

**REPORT ON:  
SEMINAR ON EXPORT CONTROL OF TECHNOLOGY  
TRANSFERS**

On the 15-16<sup>th</sup> of March, 2011 the US Department of Energy, Argonne National Laboratory jointly with the State Service for Export Control of Ukraine conducted an international Seminar on Export Control of Technology Transfers in Kiev, Ukraine.

Scientific and Technical Center on the export and import of special technologies, hardware and materials was responsible for organizational issues.

The seminar was attended by 35 representatives from Ukrainian enterprises and research institutions. The state authorities were represented at the seminar by the State Service for Export Control of Ukraine, the Ministry of Foreign Affairs of Ukraine and the State Security Service of Ukraine. The U.S. delegation comprised the specialists from the DOE/NNSA (Richard Talley), Argonne National Laboratory (Ashley Fullenwider and Ed Fox), Department of Homeland Security, Immigration and Customs Enforcement (Jason Manyx) and the U.S. Embassy in Kiev (Jim Kelly and Elena Voronina).

The main objective of the workshop was to familiarize the specialists of Ukrainian enterprises and institutions, related to the international transfers of controlled goods, with the legal provisions in the field of technology transfers, control over intangible transfers of technologies, licensing intangible transfers of technologies and with the basic principles of implementing and improving export control internal compliance systems at enterprises.

The seminar was opened with welcome remarks of Richard Tally, Alexander Siver (STC, Director) and Viktor Polyansky (SSECU, Deputy Chairman), who drew attention to the fact that globalization and increasing volumes of technology transfers cause the urgent need for preventing unauthorized outflow of sensitive technologies to terrorist and other criminal groups that can use them for unlawful activities. The organizers of the seminar expressed their hopes that information exchange in the margins of the seminar would facilitate further improvement of export control over international transfers of technologies.

The Head of the Public Council at the SSECU, Alexander Hrishutkin, made a review of historical background of establishing Ukrainian export control system and analyzed the last changed introduced to the export control law.

Ashley Fullenwider presented multilateral and U.S. approaches to technology controls, noting that U.S. export control system is being reformed now. Ms. Fullenwider underlined that controlling technology controls is an extremely difficult process. Further close collaboration and information exchange would increase understanding of this problem and improve export control systems of both countries.

Ukrainian approaches to controlling technology transfers were presented by Alexander Pereverzev, the head of the unit at the SSECU, who clearly determined transfers of which technologies are subject to control in Ukraine.

Ed Fox concentrated his first presentation on the deemed export in the United States which is the only country that has implemented such type of control. It is one of the most technologically developed countries therefore obliged to consider all the risks of infringements and to foresee unauthorized export (outflow) of technologies and scientific ideas that are subject to the state control and can be used for the development of arms programs.

Internal compliance systems are one of the most efficient tools for preventing outflow of strategic goods and technologies. In the margins of the seminar Ashley Fullenwider and Volodymyr Korop (Design bureau “Pivdenne”) shared their experience in establishing ICP in their organizations.

Alexandra Bovenko (STC) highlighted the problems of controlling intangible transfers of dual-use technologies and compared the relevant legislation of Ukraine and the European Union. Ed Fox presented the issues of controlling intangible transfers of technologies in the United States. The problem lies in the fact that companies more and more rely on electronic means of communication whereby there are no borders and no possibility to monitor such transfers.

Jason Manyx made a brief review of the U.S. legislation and presented the functions of the ICE – investigative agency at the U.S. Department of Homeland Security.

Serhiy Komisarenko, Academician of the national Academy of Sciences of Ukraine, demonstrated the last trends of biology and the issues of biological safety in Ukraine, namely: development of bio- and nanotechnologies, molecular biology and genetics.

Zoya Chamata (STC) and Mariya Scherbyna devoted their presentations to the special features of controlling dual-use goods and technologies that can be used for the creation of chemical and biological goods.

Summing up discussions in the margins of the seminar, to ensure effective export control system an equal control over both tangible and intangible transfers of technologies should be established. To reduce the risks of unauthorized transfers a number of steps should be taken, namely: introduction of internal compliance export control systems at the enterprises, imposing sanctions for violations of export control rules and procedures, introduction of changes to the current legislation, involving high-skilled experts, experience exchange, trainings for the staff whose activity is concerned with export controls to reduce the risks of unintentional violations.

The seminar participants in the course of the seminar filled the distributed questionnaire forms. The summarized answers together with conclusions will be forwarded to the Argonne National Laboratory upon completion of the project on the Enterprise Study.