Arrangement.

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

[Substantial promotional discount available until 31 January 2017.](#) Guests of Squire Patton Boggs are entitled to 20% off regular registration rates. Contact [Peter Adebajo](#) for registration and reference promo code **P20-999-PE017**.

[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 and Workshops – Washington DC – 8-9 February 2017

Substantial promotional discount available until 31 December 2016. Guests of Squire Patton Boggs are entitled to 20% off total registration fees. Contact [John Hummel](#) for registration and reference promo code **SPB**.

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.

About Our Team

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 institutions 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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