



An Roinn Post, Fiontar agus Nuálaíochta
Department of Jobs, Enterprise and Innovation

**Report under the
Control of Exports Act 2008
Covering the Period
1st January 2013 – 31st December 2014**

Minister's Introduction

I am pleased to present the third report on the operation of the Control of Exports Act 2008, covering the period 2013 to 2014. Export controls are of paramount importance to my Department. Our policy of free trade and open markets must conform with the core principles of security, regional stability and human rights which underpin export controls.

I am committed to ensuring transparency in the operation of Ireland's export control regime. To this end my Department publishes summary data on the export of controlled products on the Department's website, in addition to periodic reports on the operation of the Ireland's export control regime. Previous reports I have published provide background information on the operation of Ireland's export control regime. This report focuses on key legislative developments and licensing activity during the period under review. It provides data on licence applications and the value and destination of licensed goods. The report also documents work carried out by officials during Ireland's EU Presidency in 2013 and outlines what trade sanctions were introduced during the period.

To ensure that Ireland continues to maintain the highest standards in export control I would like to encourage companies to maintain up-to-date internal compliance procedures and to continue the good cooperation with the Export Licensing Unit in my Department.

Richard Bruton, T.D.

Minister for Jobs, Enterprise & Innovation

Table of Contents

Table of Contents

Minister's Introduction	2
Key developments during 2013 and 2014	4
1. The Arms Trade Treaty	4
2. Irish Presidency of the Council of the European Union.....	5
3. Delegated Acts and update to the Dual-Use Regulation.....	7
4. Further changes to legislation.....	8
5. Trade Sanctions introduced in 2013 and 2014	9
7. Export Control Webpage	11
8. Statistical Trends	11
9. Denials.....	14
10. Enforcement and Investigations	15
Annex I - Trade Sanctions introduced in 2013 and 2014	17
Annex II – 2013 and 2014 Export Licence Statistics	21

Key developments during 2013 and 2014

The Control of Exports Act 2008 requires that the Minister, as soon as practicable after the end of each year, prepare and lay before each House of the Oireachtas a report on the operation in the preceding year of matters within the Act.

Background information on the context of the Irish export control regime and its administration is available in earlier reports published on the operation of Ireland's export control regime. These reports are available on the Department's website at <https://www.djei.ie/en/What-We-Do/Trade-Investment/Export-Licences/Publications-and-Forms/>

This report focuses on developments and changes in Ireland's export control regime and on licensing activity during the period covered by the report, 2013 and 2014.

1. The Arms Trade Treaty

As set out in previous reports, the Department is responsible for controls on the export of military items from Ireland. On 2nd April 2013 the United Nations General Assembly adopted the landmark Arms Trade Treaty (ATT)¹, the first global Treaty to regulate the international trade in conventional arms.

The Treaty prohibits a State from authorising arms exports where it has knowledge that the weapons will be used in the commission of genocide, crimes against humanity, grave breaches of the Geneva Conventions of 1949 or other war crimes. It also obliges States to minimise the risk that weapons would be diverted into the wrong hands or to the illicit market, and to adhere to robust, comprehensive and legally-binding standards.

The Department of Foreign Affairs and Trade represented Ireland at the UN discussions on the Treaty, with input from the Department of Jobs, Enterprise and Innovation. Ireland was one of the first countries to sign the ATT and completed its ratification on 2nd April 2014.

The Treaty entered into force on the 24th December 2014 and Ireland's focus is now on ensuring robust implementation of the Treaty and compliance with all of its provisions. The

¹ <http://www.un.org/disarmament/ATT/>

Department works closely with colleagues in the Department of Foreign Affairs and Trade in this respect.

Items which are classified as “military goods” from an export control perspective and which are exported from Ireland involve components rather than military equipment. Military licences issued to date by the Department for the export of arms have been limited to those issued to individuals holding sports firearms.

2. Irish Presidency of the Council of the European Union

Chairing the Dual-Use Working Party

Work on the development of EU policy in regard to the export of dual-use goods is undertaken in Brussels by the Dual-Use Working Party (DUWP). DUWP meetings are attended by Departmental Officials. During the first six months of 2013 and as part of Ireland’s Presidency of the Council of the European Union, Departmental officials chaired the DUWP. Consultation took place with a wide range of representatives from other Member States to identify topics which would generate a challenging agenda for the DUWP during the term.

The principal focus for the DUWP during this term was to progress the introduction of delegated acts² for regular updates of the Annexes to Council Regulation (EC) 428/2009 of 5th May 2009 setting up a community regime for the control of exports, transfer, brokering and transit of dual-use items (the “Dual-Use Regulation”), a process which commenced in 2011. The Annexes to the Dual-Use Regulation comprise the list of controlled dual-use products and set out the terms of the European Union General Export Authorisations. Extensive debate on the proposal and issues arising from the proposal took place at DUWP meetings during the period. Departmental officials also met with senior officials in the European Commission and Council, and with Members of the European Parliament to discuss the various aspects of the delegated acts proposal. Considerable progress was made during the term of the Irish Presidency and as the term came to a close, meetings were held with Lithuanian officials to ensure a smooth hand-over to the Lithuanian Chair of the DUWP during its Presidency of the Council of the European Union.

² See section 3, page 7

Departmental representatives also attended a number of Dual-Use Coordination Group meetings during 2013 and 2014. These meetings, established under Article 23 of the Dual-Use Regulation, are chaired by the European Commission and provide a valuable forum for discussions on the application of the Dual-Use Regulation across the Member States, ensuring it is applied in a fair and consistent fashion by all Member States.

Peer visit

In conjunction with Ireland's Presidency of the Council of the European Union, a Peer Visit of the Dual-Use Coordination Group was co-chaired by the European Commission and Departmental officials. The meeting was held over a two-day period in early May in Farmleigh House. Peer Visits provide the opportunity for the Group to discuss certain export control topics in more detail than would be possible at regular meetings.

The meeting provided the Group with the opportunity to discuss and exchange views on the policy review of dual-use export controls being undertaken by the European Commission³. A range of topics covered in the policy review were discussed with presentations provided by Member States highlighting various aspects of export control policy which fell to be considered in the context of the overall policy review.

Export control conference

Following the success of the Peer Visit, the Department co-chaired the "2013 Strategic Export Control Conference". The conference, held in Brussels on 26th June 2013, was organised jointly by the European Commission and the Department and brought together 260 representatives of key industry associations and major companies, civil society and academia, Member States' authorities and European Institutions.

The conference included an address from the then European Commissioner for Trade, Karl De Gucht and Members of the European Parliament. The conference marked a further milestone in the export control policy review and provided a forum to discuss topical export control issues and options for adjusting the EU export control system to rapidly changing technological, economic and political circumstances.

³ See section 6, page 10

3. Delegated Acts and update to the Dual-Use Regulation

Council Regulation (EC) 428/2009 of 5th May 2009 setting up a community regime for the control of exports, transfer, brokering and transit of dual-use items (the “Dual-Use Regulation”) is the main piece of legislation governing the export of dual-use items from Europe. The list of items contained in Annex I and controlled by this Regulation is required to be amended on a regular basis to take account of changes made to control lists by international export control regimes. Prior to 2014 the annex to the Regulation was amended by ordinary legislative procedure, a cumbersome and complex procedure.

Delegated Acts

A significant change was made in 2014 to the EU export control regime by introducing delegated acts for regular and timely updates, through European Commission delegated acts, of the Annexes of the Dual-Use Regulation. This change enabled the delegation of power to the Commission to update the EU Control List. The delegation ensures that EU control lists are updated with a minimum delay in order to ensure full compliance with commitments made by Member States within the international export control regimes and to maintain the competitiveness of EU economic operators. These procedural changes also empower the Commission to remove 'destinations' (i.e. countries) from the list of countries benefiting from EU General Export Authorisations (EUGEA) in Annex II, in order to allow for a swift EU response to international circumstances and ensure that only low-risk transactions are covered by these authorisations.

Update to the Dual-Use Regulation

Commission Delegated Regulation (EU) No 1382/2014 amending Council Regulation (EC) 428/2009 of 5th May 2009 setting up a community regime for the control of exports, transfer, brokering and transit of dual-use items came into force on 31st December 2014 and updates the EU control list to reflect decisions taken in export control regimes in 2011, 2012 and 2013. The Regulation made a number of additions, deletions and amendments to the notes and definitions used in Annex I, which lists the items to be controlled.

4. Further changes to legislation

Control of Exports (Dual Use Items) (Amendment) Order 2013

[S.I. 242/2013, The Control of Exports \(Dual use Items\) \(Amendment\) Order 2013](#) was signed into law on 1st July 2013 by Minister Richard Bruton, T.D. and reflects two previous amendments made to the Dual-Use Regulation, Regulation (EU) No 1232/2011 of the European Parliament and of the Council and Regulation (EU) No 388/2012 of the European Parliament and of the Council.

Regulation (EU) No 1232/2011 introduced five new Union General Export Authorisations (UGEAs). Regulation (EU) No 1232/2011 also made some administrative changes in relation to sharing of denial notifications between Member States and to the reports on dual-use export controls which the European Commission submits to the European Parliament.

Regulation (EU) No 388/2012 of the European Parliament and of the Council amending Council Regulation (EC) No 428/2009 setting up a Community regime for the control of exports, transfer, brokering and transit of dual-use items came into force during 2012 updated the Annex of items subject to export control to reflect changes agreed in the international export control regimes during 2009 and 2010.

Details of both Regulations are available in the report under the Control of Exports Act 2008 Covering the Period 1st January 2011 – 31st December 2012⁴

European Communities (Intra-Community Transfers of Defence-Related Products) Regulations

The purpose of these Regulations is to simplify the rules and procedures applicable to the intra-Community transfer of defence related products in order to ensure the proper functioning of the internal market. S.I. No. 346 of 2011 – European Communities (Intra-Community Transfers of Defence-Related Products) Regulations 2011 gives effect to this Directive in Irish law.

⁴ <https://www.djei.ie/en/Publications/Report-under-the-Control-of-Exports-Act-2008-Covering-the-Period-1-January-2011-%E2%80%93-31-December-2012.html>

As the list of products covered by Directive 2009/43/EEC, the “EU Common Military List”, is updated regularly, new directives are published annually. Statutory Instruments are required to give effect to these directives and amended lists. S.I. No. 87 of 2013 – European Communities (Intra-Community Transfers of Defence-Related Products) (Amendment) Regulations 2013 implemented the amended list and directive published in 2013. S.I. No. 176 of 2014 – European Communities (Intra-Community Transfers of Defence-Related Products) (Amendment) Regulations 2014 gave effect to the amended list and directive published in 2014.

Commission Implementing Regulation (EU) No 775/2014 concerning trade in certain goods which could be used for capital punishment, torture or other cruel, inhuman or degrading treatment or punishment – “The Torture Regulation”

Following a review of the list of goods subject to control, amended lists of goods subject to import and export prohibitions and export authorisation requirements were implemented in this Regulation. These changes include a broadening of the scope of goods controlled by and subject to a licensing requirement pursuant to the Regulation, such as devices for the dissemination of incapacitating or irritating chemical substances, and the inclusion of goods prohibited by the Regulation, such as restraint chairs. The Regulation has direct effect.

Activity report as required under Council Regulation (EC) No 1236/2005 of 27 June 2005 concerning trade in certain goods which could be used for capital punishment, torture or other cruel, inhuman or degrading treatment or punishment

No licence applications have been received under the Torture Regulations in the period under review or since the entry into force of Regulation (EC) No. 1236/2005.

5. Trade Sanctions introduced in 2013 and 2014

As set out in previous reports, sanctions (sometimes referred to as restrictive measures) are instruments by which the EU seeks to bring about a change in policies or activities by other countries such as tackling violations of international law or human rights, or addressing policies that do not respect the rule of law or democratic principles. Sanctions are used, as one of the many political instruments, to promote EU values and objectives.

The European Union introduced a number of new sanctions during 2013 and 2014, in response to issues of international concern, for example concerns about regional conflict and human rights. The Department of Jobs, Enterprise and Innovation is the competent authority for the trade aspects of EU sanctions concerning, for example, trade with Iran, Syria and the Democratic People's Republic of Korea. A number of new Regulations were made during 2013 and 2014 to provide for penalties in national law for breaches of EU sanctions. Details of these Regulations are set out in Annex I to this report.

In addition to the licensing activity set out in Annex II to this report, the Department also issued 140 licences during 2014 under Article 3 of Council Regulation (EU) No. 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. Article 3 of Council Regulation (EU) No. 833/2014 imposes a licensing requirement for the sale, supply, transfer or export of certain energy-related equipment and technology as listed in Annex II of the Regulation. The licences issued were predominantly in respect of mining products for use in hard mineral (coal and metal ore) mines.

6. Export Control Policy Review

As outlined in the report covering the period 2011 – 2012, in June 2011 the European Commission published a Green Paper entitled “The dual-use export control system of the European Union: ensuring security and competitiveness in a changing world”. The European Commission launched the consultation process to initiate a broad public debate concerning the functioning of the EU dual-use export control system and to “help identify the strengths and weaknesses of the current system and map out a longer term vision of the EU export control framework”. The European Commission’s intention was that the results would be translated into concrete amendments to the current system and the preparation of a long term strategy on the development of export controls in the EU.

An analysis of EU-wide responses to the consultation was published in 2013 by the European Commission. The Staff Working Document identified the main issues raised by over 100 stakeholders, including their views concerning possible evolutions towards a more integrated EU export control regime ensuring security and a more level playing field. A report to the European Parliament and Council on the implementation of the Regulation was adopted on 16 October 2013, marking a second step in the review process.

In April 2014 the European Commission issued a Communication mapping the direction for EU export controls and identifying policy options for their modernisation. The Export Control Industry Forum was held in October 2014 and discussed the various review options in the Communication. We expect legislative proposals to follow during 2016.

7. Export Control Webpage

A review of the Export Licensing Unit webpage was completed in 2013 with a revised structure for presentation of export licensing information made available to the public in May. The revised webpage provides easy access to relevant information, frequently asked questions, legislation, publications and the On-line Export Licence Application System (OELAS).

8. Statistical Trends

The table below sets out summary information regarding the number and value of licences granted by the Department during 2013 and 2014. More detailed statistical information is set out in Annex II to this report.

Type of Licence	Number by Year		Licenced Value by Year €000	
	2014	2013	2014	2013
Individual Dual-Use	680	753	446,084	324,192
Global Dual-Use	18	15	638,013	1,006,436
Military	95	108	86,218	61,825
TOTAL	793	876	1,170,315	1,392,453

Licence Value

The licence value in respect of individual dual-use licences and military licences may not reflect the value of goods actually exported under that licence. For efficiency and speed of response to supply chain requirements, some companies might include the value of expected repeat business into their original application, and this repeat business may not occur. Hence, the value of exports actually made under those licences may be less than the face value permitted under the export licence.

In an effort to provide more accurate information on licensing activity, revised global licence reporting requirements were put in place from 2013. The licence value provided in this report in respect of global dual-use licences relates to actual exports reported in respect of all global licences in operation during 2013 and 2014. Previous reports provided details of the values of those global dual-use licences.

Individual Dual-Use Licences

There were 753 individual dual-use licences issued in 2013, an increase of 7% on licence numbers issued in 2012 with variances occurring in a range of licence categories. Values of exports on licences issued in 2013 increased by 42% compared with 2012. This increase occurred principally in respect of category 5⁵ products.

There were 680 individual dual-use licences issued in 2014, a decrease of 10% on licence numbers issued in 2013 principally in relation to category 5⁶ and catch-all⁶ licences. Values of exports on licences issued in 2014 increased by 38% compared with 2013. This increase occurred principally in category 5⁶ products.

Global Dual-Use Licences

Global dual-use export licences provide exporters with more administrative flexibility than individual export licences. They can be used to cover shipments of goods and technology listed on the licence to the countries of destination listed on the licence. Global dual-use licences are issued to companies that have a very high volume of relatively low-risk exports. These licences are issued subject to a number of strict conditions, such as a prohibition on their use for exports to military, police or State security forces end-users. Global licence holders must submit an application for an individual dual-use licence where they intend exporting to this category of end-user.

A process of streamlining and amalgamation of the number of global licences held by exporters which began in 2012, continued in 2013, with the total number falling from 23 licences issued in 2012 to 15 licences in use in 2013. Eighteen global licences were in use during 2014.

⁵ Telecommunications and information security equipment and components, see Annex IV for list of control categories

⁶ Non-controlled dual-use items as described in Article 4 of Council Regulation (EC) No. 428/2009

The value of actual exports reported under global licences for 2013 was €1,006 million. This figure cannot be compared with values provided in previous reports which reflected the estimated value provided on global licence applications⁷ rather than the actual value of exports. The actual value of exports provides more relevant information and is considered of greater interest for comparative purposes.

There was a decrease of 36% in the value of exports under global licences between 2013 and 2014, with a total value in 2014 of €638m. The reduction in value of exports in 2014 is principally attributable to reduced intra-company exports by one company.

Currency fluctuations

Licence holders are required to submit global licence reports with values provided in Euro. However, as many licence holders are operating globally and processing transactions in different currencies, it should be noted that changes in the value of the Euro over a given period can alter the values reported to the Department.

Military Licences

The number of military licences issued fell from 129 in 2012 to 108 in 2013 and to 95 licences issued in 2014. The value of the exports on licences issued increased by 31% from €47m in 2012 to €62m in 2013, with a further increase in 2014 of 39% to €86m.

It is worth noting that licensing controls cover military goods and technology, and components for such items. Licences issued for military goods in 2013 and 2014 involved components rather than finished goods. Also, a significant number of military licences were issued to individuals holding sports firearms and to companies engaged in mining activity. Additionally, it should be noted that in view of the relatively small cohort of exporters of military goods and technology in Ireland, a change in the licence requirements of one or two exporters may have a significant impact on the statistics.

⁷ Values on global licences were estimated by exporters at the time of application. Variations invariably arose, for example given the temporary transfer of machinery within groups or where expected repeat business was included in the licence value but did not occur. In addition, companies are subject to regular changes in the lists of controlled products. Reviews of control lists can result in products being removed from control and companies who previously required export licences no longer being required to engage with the licensing system or having fewer products subject to control.

Aggregation of Statistical Data

This report on the operation of the Control of Exports Act seeks to provide as much transparency as possible on licence value, numbers, destinations and product categories in respect of dual use and military products.

However, in view of commercial sensitivities and the relatively small number of licence holders, it has been necessary to aggregate data when reporting on exports under certain headings.

9. Denials

The export licensing process centres on ensuring, as far as possible, that the item to be exported will be used by the stated end-user for the stated end-use, and will not be used for an illicit purpose, e.g. for use in connection with WMD. The safeguards built into the licensing system facilitate robust checks and cross checks in this regard.

The Department may refuse an export licence, following consultation with the Department of Foreign Affairs and Trade and other EU and international export licensing authorities as appropriate, and having taken into account the considerations set out below.

Considerations When Deciding Whether to Grant/Deny

The considerations to be taken into account when deciding whether or not to grant an individual or global dual-use licence are set out in Article 12 of Dual-Use Regulation 428/2009. It provides that Member States shall take into account “all relevant considerations including”:

- (a) the obligations and commitments they have each accepted as members of the relevant international non-proliferation regimes and export control arrangements, or by ratification of relevant international treaties;
- (b) their obligations under sanctions imposed by a common position or a joint action adopted by the Council or by a decision of the Organisation for Security and Co-operation in Europe (OSCE) or by a binding resolution of the Security Council of the United Nations.
- (c) considerations of national foreign and security policy, including those covered by Council Common Position 2008/944/CFSP of 8 December 2008 defining common rules governing control of exports of military technology and equipment;

(d) considerations about intended end-use and the risk of diversion.

The Common Position referred to at point (c) above sets out common criteria against which applications for exports of military goods should be assessed. These are as follows:

Criterion One: Respect for the international obligations and commitments of Member States, in particular the sanctions adopted by the UN Security Council or the European Union, agreements on non-proliferation and other subjects, as well as other international obligations.

Criterion Two: Respect for human rights in the country of final destination as well as respect by that country of international humanitarian law.

Criterion Three: Internal situation in the country of final destination, as a function of the existence of tensions or armed conflicts.

Criterion Four: Preservation of regional peace, security and stability.

Criterion Five: National security of the Member States and of territories whose external relations are the responsibility of a Member State, as well as that of friendly and allied countries.

Criterion Six: Behaviour of the buyer country with regard to the international community, as regards in particular its attitude to terrorism, the nature of its alliances and respect for international law.

Criterion Seven: Existence of a risk that the military technology or equipment will be diverted within the buyer country or re-exported under undesirable conditions.

Criterion Eight: Compatibility of the exports of the military technology or equipment with the technical and economic capacity of the recipient country, taking into account the desirability that states should meet their legitimate security and defence needs with the least diversion of human and economic resources for armaments.

In 2013 four export licence applications were denied, a further eight licence applications were denied in 2014. These denials were made primarily on the grounds of considerations about the intended end-use and the risk of diversion.

10. Enforcement and Investigations

As set out in previous reports, the Department monitors exports of controlled items in close co-operation with Revenue Customs.

As part of this co-operation, details of certain proposed exports to countries that are subject to trade sanctions are referred to the Department by Revenue Customs before being allowed proceed. During 2013 439 proposed exports were referred to this Department for review with 422 proposed exports referred during 2014.

These figures are in addition to the periodic reviews the Department conducts of exports taking place in certain sectors to ensure compliance with relevant export control legislation.

In addition, reviews of individual companies are undertaken where the Department receives information about possible breaches of export control legislation.

Annex I - Trade Sanctions introduced in 2013 and 2014

Trade Sanctions introduced in 2013

S.I. No. 42 of 2013 – Restrictive Measures Against Certain Persons and Entities Associated with the Al-Qaida Network

Council Regulation (EU) No. 881/2002 as amended relates to restrictive measures against certain persons and entities associated with Usama bin Laden, the Al-Qaida Network and the Taliban. The effect of these Regulations is to provide for penalties for infringements of the provisions of Council Regulation (EU) No. 881/2002 as amended.

These restrictive measures relate to freezing of funds and economic resources of listed entities and individuals.

S.I. No. 449 of 2013 - European Union (Restrictive Measures Against Iran) Regulations 2013

Council Regulation (EU) No. 267/2012 as amended relates to restrictive measures against Iran. The effect of these Regulations is to provide for penalties for infringements of the provisions of Council Regulation (EU) No. 267/2012 as amended.

These restrictive measures include export restrictions on dual-use goods and technology, key equipment and technology which could be used in the petrochemical industry, key naval equipment and technology for ship-building, maintenance or refit, certain metals, software for use in certain industries, trade in gold, precious metals and diamonds with the Government of Iran, and the delivery of newly printed banknotes and coinage to or for the benefit of the Central Bank of Iran; restrictions on brokering services and the provision of technical or financial assistance; import restrictions in relation to Iranian crude oil, petroleum products and petrochemical products; restrictions on financing of certain enterprises; freezing of funds and economic resources of listed entities and individuals; restrictions on transfer of funds and on financial services; and restrictions on transport.

These Regulations revoke the European Union (Restrictive Measures Against Iran) Regulations 2012 (S.I. No. 338 of 2012).

S.I. No. 450 of 2013 - European Union (Restrictive Measures Against Iran) (No. 2) Regulations 2013

Council Regulation (EU) No. 359/2011 as amended relates to restrictive measures against certain persons, entities and bodies in view of the situation in Iran. The effect of these Regulations is to provide for penalties for infringements of the provisions of Council Regulation (EU) No. 359/2011 as amended.

These restrictive measures include freezing of funds and economic resources of certain natural or legal persons, entities and bodies, and measures relating to the provision of equipment or services which might be used for internal repression.

S.I. No. 451 of 2013 - European Union (Restrictive Measures Against Syria) Regulations 2013

Council Regulation (EU) No. 36/2012 as amended relates to restrictive measures in view of the situation in Syria. The effect of these Regulations is to provide for penalties for infringements of the provisions of Council Regulation (EU) No. 36/2012 as amended.

These restrictive measures include export restrictions in relation to equipment which might be used for internal repression, on telecommunications monitoring and interception equipment, on key equipment and technology for the oil and natural gas industries, and on luxury goods; import restrictions relating to crude oil and petroleum products; restrictions on the provision of technical assistance, financial assistance or brokering services related to military items and certain technology; restrictions on participation in infrastructural projects relating to new power plants for electricity production; restrictions on financing of certain enterprises; freezing of funds and economic resources of listed entities and individuals; restrictions on financial services; and transport restrictions.

These Regulations revoke the European Union (Restrictive Measures) (Syria) Regulations 2012 (S.I. No. 153 of 2012) and the European Union (Syria) (Financial Sanctions) (No. 4) Regulations 2011 (S.I. No. 676 of 2011).

Trade Sanctions introduced in 2014

S.I. No. 417 of 2014 - European Union (Restrictive Measures Against Iran) Regulations 2014

Council Regulation (EU) No. 267/2012 as amended relates to restrictive measures against Iran. The effect of these Regulations is to provide for penalties for infringements of the provisions of Council Regulation (EU) No. 267/2012 as amended.

These restrictive measures include export restrictions on dual-use goods and technology, key equipment and technology which could be used in the petrochemical industry, key naval equipment and technology for ship-building, maintenance or refit, certain metals, software for use in certain industries, trade in gold, precious metals and diamonds with the Government of Iran, and the delivery of newly printed banknotes and coinage to or for the benefit of the Central Bank of Iran; restrictions on brokering services and the provision of technical or financial assistance; import restrictions in relation to Iranian crude oil, petroleum products and petrochemical products; restrictions on financing of certain enterprises; freezing of funds and economic resources of listed entities and individuals; restrictions on transfer of funds and on financial services; and restrictions on transport.

The effect of this S.I. is to suspend penalties in relation to suspended restrictions on imports of certain petroleum products, petrochemical products and precious metals.

These Regulations revoke the European Union (Restrictive Measures Against Iran) Regulations 2013 (S.I. No. 449 of 2013).

S.I. No. 418 of 2014 - European Communities (Restrictive Measures) (Democratic People's Republic of Korea) Regulations 2014

Council Regulation (EC) No. 329/2007 as amended relates to restrictive measures against the Democratic People's Republic of Korea. The effect of these Regulations is to provide for penalties for infringements of the provisions of Council Regulation (EC) No. 329/2007 as amended.

Provision for penalties already exists for infringement of a range of restrictive measures including:

- Export and import restrictions on dual use goods and goods which could contribute to DPRK's nuclear or weapons programmes;
- Provision of technical assistance in relation to restricted goods and military goods;
- Export of luxury goods;
- Financial sanctions.

The effect of this S.I. is to provide for penalties for breach of restrictive measures in respect of:

- Export and import restrictions in relation gold, precious metals and diamonds and the provision of brokering, technical assistance or financial assistance in relation to these items;
- Export restrictions in relation to DPRK bank notes and coinage;
- Restrictions on the provision of shipping services and flight access for aircraft where there is a belief they are carrying prohibited items;
- Additional financial sanctions.

Annex II – 2013 and 2014 Export Licence Statistics

Overview Table

<i>Type of Licence</i>	2014		2013		2012	
	No.	Licence Value €000	No.	Licence Value €000	No.	Licence Value €000
Individual Dual Use	680	446,084	753	324,192	704	228,859
Global Dual Use	18	638,013	15	1,006,436	23	2,253,149
Military	95	86,218	108	61,825	129	47,118
Total	793	1,170,315	876	1,392,453	856	2,529,126

Individual Dual Use Licences by Category Table

Category*	2014		2013		2012	
	No.	Licence Value €000	No.	Licence Value €000	No.	Licence Value €000
2	32	7,927	39	2,404	19	1,256
3	56	89,253	48	89,156	38	83,974
5	524	340,662	577	205,135	540	137,175
Catch-all	30	1,736	58	26,654	67	4,885
1,4,6 & 7	38	6,506	31	843	40	1,569
Totals	680	446,084	753	324,192	704	228,859

*The categories correspond to those set out in Annex I to Dual-Use Regulation 428/2009 as amended. See Annex IV for a list of categories.

Global Licences by Category Table

	2014		2013		2012	
Category*	No.	Licence Value €000	No.	Licence Value €000	No.	Licence Value €000
1	1	0	0	0		
2	1	45	2	13		
3	2	1,436	2	1,232	2	1,792,288
4	1	0	1	0		
5	17	636,469	14	1,005,191	21	460,861
6	1	63	1	0		
Totals	18	638,013	15	1,006,436	23	2,253,149

The above table shows the total number of global licences in operation during 2013 and 2014. While 15 global dual-use licences were in use during 2013, with 18 global dual-use licences in use during 2014, a small number of these global licences permitted the export of more than one category of items. The table provides a breakdown of all categories permitted for export under the global licences and the volume of actual exports reported under each category of the licences.

As set out on pages 12-13, the table above shows the actual value of exports made under global licences during 2013 and 2014. This figure cannot be compared with values provided in previous reports which reflected the estimated value provide on global licence applications⁸ rather than the actual value of exports.

*The categories correspond to those set out in Annex I to Dual-Use Regulation 428/2009 as amended. See Annex IV for a list of categories.

⁸ Values on global licences were estimated by exporters at the time of application. Variations invariably arose, for example given the temporary transfer of machinery within groups. In addition, companies are subject to regular changes in the lists of controlled products. Reviews of control lists can result in products being removed from control and companies who previously required export licences no longer being required to engage with the licensing system or having fewer products subject to control.

**Dual Use Exports By Category, Destination, Number
and Licenced Value 2014 (made under individual licences)**

Category	Destination	2014 Number of Licences Issued	Number of Licences where Individual Licence Value= €0 - €100,000	Number of Licences where Individual Licence Value= €100,000 - €500,000	Number of Licences where Individual Licence Value is above €500,000
1	Brazil	1		1	
	China	1	1		
	Columbia	1	1		
	Iraq	1		1	
	Libya	1	1		
	Mali	2		1	1
	Mexico	1		1	
	Pakistan	1		1	
	Somalia	1			1
	South Africa	2		2	
	United Arab Emirates	2		2	
	Uzbekistan	1			1
	Vietnam	2	2		
2	Bolivia	1	1		
	Chile	2	2		
	China	3		3	
	India	9	9		
	Indonesia	2	2		
	Jordan	1	1		
	Pakistan	1	1		
	Philippines	1	1		
	Russia	3	3		
	Saudi Arabia	2			2
	Singapore	1	1		
	South Africa	2	2		
	South Korea/ Republic of Korea	1		1	
	Thailand	1	1		

	Tunisia	1	1		
	United Arab Emirates	1	1		
3	China	26	26		
	India	2	2		
	Israel	2	2		
	Macau	1	1		
	Malaysia	6		4	2
	Philippines	3			3
	Russia	6	4	2	
	Singapore	3		2	1
	South Korea/ Republic of Korea	2			2
	Taiwan	3			3
	Turkey	2	2		
4	Philippines	1	1		
5	Afghanistan	7	6	1	
	Algeria	4	2	1	1
	Argentina	3		1	2
	Azerbaijan	2	1	1	
	Bahrain	2		1	1
	Bangladesh	2		1	1
	Belarus	14	1	4	9
	Brazil	16	6	2	8
	Cape Verde	1		1	
	Chile	3			3
	China	53	11	8	34
	Columbia	4			4
	Republic of Congo	1			1
	Costa Rica	1			1
	Ecuador	2		1	1
	Egypt	12	7	2	3
	Gabon	1	1		
	Gibraltar	2	2		
	Guatemala	1			1
	Haiti	1	1		
	Hong Kong	30	24	2	4
	India	17	6	6	5

	Indonesia	2	2		
	Iraq	2		1	1
	Israel	17	10	1	6
	Japan	2		1	1
	Jordan	3	3		
	Kazakhstan	6	3	1	2
	Kenya	3	1	2	
	Kosovo	2	1	1	
	Kuwait	3	1	2	
	Lebanon	6	4		2
	Libya	2			2
	Macau	1		1	
	Macedonia	5	5		
	Malawi	1	1		
	Malaysia	7	4	3	
	Mauritius	1		1	
	Morocco	5	4	1	
	Nigeria	9	1	1	7
	Oman	12	7	3	2
	Panama	1		1	
	Papua New Guinea	1			1
	Peru	2		1	1
	Philippines	1	1		
	Qatar	10	2	4	4
	Russia	22	6	8	8
	San Marino	1	1		
	Saudi Arabia	48	17	7	24
	Serbia	1		1	
	Sierra Leone	1	1		
	Singapore	24	17	3	4
	South Africa	33	15	9	9
	South Korea/ Republic of Korea	7	4	1	2
	St Kitts and Nevis	1		1	
	Taiwan	5	2		3
	Tanzania	5	3	2	
	Thailand	1			1
	Trinidad and Tobago	1	1		
	Tunisia	2	2		

	Turkey	24	13	6	5
	Uganda	3		2	1
	Ukraine	1			1
	United Arab Emirates	48	24	9	15
	United Kingdom	1	1		
	Uruguay	3	1	1	1
	Vietnam	1			1
	Western Sahara	1			1
	Yemen	7		6	1
6	India	3	2	1	
	Malaysia	1		1	
	Philippines	2	1	1	
	Singapore	1	1		
7	Brazil	1		1	
	China	1	1		
	Israel	2	2		
	Russia	7	7		
	South Korea/ Republic of Korea	1	1		
	Turkey	1	1		
Catch-All	China	28	24	4	
	India	2	2		
	TOTAL	680	337	142	201

Dual Use Exports by Category, Destination, Number and Licenced Value 2013 (made under individual licences)

Category	Destination	2013 Number of Licences Issued	Number of Licences where Individual Licence Value= €0 - €100,000	Number of Licences where Individual Licence Value= €100,000 - €500,000	Number of Licences where Individual Licence Value is above €500,000
2	Bahrain	1	1		
	Chile	3	3		
	China	2		2	
	India	13	13		
	Iraq	1	1		
	Israel	2	2		
	Kuwait	1	1		
	Malaysia	1	1		
	Morocco	1	1		
	Oman	1	1		
	Qatar	2	2		
	Russia	4	3	1	
	Saudi Arabia	4	2	1	1
	Thailand	1	1		
	United Arab Emirates	2	2		
3	China	19	16	2	1
	India	1			1
	Macau	1		1	
	Malaysia	5		3	2
	Philippines	4		1	3
	Russia	7	3	1	3
	Singapore	5	1	3	1
	South Korea/ Republic of Korea	2			2
Taiwan	4		1	3	
5	Afghanistan	1			1
	Albania	2	2		
	Algeria	6	5	1	
	Andorra	1	1		
	Argentina	3	2	1	

Armenia	4	3	1	
Azerbaijan	1	1		
Bahrain	3		2	1
Bangladesh	2	1		1
Barbados	1	1		
Belarus	2	1	1	
Brazil	20	8	8	4
Burundi	1		1	
Chile	2		1	1
China	83	9	28	46
Columbia	8	6	2	
Costa Rica	1			1
Cote D'Ivoire	2	2		
Croatia	1		1	
Dominican Republic	1			1
East Timor	1	1		
Ecuador	4	1	1	2
Egypt	12	10		2
Ethiopia	4	4		
French Polynesia	2	2		
Gibraltar	8	8		
Guatemala	1	1		
Hong Kong	21	16	4	1
Iceland	1	1		
India	15	4	5	6
Indonesia	1	1		
Israel	12	6	3	3
Jamaica	1	1		
Japan	4			4
Jordan	3	2		1
Kazakhstan	4	4		
Kenya	6	6		
Kosovo	5	3	1	1
Kuwait	3	1	2	
Lebanon	2	1		1
Lesotho	1	1		
Liberia	1			1
Libya	4	3		1
Malaysia	5	4	1	
Maldives	2	2		
Mauritius	6	6		

	Mexico	2	2		
	Monaco	2	2		
	Montenegro	1	1		
	Morocco	7	5	2	
	Namibia	5	5		
	New Caledonia	3	3		
	Nigeria	5	2	2	1
	Oman	14	9	2	3
	Pakistan	1			1
	Palestinian Territories	10	10		
	Peru	3			3
	Philippines	1	1		
	Qatar	8	6	1	1
	Russia	16	9	4	3
	Rwanda	1	1		
	San Marino	4	3	1	
	Saudi Arabia	46	24	9	13
	Senegal	4	3		1
	Serbia	4	3	1	
	Seychelles	1	1		
	Singapore	18	13	3	2
	South Africa	36	29	3	4
	South Korea/ Republic of Korea	4	1		3
	South Sudan	1	1		
	Sri Lanka	1	1		
	Surinam	3	3		
	Switzerland	2			2
	Taiwan	4	2		2
	Tanzania	5	1	1	3
	Thailand	2	2		
	Trinidad and Tobago	2	1	1	
	Turkey	8	6	1	1
	United Arab Emirates	53	36	5	12
	Uruguay	4	3	1	
	Uzbekistan	2	2		
	Vatican City State	1	1		
	Yemen	9	6	1	2
	Zambia	5	4		1
	Zimbabwe	5	5		

6	Malaysia	1		1	
	Philippines	1		1	
	Russia	1	1		
7	Brazil	1	1		
	China	4	4		
	India	2	2		
	Israel	6	5	1	
	Russia	8	8		
	Singapore	2	2		
	South Korea/ Republic of Korea	3	3		
	Taiwan	1	1		
	Turkey	1	1		
Catch-All	Azerbaijan	1			1
	China	54	46	7	1
	Russia	1	1		
	Turkey	2	2		
	TOTAL	753	469	128	156

Military Exports by Category⁹, Destination, Number and Licenced Value¹⁰ 2014

Code	Destination	2014 Number of Licences Issued	2014 Value of Licences €
ML1	Australia	2	20,800
	Canada	1	5,000
	New Caledonia	1	315
	New Zealand	3	3,500
	Pakistan	1	2,000
	Ireland*	1	1,502,006
	United States of America	1	100
ML3	Ireland*	1	24,052
ML4	United Kingdom	8	526,300
ML5	Australia	6	485,929
	Canada	9	6,673,834
	Germany	7	11,651,640
	Norway	1	1,407,500
	South Korea	2	272,081
	Sweden	4	1,151,370
	United Kingdom	1	200,000
	United States of America	12	4,530,108
ML6	Ireland*	3	28,143,155
	Israel	2	126,637
	Switzerland	2	144,900
	United States of America	1	5,980,000
ML8	Botswana	1	5,000
	Spain	1	200
ML10	Denmark	1	0
	United Arab Emirates	1	0
	United States of America	4	17,044,558
ML11	Ireland*	1	2,143,763
ML21	Germany	2	827,812
	United Kingdom	1	100,000

⁹ Military List Categories provided at Annex III

¹⁰ The statistics in this table represent the value listed on the export licence, and not the actual value of the goods/technology exported under the licence.

* Exports in respect of which Ireland is the destination relate to temporary exports, where items are sent to another destination for a trade exhibition, to be repaired, etc. and then returned to Ireland. While all requisite export control checks are made, the final destination for the export is recorded as Ireland.

	United States of America	4	652,905
ML22	Australia	1	50,000
	Germany	3	1,192,905
	Luxembourg	1	100,000
	United Kingdom	1	50,000
	United States of America	4	1,200,000
	TOTAL	95	86,218,370

Military Exports By Category¹¹, Destination, Number and Licenced Value¹² 2013

Code	Destination	2013 Number of Licences Issued	2013 Value of Licences €
ML1	Australia	1	185
	Canada	3	3,650
	New Caledonia	1	720
	New Zealand	3	2,328
	South Africa	1	400
	United States of America	9	9,623
ML4	Russia	1	6,360
	Sweden	1	50,000
	United Kingdom	7	177,774
ML5	Australia	11	567,140
	Canada	5	1,531,959
	Denmark	2	581,975
	Germany	8	7,565,737
	Finland	1	145,600
	France	1	576,560
	Italy	1	730,630
	Kuwait	1	115,949
	New Zealand	1	115,949
	Norway	1	25,590
	Saudi Arabia	9	3,277,921
	South Korea	3	36,616
	Sweden	1	72,800
	United Arab Emirates	1	103,004
	United States of America	9	3,130,467
	ML6	France	1
Ireland*		2	9,300,000
Israel		2	75,718
United Arab Emirates		1	25,000
United States of America		1	3,900,000
ML8	United Kingdom	1	25,000
ML10	Israel	3	44,253
	Pakistan	1	0
	United States of America	3	26,005,081

¹¹ Military List Categories provided at Annex III

¹² The statistics in this table represent the value listed on the export licence, and not the actual value of the goods/technology exported under the licence.

*Exports in respect of which Ireland is the destination relate to temporary exports, where items are sent to another destination for a trade exhibition, to be repaired, etc. and then returned to Ireland. While all requisite export control checks are made, the final destination for the export is recorded as Ireland.

ML21	Germany	2	872,500
	United States of America	3	239,931
ML22	Germany	2	1,258,748
	Luxembourg	1	100,000
	United States of America	3	1,100,000
	TOTAL	108	61,825,168

Aggregated Military Licences by Destination 2014

Destination	Number of Licences	Licence Value ¹³ €
Australia	9	556,729
Botwana	1	5,000
Canada	10	6,678,834
Denmark	1	0
Germany	12	13,672,357
Ireland*	6	31,812,976
Israel	2	126,637
Luxembourg	1	100,000
New Caledonia	1	315
New Zealand	3	3,500
Norway	1	1,407,500
Pakistan	1	2,000
South Korea/Republic of Korea	2	272,081
Spain	1	200
Sweden	4	1,151,370
Switzerland	2	144,900
United Arab Emirates	1	0
United Kingdom (incl Northern Ireland)	11	876,300
United States	26	29,407,671
Total	95	86,218,370

*Exports in respect of which Ireland is the destination relate to temporary exports, where items are sent to another destination for a trade exhibition, to be repaired, etc. and then returned to Ireland. While all requisite export control checks are made, the final destination for the export is recorded as Ireland.

¹³ The statistics in this table represent the value listed on the export licence, and not the value of the goods/technology actually exported under the licence.

Aggregated Military Licences by Destination

2013

Destination	Licence Number of Licences	Licence Value ¹⁴ €
Australia	12	567,325
Canada	8	1,535,609
Denmark	2	581,975
Finland	1	145,600
France	2	626,560
Germany	12	9,696,985
Ireland*	2	9,300,000
Israel	5	119,971
Italy	1	730,630
Kuwait	1	115,949
Luxembourg	1	100,000
New Caledonia	1	720
New Zealand	4	118,277
Norway	1	25,590
Pakistan	1	0
Russia	1	6,360
Saudi Arabia	9	3,277,921
South Africa	1	400
South Korea/Republic of Korea	3	36,616
Sweden	2	122,800
United Arab Emirates	2	128,004
United Kingdom (incl Northern Ireland)	8	202,774
United States	28	34,385,102
Total	108	61,825,168

*Exports in respect of which Ireland is the destination relate to temporary exports, where items are sent to another destination for further work, a trade exhibition, to be repaired, etc. and then returned to Ireland. While all requisite export control checks are made, the final destination for the export is recorded as Ireland.

¹⁴ The statistics in this table represent the value listed on the export licence, and not the value of the goods/technology actually exported under the licence.

Annex III - Summary of ML (Military List) Codes

ML1	Smooth bore weapons with a calibre of less than 20 mm, other arms and automatic weapons with a calibre of 12.7 mm (calibre 0.50 inches) or less and accessories, and specially designed components therefor:
ML2	Smooth-bore weapons with a calibre of 20 mm or more, other weapons or armament with a calibre greater than 12.7 mm (calibre 0.50 inches), projectors and accessories, and specially designed components therefor:
ML3	Ammunition and fuse setting devices, and specially designed components therefor:
ML4	Bombs, torpedoes, rockets, missiles, other explosive devices and charges and related equipment and accessories, and specially designed components therefor:
ML5	Fire control, and related alerting and warning equipment, and related systems, test and alignment and countermeasure equipment, specially designed for military use, and specially designed components and accessories therefor:
ML6	Ground vehicles and components,
ML7	Chemical or biological toxic agents, "riot control agents", radioactive materials, related equipment, components and materials,
ML8	"Energetic materials", and related substances,
ML9	Vessels of war (surface or underwater), special naval equipment, accessories, components and other surface vessels,
ML10	"Aircraft", "lighter-than-air vehicles", unmanned aerial vehicles, aero-engines and "aircraft" equipment, related equipment and components, specially designed or modified for military use
ML11	Electronic equipment, not specified elsewhere on the EU Common Military List, and specially designed components therefor:
ML12	High velocity kinetic energy weapon systems and related equipment, and specially designed components therefor:
ML13	Armoured or protective equipment, constructions and components
ML14	'Specialised equipment for military training' or for simulating military scenarios, simulators specially designed for training in the use of any firearm or weapon specified by ML1 or ML2, and specially designed components and accessories therefor.
ML15	Imaging or countermeasure equipment, specially designed for military use, and specially designed components and accessories therefor:
ML16	Forgings, castings and other unfinished products specially designed for items specified by ML1 to ML4, ML6, ML9, ML10, ML12 or ML19.
ML17	Miscellaneous equipment, materials and 'libraries', and specially designed components therefor:
ML18	Production equipment and components
ML19	Directed energy weapon systems (DEW), related or countermeasure equipment and test models, and specially designed components therefor:
ML20	Cryogenic and "superconductive" equipment, and specially designed components and accessories therefor:
ML21	"Software",
ML22	"Technology"

Annex IV – Summary of Dual-Use Categories

The Dual-Use categories provided in this report correspond to those set out in Annex I to Dual-Use Regulation 428/2009 as amended:

- Category 0:** Nuclear materials, facilities and equipment
- Category 1:** Special materials and related equipment
- Category 2:** Materials Processing
- Category 3:** Electronics
- Category 4:** Computers
- Category 5:** Telecommunications and “information security”
- Category 6:** Sensors and lasers
- Category 7:** Navigation and avionics
- Category 8:** Marine
- Category 9:** Aerospace and Propulsion