

BIS Clarifies EAR License Exceptions GOV and STA

Friday, November 10, 2017



Intending to assist exporters, the Bureau of Industry and Security (BIS) issued a [final rule](#), on November 1, that gives guidance on two Export Administration Regulations (EAR) license exceptions. This rule makes three clarifications to license exception Governments, International Organizations, International Inspections under the Chemical Weapons Convention, and the International Space Station (GOV). It also adds five notes, along with other minor clarifications, to license exception Strategic Trade Authorization (STA). The BIS has noted that these updates do not alter the EAR requirements.

Clarifications for License Exception GOV

- Explains the term contractor support personnel, which is defined as, “individuals who are providing support within a U.S. government owned, operated facility, or under the direct supervision of a U.S. government employee.” The rule further clarifies that private security contractors are not considered contractor support personnel.
- Defines how the BIS interprets the meaning of temporary. The note clarifies that temporary means, within no more than four years from the date of an item’s initial export, reexport, or transfer (in-country), it must be returned to the exporter, reexporter, or transferor.
- Describes civil intergovernmental organizations, e.g. the European Space Agency (ESA), in which the membership is limited to national governments, as cooperating governments. This means that if an export, reexport, or transfer was made directly to any of the organization’s national government members, license exception GOV would be available.

Clarifications for License Exception STA

- Expresses why transfers (in-country) are included in license exception STA and describes how this term is applied in the context of this license exception.
- Clarifies that 600 series items authorized under license exception STA must be provided to an eligible ultimate end user, such as a Country Group A:5 military, to stay in compliance with the original authorization.
- Replaces the terms shipment and shipped with export and reexport or transfer (in-country).
- Stipulates that a prior consignee statement must be obtained before making any export, reexport, or transfer, including those that are intangible.
- Identifies that when multiple consignees who form a network engaged in a production process—or other type of collaborative activity—will be receiving items under this license exception, the existing BIS policy allows the use of a single consignee statement identifying multiple consignees, as long as all the applicable requirements of the license exception are met.
- Excludes Country Group A:5 and A:6 government consignees from the requirement to sign or provide a prior consignee statement to an exporter, reexporter, or transferor under this license exception.
- Specifies that intangible exports, reexports, and transfers (in-country) made under this license are not subject to certain notification requirements.

If you have questions or need help understanding the final rule, [contact our team for export compliance support](#).

By Danielle Leonard



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