# Export Control in English

**A language training course book for both self-study and trainer led courses**

Joe Farha & Mike Hicks

The subject of export control is of increasing importance to companies involved in the design, manufacture and trade in a wide range of goods. This includes equipment and components for both military and civilian applications, and affects a wide range of sectors including the manufacturing, pharmaceutical, information technology, logistics and academic sectors.

In an increasingly globalised world, export control systems are becoming more harmonized and more complex. In important and established markets such as the USA, Asia and the European Union, as well as important emerging or regional trade centres, the most common language in discussions around international trade and export licensing is English.

At present there is no specifically designed resource to aid those involved in working on export controls (and on trade issues more broadly) practice specific trade control related communication tasks in English.

Drawing on the authors experience in the fields of communication and trade controls, this book is designed for professionals engaged in any area involving export controls. Through the use of exercises and case studies taken from real world examples and incorporating a glossary of commonly used terminology, this book is intended for students and practitioners from a wide range of industries.

This book forms the basis of a specialist English course "English for Export Controls" currently being offered by Discourse-ES UG.

# About the Authors

Joes' academic background is in law. He is currently a doctoral candidate at the Freie University of Berlin undertaking research into security technologies. Prior to this he worked for over six years in the NGO sector on a range of issues in relation to strategic trade and arms transfer controls as well as other areas relating to security and human rights.

As well as working with European Union and United Nations personnel on trade control issues, Joe has conducted training and capacity building activities for a number of national and regional bodies on the documentation of military, security and policing (MSP) technologies. He has conducted research worldwide into the trade in MSP equipment the results of which have been presented at a wide range of fora including the European Parliament, the United Nations and the OPCW.

Mike spent his early twenties surfing, completing a Bachelor of Arts majoring in Asian defense policy and Strategic Studies, and in the Australian Army.
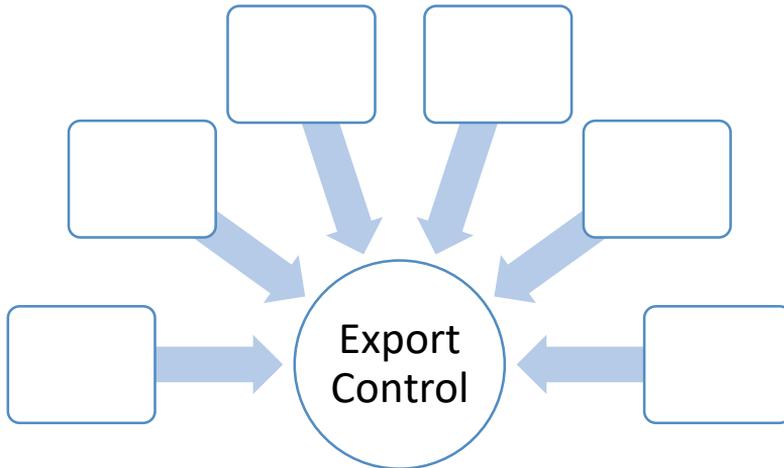
After a military posting took him to Malaysia, adventure took him to Canada, the U.S. and then Japan; Tokyo is where he started work as a Business English language trainer, combining a love of travel and the challenge of teaching.

After relocating to Cologne, Germany in 2002, he founded Discourse English Services UG in 2007, a successful language and communications training company. He has a Masters in Applied Linguistics and  a Diploma in Defense Strategic Export Control Compliance.

# Table of Contents

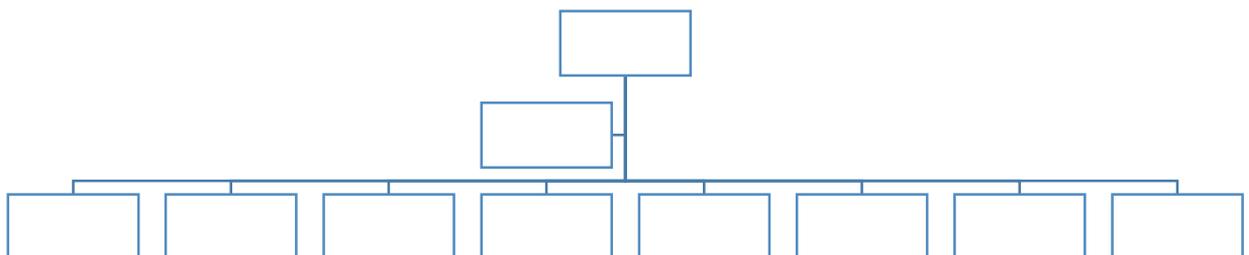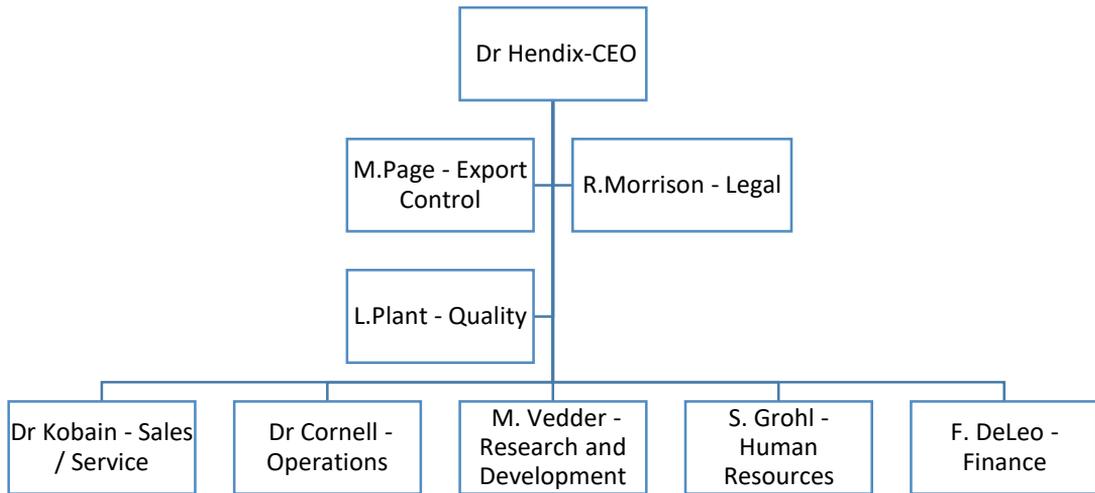| # | Unit Title | Topics | Language and skills |
|---|---|---|---|
| 1 | **Introduction to Export Control** | -What is export control<br>-Who is involved in export control<br>-Your role in export control<br>-Case Study; Apps | -Basic terms of export control<br>-Explaining your role in export control<br>-Listening text |
| 2 | **What is subject to control?** | -Do I need a licence?<br>-Military use & dual use goods<br>-Tangible and intangible goods<br>-U.S. Control lists<br>-De minimis<br>-Case Study; Company laptops | -Explaining why goods are subject to control<br>-Describing your product or service<br>-Conjunctions for emailing |
| 3 | **Types of licence** | -Types of EU Licenses<br>-The EU export control regime<br>-Licensing in your country<br>-Case Study; Tactical Vehicles Limited | -The vocabulary of licenses<br>-Explain why goods or activities require a particular licence<br>-Listening & Reading |
| 4 | **Documentation & paperwork** | -The order process<br>-End User Certificates<br>-Documents needed and record keeping<br>-Audit notification | -Explaining your processes<br>-Checking documentation<br>-Giving your opinion to a salesperson / dealer<br>-Emailing phrases |
| 5 | **The licensing process** | -Licensing portals (Spire, ELAN)<br>-The information you need<br>-Common application questions<br>-Case Study; Common Position Criteria | -License application vocabulary<br>-Emailing<br>-Reading & Listening |
| 6 | **A Compliance Visit** | -Notice of impending visit<br>-Preparing for a visit<br>-Questions you may be asked<br>-Best practice<br>-Post visit follow up<br>-Case Study; The Blue Lantern Program | -Organising a visit<br>-Discussing processes<br>-Reading & Listening |
| 7 | **Trade fairs** | -Attending a trade event - preparation?<br>-Ensuring marketing materials conform<br>-Logistics | -Speaking with organisers<br>-Coordinating with other departments<br>-Reading & Listening |

**Think & Share:**  When you think "export control", what words do you think of? Create a mind map of vocabulary that connects to export control.

In your own words, explain what export control is.

_____

_____

_____

_____

_____

_____

**Think & Share:** What parts of a company does export control affect?  Which people and positions from the company are involved?

**Think & Discuss:** Examine the organigram of Kahn Chemical and Laboratory Supplies Limited. Is this similar to your company structure? Discuss who in Kahn Chemicals would be involved in export control matters and topics.

```
                    ┌─────────────────┐
                    │  Dr Hendix-CEO  │
                    └─────────────────┘
           ┌──────────────────────┬──────────────────────┐
  ┌──────────────────┐   ┌─────────────────────┐
  │ M.Page - Export  │   │ R.Morrison - Legal  │
  │     Control      │   │                     │
  └──────────────────┘   └─────────────────────┘
  ┌──────────────────┐
  │ L.Plant - Quality│
  └──────────────────┘
```

| Dr Kobain - Sales / Service | Dr Cornell - Operations | M. Vedder - Research and Development | S. Grohl - Human Resources | F. DeLeo - Finance |
|---|---|---|---|---|

**Words for Work** - the below words are common in export control, so start learning them now!

**1.1 Match** the words or phrases on the left to their definitions on the right.

| | |
|---|---|
| An Item | • An agreement between two groups to exchange an item for payment |
| A Transfer | • When a proposed law is approved by a government it becomes this |
| A Transaction | • An agreement, especially written, that is enforceable by law |
| A Jurisdiction | • To make sure people and / or organizations do what is required by law |
| A Liability | • The right, power or authority of a court etc. in a given geographical area |
| Compliance | • A material or product that is bought and sold commercially |
| A License | • Punishment for breaking a law or regulation |
| A Penalty | • To be financially and legally responsible for something |
| Legally binding | • Authorization for the use, possession or sale of something |
| Legislation | • Something is shipped between two EU member states |
| Enforcement | • To ensure an organization follows relevant regulations or laws |

**1.2  Listen and Answer:** The head of Kahn Chemical and Laboratory Supplies is giving an introduction to export control to new staff.  Answer the true or false questions below.

1.  All goods are subject to export control.  True / False
2.  You can find controlled equipment in detailed "lists" supplied by governments.  True / False
3.  The European Union and Interpol are responsible for enforcement and compliance matters related to export control.  True / False
4.  A licence may be required if an employee travels overseas to work.  True / False
5.  Financial penalties can be a result of failing to comply with export control regulations.  True / False

**Think & discuss:**  What are the various government authorities connected to export control matters in your country?  What exactly are they responsible for?

_____

_____

_____

_____

_____

_____

**1.3  Do you know** the organizations that these acronyms stand for.  Do you know the country or areas that each organization belongs to?

| Acronym | Organization | Country |
|---|---|---|
| DECO | | |
| BAFA | | |
| US-DOS | | |
| US-DOC | | |
| US - CBP | | |
| UK-BIS | | |
| EIFEC | | |

Check your answers.

**1.4 Below** are descriptions of the role of some of the organizations from above. Match the organization to its stated role

| | | |
|---|---|---|
| 1) We aim to promote international security by promoting and managing the EU export compliance framework. | 2) A central task of ours in the foreign trade sector is export control... We are a licensing authority working in close co-operation with other German federal agencies on a complex export control system... | 3) We are one of the world's largest law enforcement authorities, and we are responsible for keeping terrorists and their weapons out, and enabling lawful international travel and trade. |
| 4) We are responsible for controlling the export and temporary import of defense items and services as detailed by the U.S Munitions List. | 5) We promote economic growth via working with U.S. businesses in the areas of trade, economic development, technology, entrepreneurship and business development. | 6) Our mission is to enable the responsible export of defence and strategic goods and technologies by providing early advice to Australian companies on the status and exportability of their goods. |
| 7) We aim to help the UK's businesses export responsibly and within the law. Our licensing process asks what is being exported, to where and for whom. | | |

| Organization | Number |
|---|---|
| **DECO** | |
| **BAFA** | |
| **US-DOS** | |
| **US-DOC** | |
| **US - CBP** | |
| **UK-BIS** | |
| **EIFEC** | |

1.5 Match the following tasks to the organizations from the previous exercise.

1. Maintain and administer the Export Administration Regulations (EAR) list._____
2. Review and approve licence requests made by German companies who wish to export an item. _____
3. Enforce the decisions that federal authorities make and detect illegal shipments. _____
4. Approve a licence application a U.S. company may make when wishing to export military items. _____
5. Advise companies within the EU on best practice export control matters_____
6. Authorize the export of dual-use items that are located in the UK, but are manufactured by a German firm. _____
7. Grant a licence to a company wishing to transfer items from Germany to France. _____
8. Inform companies of tools and resources that the EU offers for exporters. _____

**1.6 Complete** the table using the correct form of the words.  Use a good dictionary should you need help.

| Verb | Noun | Adjective |
|------|------|-----------|
| Approve | | |
| | Advice | |
| | Administration | - |
| Authorise | | - |
| Detect | | |
| | Enforcement | |
| Export | | |
| Grant | - | - |
| | Request | - |
| | | Transferrable |

**1.7 Complete** the following sentences using the correct form of the words in bold from above. (Each word is used only once)

1. The _____ of the licence normally happens within one month of application.
2. The export of items from one EU member state to another is regarded as a _____ and not an export.
3. Customs and Border Control have the task to _____ export control laws.
4. Items that are listed under ITAR may only be accessed by people who are

   _____
5. An _____ occurs when an item is shipped from the EU to a non EU state.
6. Licensing authorities may _____ additional information regarding end user or specifications of the item before granting a licence.
7. If you want your company to have a best practice export control program, it would be useful to get _____ from EIFEC.
8. Good _____ is essential to a compliant export control department.
9. If the licensing authorities _____ incorrect or inaccurate information in your licence application, they will not _____ the licence.

---

**Trade Control Regimes - The European Union**

The European Union has a set of regulations and codes that apply to all member states, these are the so called "Common Position 2008/944/CFSP" focusing on Arms exports and Regulation (EC) No. 427/2009 which focuses on dual use items.  These incorporate a number of lists of goods, the trade in which should be covered by Member States export control laws. It has also established a set of criteria against which licensing decisions should be taken.

**Think & Share:** Where do you fit in?  Describe your role in export control.  Use the prompts to help you.

- Position / Title
- Responsibilities
- People I have frequent contact within the company
- Outside organizations I talk to
- Daily tasks
- Tools I use to do my job

**Think & Share:** Below are two examples of online export control portals.





**Describe / discuss** the following;

1. What do you use for your licence applications?
2. Where do you find the portals on the web?
3. What government department is responsible?
4. What information is required?
5. What is your opinion of the portal (user friendly, clear, reliable etc

# Case Study

Do you use applications, does your company make downloadable applications? Did you know that these may be affected by export control regulations?

> Do you have a smart phone? Do you take the time to read the terms and conditions of any Apps that you download before clicking 'Agree'?
>
> You may be surprised to find that the terms and conditions of a number of Apps reference export controls. For example here are the terms and conditions from the App of a provider of financial information.
>
> Software from the Service is subject to export controls and may not be downloaded, exported or re-exported: (i) into (or to a national or resident of) Cuba, Iran, North Korea, Sudan, Syria, or any other country with respect to which the United States maintains trade sanctions prohibiting the shipment of goods; or (ii) to anyone on or acting on behalf of an entity on the U.S. Treasury Department's list of Specially Designated Nationals and Blocked Persons or the U.S. Commerce Department's Denied Persons List or Entities List or included in General Order 3 (15 C.F.R. Part 736, Supplement 1), which prohibits exports to Mayrow General Trading, affiliated entities and persons, and specified persons involved in the manufacture or sale of Improvised Explosive Devices (together referred to as "U.S. Prohibited Party Lists"). By downloading or using such software, you represent and warrant that you are not (a) located in or a national or resident of any country noted above that is subject to U.S. trade sanctions, or (b) on any U.S. Prohibited Party List or acting on behalf of any person or entity on any such list."
>
> Source: http://www.bloomberg.com/tos

1. Why may some applications be subject to export control regulations?
2. Can you summarise the restrictions listed in this article?

# Acknowledgements

The authors acknowledge the following sources of copyright material and are very grateful for the permissions that have been granted.  While we have made every effort to identify the copyright holders of all the material used, this has not always been possible.  If you find an omission has been made, please contact us and we will be more than happy to update the acknowledgements in future editions.
Please note that URLs for websites referred to in this book were correct at the time of printing.  We cannot guarantee that external sites will remain online, or that the content referred to will remain at that specific URL.

**Cover Image**          US Defense Imagery

**Chapter one.**
*Exercise 1.4*
EIFEC                http://www.eifec.eu/
BAFA                http://www.bafa.de/bafa/en/index.html
USCBP                http://www.cbp.gov/about
USDOC                http://www.commerce.gov/about-department-commerce
DECO                http://www.defence.gov.au/DECO/Mission.asp
USDOS                http://www.pmddtc.state.gov/index.html
UKBIS                https://www.gov.uk/government/organisations/export-control-organisation/about
 *Online licence application Portal Screenshots;*
Spire                https://www.spire.bis.gov.uk/spire/fox/espire/LOGIN/login
ELAN K2                https://elan1.bafa.bund.de/bafa-portal/content/login.xhtml;jsessionid=CB4F9D53E79FB6BA727446D1470611B8
*Case Study*
Tablet template downloaded from:        http://www.psdgraphics.com/psd/tablet-pc-blank-screen-psd-template/
Bloomberg terms and conditions        http://www.bloomberg.com/tos