



# **Practical Impact of Changes to Ukrainian Legislation on Export Control**

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# Purpose of the amendments

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Creation of legal framework for:

- Gradual transition to export control procedures corresponding to the practice of the European Community and U.S.
- Carrying out of measures aimed at deregulation of export control procedures in the range providing for compliance to international obligations assumed by Ukraine
- Separation between the scope of the Law and scope of the regulatory approval system of the Ministry of Home Affairs of Ukraine
- Implementation of norms allowing to specify the scope of state control depending upon international obligations and national interests of Ukraine

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# Purpose of the amendments

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- Improvement of the procedures for reviewing of exporter applications, implementation of deadlines for their review and refusal criteria
- Taking into account other laws adopted after the entry into force of the framework law
- Taking into account the practice of application of the framework law and making changes allowing to give consideration to practical issues

# Gradual transition to export control procedures corresponding to practice of the European Community and U.S.


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- Article 1, Article 15: Expansion of the circle of exporters having the right to obtain authorization documents issued by the SSEC of Ukraine:
  - Foreign economic operator executing international transfer of dual-use goods under terms of international treaties;
  - Transit or temporary export of goods for the purpose of testing or holding of exhibitions;
  - Military units, law-enforcement bodies or civil protection units executing temporary export or import of goods for the purpose of conducting exercises

# Gradual transition to export control procedures corresponding to practice of the European Community and U.S. (continued)

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- Specification and changing of the definition of terms in the Law (| Article 1):
  - Introduction of the term “economic operator” in line with the Economic Code of Ukraine;
  - Introduction of the “service (technical assistance)” corresponding to the terminology of the EU countries.
- Introduction of norms concretizing the scope of control (Article 8):
  - Control depending upon commodity group and **type of international transfer (Article 8)**;
  - The right of the Cabinet of Ministers of Ukraine to set up different scopes of submitting **guarantee documents (depends on the type of international transfer and the type of authorization document** – individual, general, open-ended) (Article 16).



## Carrying out of measures aimed at deregulation of export control procedures in the range providing for compliance to international obligations assumed by Ukraine

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- **Introduction of norms concretizing the scope of control** (Articles 8 and 16);

- **Reducing the scope of control over negotiations** (Article 18):

Elimination of “total control” for negotiations concerning military goods;

Concretizing the scope of control over negotiations - only with respect to export to countries subject to “partial” embargo

- **Setting up deadline for registration of economic operators and cases when an economic operator’s registration may be refused** (Article 12)

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## Carrying out of measures aimed at deregulation of export control procedures in the range providing for compliance to international obligations assumed by Ukraine (continued)

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- Setting up a procedure for granting of authority to carry out activities concerning pre-identification of dual-use goods and cases when it may be refused or the authorization may be revoked (Article 12), and
- Similar procedures in respect of issuing authorization documents

# Separation between the scope of the Law and scope of the regulatory approval system of the Ministry of Home Affairs of Ukraine

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- **Concretizing the cases of international transfers and goods which are not subject to state export control procedures:**

**Gas spray gun, hunting and sporting weapons, and other weapons and ammunition therefor which are not subject to regulatory approval system of the Ministry of Home Affairs of Ukraine**

**Special means used for protection of public order**

**Importation and exportation of standard weapons to provide participation in international treaties**



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# Concretizing the scope of state control depending upon international obligations and national interests of Ukraine

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- The right of the Cabinet of Ministers of Ukraine to determine the scope of control depending on the types of goods and international transfers (Article 8)
- The right of the Cabinet of Ministers of Ukraine to limit the scope of control over negotiations and set up corresponding procedures only by cases of “partial embargo” on export of concrete goods to corresponding countries (Article 18)



Improvement of the procedures for reviewing of exporter applications, implementation of deadlines for their review and refusal criteria

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- **State Service for Export Control has established by law right to (Article 11):**

obtain information necessary to support the export control procedures from executive authorities and other governmental bodies;

engage the above state bodies in carrying out an expertise in the area of state export control