



Back to Licensing Basics: EAR License Conditions




U.S. DEPARTMENT OF COMMERCE
BUREAU OF INDUSTRY AND SECURITY



Overview

- Purpose of License Conditions
- Standard License Conditions
- When License Conditions Attack
 - Three case studies



U.S. DEPARTMENT OF COMMERCE
BUREAU OF INDUSTRY AND SECURITY

2



Purpose of License Conditions

- To ensure clarity as to what items, end-uses, and end-users are authorized under an export license
- Conditions may address ambiguities or specific concerns about any of the above.
- Conditions place boundaries around the license and what it authorizes.



3



Standard License Conditions

- ‘Boilerplate language’ replaces previous standard conditions on end-use, resale/reexport/transfer and requiring that consignees be informed.
- Some standard conditions remain for certain licenses.
- Conditions may also be applied case-by-case.



4

When License Conditions Attack

- What is it?
 - Non-specific technical descriptions (*e.g.*, copying the ECCN)
- Who will receive it?
 - Undefined or unclear roles of consignees and end-users
- For what can they use it?
 - Broad end-use statements
 - Item's utility in end-use not immediately clear



5


Example 1: Technology License



Specific End Use*	
21. Specific End Use*	For production of military aircraft landing gear, which will then be sent to the aircraft manufacturer in the United States
Export Item Information*	
Enter information for a new Export Item	
22. a. ECCN*	9E610
j. Technical Description*	Technology "required" for "development," "production," operation, installation, maintenance, overhaul and refurbishing of 9A610 commodities



6


Example 2: Bioreactor License



Specific End Use*	
21. Specific End Use*	Research and development
Export Item Information* 	
Enter information for a new Export Item	
22. a. ECCN*	2B350
j. Technical Description*	Bioreactor, 100L capacity



 U.S. DEPARTMENT OF COMMERCE
 BUREAU OF INDUSTRY AND SECURITY

7

Example 3: Explosives License

Specific End Use*	
21. Specific End Use*	Oil and gas exploration and drilling worldwide and other activities in collaboration with overseas parties including our overseas subsidiaries
Export Item Information* 	
Enter information for a new Export Item	
22. a. ECCN*	1C608
j. Technical Description*	Oil well cartridges containing 0.01 kg of controlled explosives



 U.S. DEPARTMENT OF COMMERCE
 BUREAU OF INDUSTRY AND SECURITY

8

Summary

- Conditions refine and clarify the scope of the authorization
- If unclear, USG may limit the authorization
- Proactively predict where items, end-users, or end-uses may be unclear
- Use the application (form + attachments) to draw a cohesive picture

