



Fact Sheet: Validated End-User Program for India ***Bureau of Industry and Security*** ***U.S. Department of Commerce***

The Commerce Department's implementation of the Validated End-User (VEU) program for India will lift individual license requirements on exports of U.S.-controlled items to certain customers in India.

- A "Validated End-User" is a pre-screened company in India that meets the security requirements of a United States Government interagency review process to import certain U.S.-controlled items without individual licenses.
- VEU will make transactions easier, faster and more reliable with customers that meet the security requirements of an interagency review process, and help U.S. exporters remain competitive in one of the fastest-growing markets for American companies.
- Companies in India with a track record of responsible use of U.S.-controlled technology may be authorized for VEU status, which will enable them to receive certain U.S.-controlled items without obtaining individual export licenses.
- The VEU program creates a market-based incentive for companies to use U.S. items responsibly by giving such companies easier access to controlled technology.
- The regulations establish clear procedures for companies to apply for the VEU program, similar to those already in effect for other special Commerce Department licenses or authorizations.
 - Customers in India may apply directly, or exporters may initiate the application process on behalf of their customers.
 - Applicants will be required to submit general business information, such as ownership structure, nature of business, items to be imported, plans to transfer or re-export the items, and internal control and recordkeeping procedures.
 - A U.S. government End-User Review Committee will decide on applications, considering such factors as the applicant's record of engagement in civil end-uses; compliance with U.S. export controls; agreement to allow on-site reviews by U.S. Government officials; and relationships with U.S. and foreign companies.
- The VEU program will increase U.S. high-tech exports to India and further align the economic and commercial ties between two of the world's oldest and largest democracies.
- U.S. exports to India have increased by 66 percent since 2004. The VEU program could facilitate millions of dollars in additional U.S. high-tech exports to India in such sectors as electronics, avionics, aerospace, and life sciences.
- The percentage of total U.S. exports to India requiring a Commerce Department license has plummeted to less than one percent from 24 percent in 1999.
- India VEU was discussed at the U.S.-India High Technology Cooperation Group.

The VEU program will help facilitate and increase bilateral high technology trade while maintaining a secure U.S. export control system

For more information, call the Bureau of Industry and Security Office of Congressional and Public Affairs at 202-482-2721 or visit www.bis.doc.gov.