

OPEN GENERAL TRADE CONTROL LICENCE

The following is a **DRAFT** copy of the intended Open General Trade Control Licence (OGTCL) which is intended to permit some trading without the need to apply for individual licences. The Government is encouraging its use where the trader is able to comply with its conditions. It will cover trade from, and trade to, selected countries in all goods to which the trade controls apply (i.e. to all goods on the UK's Military List excluding software and technology) other than 'Restricted' goods (as defined in The Trade in Goods (Control) Order 2003 at <http://www.dti.gov.uk/export.control/legislation/pdfs/eca03trade.pdf>), and all goods used in connection with Weapons of Mass Destruction (see separate guidance note at (<http://www.dti.gov.uk/export.control/publications.htm>)). The OGTCL as currently drafted would permit trading of relevant Military List goods:

- (a) from any source country (other than Iraq, Zimbabwe or individuals to which the Al-Qaida and Taliban Sanctions apply), to:
- (b) Austria, Belgium, Channel Islands, Denmark, Finland, France, Germany, Greece, Italy, Luxembourg, Netherlands, Portugal, Republic of Ireland, Spain, Sweden, USA, Canada, New Zealand, Australia, Japan, Norway or Iceland

It would also permit trade from the countries listed in (b) above to;

- (c) any destination other than destinations to which the UK is obliged, or has given specific commitments, to prevent or limit the supply of military goods (currently Angola, Argentina, Armenia, Azerbaijan, Benin, Bosnia & Herzegovina, Burkina Faso, Burma, Burundi, Cape Verde, China (excluding SARs), Cyprus, DRC, Gambia, Ghana, Guinea, Guinea Bissau, Iran, Iraq, Ivory Coast, Liberia, Libya, Macau SAR, Mali, Namibia, North Korea, Niger, Nigeria, Rwanda, Senegal, Sierra Leone, Sudan, Somalia, Taiwan, Tanzania, Togo, Uganda, Zimbabwe).

Note, however, the OGTCL does not apply where the licensee knows or is informed by Government that the transaction would be carried out contrary to either the export or import laws of the exporting or importing countries respectively.

NB: The OGTCL is currently in 'draft' format and published here for information purposes only. It will not become effective until 1 May 2004 (in line with the secondary legislation implementing the provisions of the Export Control Act 2002 coming into force) and is, therefore, subject to alteration at any time.

TRADE LICENCE

Open General Trade Control Licence dated 2004 granted by the Secretary of State.

The Secretary of State, in exercise of powers conferred by Article 5 of the Trade in Goods (Control) Order 2003¹ ("the Order"), hereby grants the following Open General Trade Control Licence:

Licence

1. Subject to the following provisions of this Licence, any person may;
 - a) arrange the transfer, acquire or dispose of, or agree to acquire or dispose of any goods specified in Schedule 1; or
 - b) arrange or negotiate, or agree to arrange or negotiate, a contract for the acquisition or disposal of any goods specified in Schedule 1; or
 - c) do any act, or agree to do any act calculated to promote the arrangement or negotiation of a contract for the acquisition or disposal of any goods specified in Schedule 1,

from any country, other than a country or individual specified in Schedule 2 (1), to any country specified in Schedule 2 (1) Part A; or from any country specified in Schedule 2 (1) Part A to any other country, other than a country specified in Schedule 2 (2) Part B hereto, providing the goods are not located in the UK or Isle of Man, unless they are goods in transit.

Exclusions

2. This licence does not apply:

¹ S.I. 2003/2765

- (1) if the trader is aware or suspects that the goods are or may be intended, in their entirety or in part for use in connection with the development, production, handling, operation, maintenance, storage, detection, identification or dissemination of chemical, biological or nuclear weapons, or other nuclear explosive devices or the development, production, maintenance or storage of missiles capable of delivering such weapons,
- (2) if the trader knows or has reason to believe that the action in paragraph 1 above will or may result in the removal of the controlled goods to a country not authorised in Schedule 2;
- (3) if the trader has been informed by a competent UK authority, or is aware that the transaction will be carried out contrary to the export or import law or regulations of the exporting or importing country;
- (4) if the goods are to be supplied from Iraq or Zimbabwe or any individual to which the Al-Qaida and Taliban Sanctions² apply; or
- (5) to a destination within a Customs Free Zone;

Conditions and Requirements

3. The authorisation in paragraph 1 above is subject to the following conditions:
 - (1) The provisions of Article 6 (**registration**) of the Order shall apply to any act under the authority of this licence;
 - (2) The provisions of Article 7 (**record keeping**) of the Order shall apply to any act under the authority of this licence.

² Al-Qaida and Taliban (United Nations Measures) Order 2002 (S.I.111/2002).

Prohibitions not affected by this Licence

4. Nothing in this Licence shall affect any prohibition or restriction on the trade or the carrying out of any act with respect to the trade of any goods concerned under, or by virtue of, any enactment other than a prohibition or restriction in the legislation under which this licence was issued, as set out in the licence itself.

Interpretation

5. For the purpose of this Licence:

(a) a "Customs Free Zone" is a part of the territory of a country where any goods introduced are generally regarded, insofar as import duties and taxes are concerned, as being outside the Customs territory of that country, and are not subject to the Customs controls that would otherwise apply;

(b) "goods in transit" shall not be considered to be located in the UK or Isle of Man.

(c) unless the context otherwise requires, any other expression used in this Licence shall have the meaning it bears in the Export Control Act 2002, Export of Goods, Transfer of Technology and Provision of Technical Assistance (Control) Order 2003³ or in the Order.

Entry into Force

7. This Licence shall come into force on 2004.

³ S.I. 2003/2764

**An Official of the Department of
Trade and Industry authorised to act on
behalf of the Secretary of State**

SCHEDULE 1
GOODS CONCERNED
PART A

Any goods, excluding software and technology, specified in Part I of Schedule 1 to the Export of Goods, transfer of Technology and Provisions of Technical Assistance (Control) Order 2003 except goods in Part B of this Schedule

PART B

- (i) Goods falling within entry ML4 as follows:
 - anti-personnel landmines and specially designed components therefor.

- (ii) Goods falling within PL5001. c or g.

- (iii) Missiles capable of a range of 300km or more, and specially designed components therefor.

SCHEDULE 2

COUNTRIES CONCERNED

This authorisation is valid for the following:

(1). From any country, other than Iraq, Zimbabwe or any individual to which the Al-Qaida and Taliban Sanctions apply, to any country specified in Part A of this Schedule.

PART A:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Iceland, Ireland (Republic of), Italy, Japan, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Spain, Sweden and USA; and

(2). From any country in Part A of this Schedule to any country other than a country specified in Part B of this Schedule.

PART B

Angola, Argentina, Armenia, Azerbaijan, Benin, Bosnia & Herzegovina, Burkina Faso, Burma, Burundi, Cape Verde, China (excluding SARs), Cyprus, DRC, Gambia, Ghana, Guinea, Guinea Bissau, Iran, Iraq, Ivory Coast, Liberia, Libya, Macau SAR, Mali, Namibia, North Korea, Niger, Nigeria, Rwanda, Senegal, Sierra Leone, Sudan, Somalia, Taiwan, Tanzania, Togo, Uganda, Zimbabwe.

EXPLANATORY NOTE

(This Note is not part of the Licence)

This Open General Trade Control Licence permits, without further authority but subject to certain conditions, the transfer of goods in Part A of Schedule 1 to the licence, other than those specified in Part B of that Schedule, from any country, other than Iraq, Zimbabwe or individuals to which Al-Qaida and Taliban Sanctions apply, to any country specified in Schedule 2 Part A and from any country in Part A other than a country specified in Part B of that Schedule and any act or arrangement associated with that transfer.

2. The transfers may only be made under this Licence if they satisfy certain restrictions. These include;

- not for use in connection with weapons of Mass Destruction (WMD);
- not for use in connection with exports of goods located in the UK or Isle of Man;
- not for use if the trader has been informed by a competent UK authority, is aware that the transaction was contrary to the law of the exporting or importing country;
- not for use if the goods are to be supplied from Iraq, Zimbabwe or any individual to which the Al-Qaida and Taliban Sanctions apply.

3. The provisions of this Licence only apply for the purposes of the Order. They do not affect the need to obtain other consents that may be required for the export of particular military goods, whether under other statutory provisions (such as the Official Secrets Act 1989) or otherwise (such as under contractual obligations). In addition, this Licence does not extend to prohibitions in other legislation implementing United Nations Sanctions.

4. The issue of this licence doesn't remove the requirement to obtain permission of the authorities of the appropriate country to remove or receive goods from or to that territory as necessary.

5. The provisions of this licence does not apply to any person whose sole involvement, in respect of paragraph 1(a), (b) and (c) of the licence, is to provide or agree to provide:

- (a) transportation services;
- (b) financial or financial services;
- (c) insurance or re-insurance services; or
- (d) general advertising or promotional services.

these activities are not subject to control.

6. if the trader has been informed by a competent authority or is otherwise aware (e.g. from information received from the manufacturer) that trade in controlled goods includes goods subject to a protective marking, appropriate security transportation arrangements (in accordance with national practices of the exporting country) must be made.