

STRATEGIC EXPORT CONTROLS – A QUICK GUIDE

How do I find out whether my goods require an export licence?

Export licences are required for a wide range of ‘controlled’ goods including (but not exclusively) arms and ammunition, military goods, chemicals, nuclear and radioactive materials, metals, machine tools, navigation and communications equipment and dual-use goods (civilian goods that could be put to military use). Exports of such controlled goods are referred to as ‘strategic exports’.

If you are unsure whether your goods may require an export licence to leave the UK (even if only temporarily) you should contact the Export Control Organisation (ECO) at the Department for Business, Innovation and Skills (BIS) for a decision. They will be able to advise authoritatively on whether you need an export licence, and if so, how to go about applying for and using one. The ECO will not only consider the nature of the goods, but also their intended end-use. Even if the goods would not normally be subject to licensing, they may require a licence under one of the ‘end-use’ catch-all controls which can cover any goods intended for a sensitive end-use and/or customer.

To help you, the Export Control Organisation has two advisory services.

- The Control List Classification Advice Service will help you determine if your products are listed on the UK’s Strategic Export Control Lists in which case you will require an export licence
- The End User Advice Service – for goods not listed on the Control List you can request advice about End Use concerns related to named organisations and entities.

Both services are available via ECO’s SPIRE export licensing database – <https://www.spire.bis.gov.uk>

Alternatively you could use the ECO’s Goods Checker application - this is a web based search tool which will help you to determine if goods, software or technology require an export licence. Goods Checker can be accessed at:

<http://www.ecochecker.co.uk/goodsChecker/>

It is important to remember that even seemingly harmless goods may require an export licence, especially if they are going to a sensitive destination. The ECO does not charge for issuing export licences, but the consequences of not having one could be a severe financial penalty or even imprisonment – those who commit deliberate attempts to export controlled goods without a licence can be subject to up to ten years imprisonment and an unlimited fine.

Strategic export licensing applications are submitted, processed and issued electronically online using the ECO's SPIRE system. The system can also be accessed via the Government's Businesslink website, which includes detailed information on export controls and the different types of licences that may be applicable to your export eg the Standard Individual Export Licence; Open Individual Export Licence. There are also over 40 Open General Export Licences for less sensitive items or activities involving less sensitive destinations and for which a one-off registration is required. See: <http://www.businesslink.gov.uk/exportcontrol>

The export licence application needs to include full technical specifications of the goods in order for the ECO to determine whether a licence is required or not.

What happens after I apply for an export licence?

The ECO will advise whether the goods require a licence. If a licence is required, the ECO will identify what type of export licence you need and issue it to you, or advise you that the goods cannot legally be exported without a licence and that such a licence will not be granted.

So what do I do if the goods are covered by an export licence?

Your licence will be issued electronically through the SPIRE system by the ECO. You should make your freight agent aware of the licence so they can ensure the details are advised to HM Revenue and Customs (HMRC) before export. HMRC will advise the agent if any further information is required. If this is not the case, and providing all of the relevant paperwork has been produced, completed accurately and no further checks are required, HMRC aims to clear entries within two hours of receipt.

What happens if I try to export controlled goods without the necessary licence?

It is the responsibility of the exporter to ensure that any export licence(s) have been obtained before export is attempted, and it is a serious criminal offence to fail to do so.

HMRC is responsible for the enforcement of export licensing controls. The UK Border Agency has powers to detain and, where necessary, seize controlled goods at export on behalf of HMRC where a valid licence is not held. Seized goods may be returned subject to payment of a restoration fee, or where appropriate may be permanently forfeited or destroyed.

HMRC investigates breaches and there are a range of penalties which can be imposed which range from warning letters to compounding fines through to criminal prosecution for the most serious breaches.

If you discover you have exported controlled goods without the necessary licence, it is very important to report the irregularity to HMRC as soon as possible. Details on how to do so and what information you should provide can be found in the ECO pages of the Businesslink site by clicking on 'Compliance and enforcement of export controls' then 'Breaches of export control legislation'.

For export control updates (Notices to Exporters)

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Further information

<http://www.businesslink.gov.uk/exportcontrol>