



Licensing & Enforcement as implemented in France

19th Asian Export Control Seminar Tokyo, Feb. 7-9, 2012

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Licensing & Enforcement as implemented in France

- **Effective control of DU export is a constant challenge**
- **Need for vigilance all along the export control chain**

UPSTREAM

- from 1st contact with exporter to granting of licence
- interagency cooperation & Intelligence
- ex-post controls

DOWNSTREAM

- from goods inspection to ex-post controls
- interagency cooperation & Intelligence



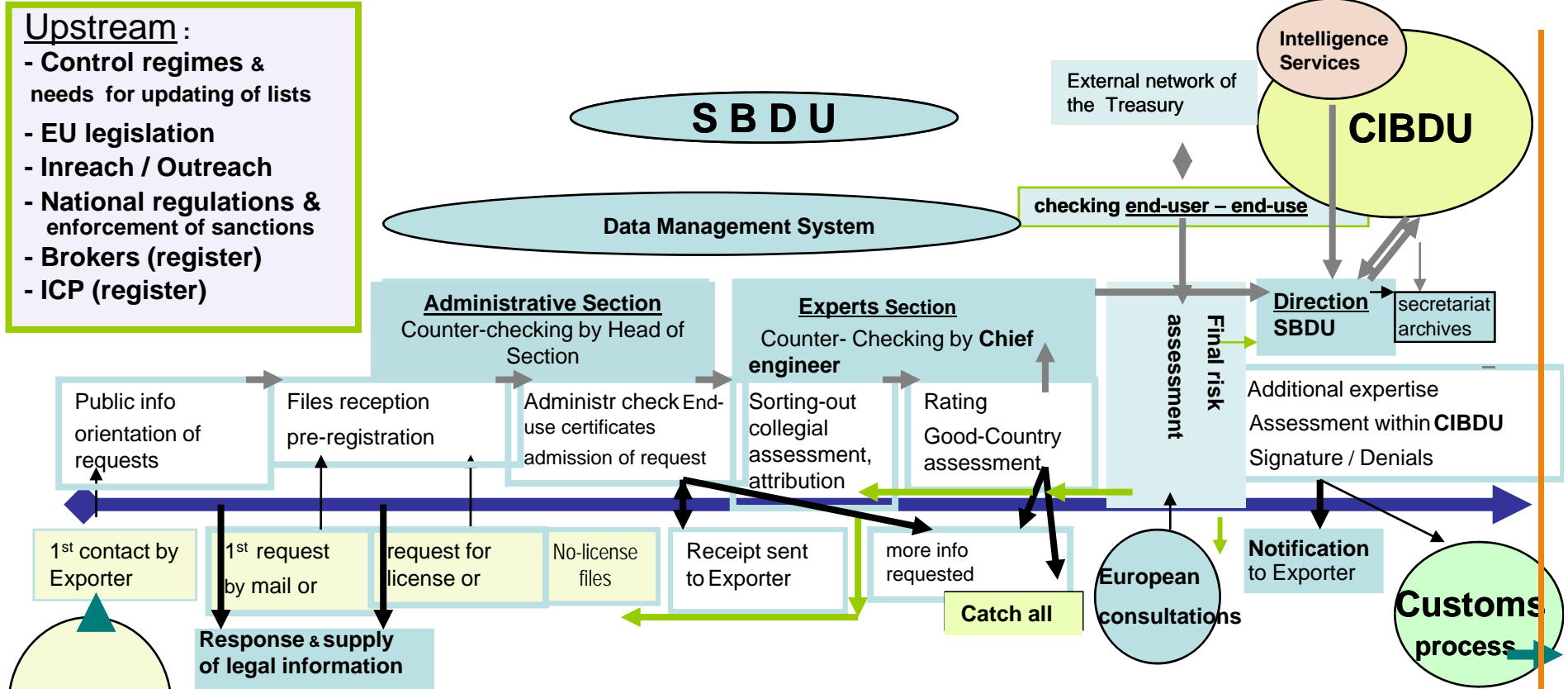
Licensing & Enforcement as implemented in France

- **Recipe for an effective export control system**
 - **legal base**
 - **implementation of legislation**
 - procedures
 - human resources (*technical, administrative, legal, enforcement*)
 - data management (*record keeping & helps maintain knowledge throughout staff turnover*)
 - **inreach towards national community of exporters**
 - building up awareness & trustfulness
 - **outreach/dialogue among neighboring countries**
 - sharing information and experience

Licensing & Enforcement as implemented in France

- **Not an easy recipe, though...**
 - **a not-so-obvious dialogue between licensing and enforcement**
 - different background (*training, sense of hierarchy, even aim of control*)
 - different legal base (Customs Code VS Dual-Use Legislation)
 - *consignee VS end-user*
 - *tariff classification VS DU rating, a source of misinterpretation*
 - *data systems that do not match*
 - **licence/0 licence notifications need to reflect what will be physically produced for the Customs inspection**
 - **the Customs declaration forms give insufficient data regarding the end-use/end-user**

Licensing process - Chronological markers



Upstream :

- Control regimes & needs for updating of lists
- EU legislation
- Inreach / Outreach
- National regulations & enforcement of sanctions
- Brokers (register)
- ICP (register)

Each single trade operation is scrutinized through different steps

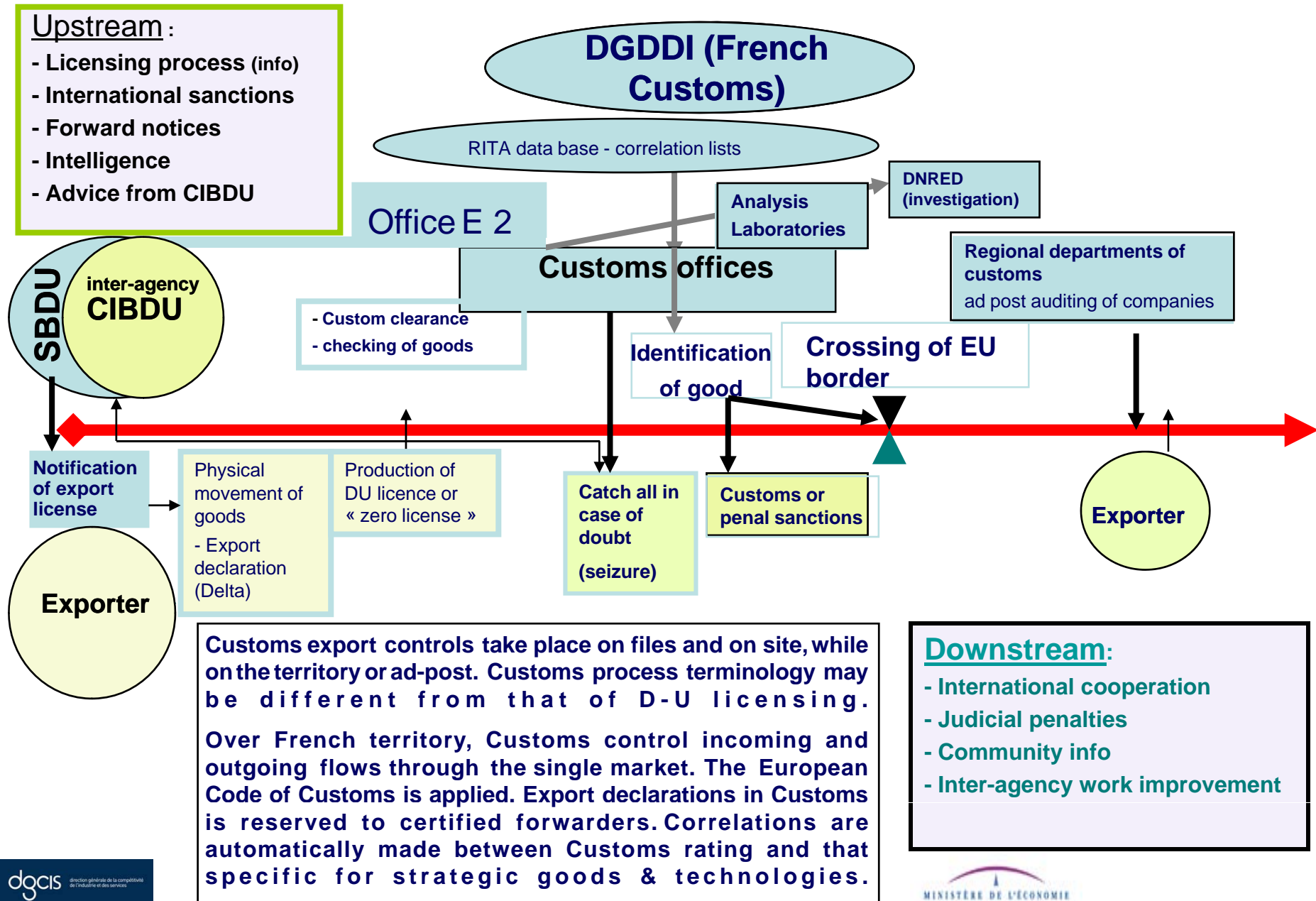
- 1 - Exporter (legal records, notoriety) and admissibility of file
- 2 - Alphanumerical rating in the European Regulation
- 3 - Duo "Good + Country of destination"; possible sanctions
- 4 - End user: trust-worthyness, legal records, acquisition networks, warnings
- 5 - Normal, under contract end-use ; diverted end-use.

Assessment of global risk is split between various agencies.

Downstream

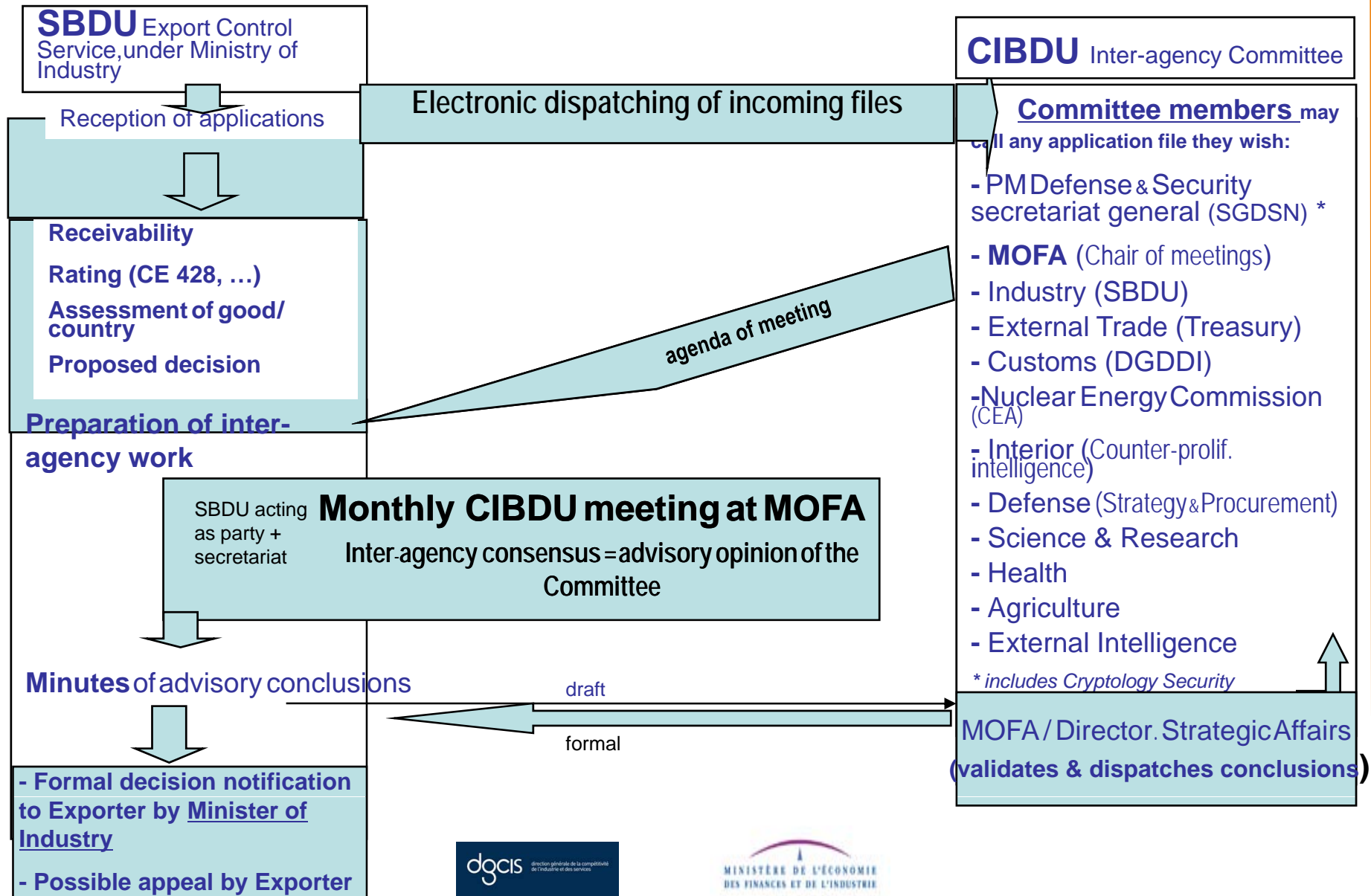
- Customs; On site controls
- License' duration
- Notifications EU & partners
- Newsletter, community info
- Inter-agency work improvement

Customs process - Chronological markers



Delivery of D.U Export control licenses : autonomous/collegial

for all types of licenses : individual, general & global



Licensing & Enforcement as implemented in France

- **Overlooking those relationship maps, one may balance between 2 reactions**

1 Controls and checks are so intricate fraud is nearly impossible

Hence as an exporter my interest is to be strictly DU-rule-abiding

2 The sequencing of controls and checks on diverse specific aspects of an application may lead to miss the general architecture and aim of the export

Hence as a proficient proliferator I may take a chance...

... by providing the least amount of information

... or, on the contrary, tons of minor information so as to let experts dig out what's important and maybe have them lose sight of the clarity of the prospect, thus leaving some points neglected.

let
lose sight
neglected.

Licensing & Enforcement as implemented in France

- **As our experienced and wise Chief Engineer keeps repeating**

Even before checking what 's missing in the application form or request for classification, before starting the technical assessment, the licensing officer should be able to answer these 3 simple questions :

- **What is exported?**
- **To whom?**
- **What for?**

Only then the expertise can actually start. At the end of the process, the customs officer will have to answer about the same questions again.

Licensing & Enforcement as implemented in France

- **Despite the previously mentioned difficulties, areas of close cooperation between licensing authority and customs**
 - participation of Customs in the upstream interagency process (Committee in charge of the most sensitive cases)
 - direct dialogue between customs lab (which performs expertise on DU goods among others) and licensing authority when goods are seized
 - joint implementation of the Catch-all provision
 - 0 licenses notified to exporters with a view to Customs requirements
 - works in progress related to respective databases



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