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DEPARTMENT OF COMMERCE

Bureau of Industry and Security

15 CFR Part 748

[Docket No. 0906151047-91048-01]

RIN: 0694-AE65

Authorization Validated End-User (VEU): List of Approved End-Users and Respective Eligible Items for India

AGENCY: Bureau of Industry and Security, Commerce.

ACTION: Final rule.

SUMMARY: In this final rule, the Bureau of Industry and Security (BIS) amends the Export Administration Regulations (EAR) to include the initial list of end-users for India approved to receive exports, reexports and transfers of certain items under Authorization Validated End-User (VEU). Specifically, this rule amends the EAR to authorize one VEU in India and identify the respective eligible items for export and reexport to that VEU's facilities.

DATES: This rule is effective [INSERT DATE OF PUBLICATION]. Although there is no formal comment period, public comments on this regulation are welcome on a continuing basis.

ADDRESSES: You may submit comments, identified by RIN 0694-AE65, by any of the following methods:

E-mail: publiccomments@bis.doc.gov Include “RIN 0694-AE65” in the subject line of the message.

Fax: (202) 482-3355. Please alert the Regulatory Policy Division, by calling (202) 482-2440, if you are faxing comments.

Mail or Hand Delivery/Courier: Sheila Quarterman, U.S. Department of Commerce, Bureau of Industry and Security, Regulatory Policy Division, 14th Street & Pennsylvania Avenue, NW, Room 2705, Washington, DC 20230, Attn: RIN 0694-AE65.

Send comments regarding the collection of information associated with this rule, including suggestions for reducing the burden to Jasmeet Seehra, Office of Management and Budget (OMB), by e-mail to [Jasmeet K. Seehra@omb.eop.gov](mailto:Jasmeet_K._Seehra@omb.eop.gov) or by fax to (202) 395-7285. Comments on this collection of information should be submitted separately from comments on the final rule (i.e., RIN 0694-AE65) - - all comments on the latter should be submitted by one of the three methods outlined above.

FOR FURTHER INFORMATION CONTACT: Karen Nies-Vogel, Chairman, End-User Review Committee, Bureau of Industry and Security, U.S. Department of Commerce, 14th Street & Pennsylvania Avenue, NW, Washington, DC 20230; by telephone (202) 482-3811, or by e-mail to kniesv@bis.doc.gov.

SUPPLEMENTARY INFORMATION:

Background

Authorization Validated End-User (VEU): Initial List of Approved End-Users, Eligible Items and Destinations for India

Consistent with U.S. Government policy to facilitate trade for civilian end-users, BIS amended the EAR in a final rule on June 19, 2007 (72 FR 33646) by creating a new authorization for “validated end-users” (VEUs) located in eligible destinations to which eligible items (commodities, software and technology, except those controlled for missile technology or crime control reasons) may be exported, reexported or transferred under a general authorization instead of a license in conformance with Section 748.15 of the EAR. In a final rule published in the Federal Register on October 1, 2007 (72 FR 56010, October 1, 2007), BIS identified India as an eligible destination under Authorization VEU.

Authorization VEU would facilitate increased high-technology exports to companies in India that have a record of using such items responsibly. VEU may obtain eligible items that are on the Commerce Control List without having to wait for their suppliers to obtain export licenses from BIS. A wide range of items are eligible for shipment under Authorization VEU. In addition to U.S. exporters, Authorization VEU may be used by foreign reexporters. Finally, while a VEU authorization may be revised, suspended or revoked pursuant to Section 748.15(a)(3), it does not have an expiration date, unlike the two-year validity period of an export license.

Approved VEU India and Its Respective “Eligible Items (By ECCN)” and “Eligible Destinations”

This final rule amends Supplement No. 7 to Part 748 of the EAR to identify a company, with eligible facilities, in India as a VEU and to identify the items that may be exported, reexported or transferred to it and its approved facilities under Authorization VEU. This new entry is for GE India. Below are the specific Export Control Classification Numbers (ECCNs) defining the materials, material and aerospace technologies, and explosive detection equipment, software and technology matched to the respective GE India facility names and addresses. Supplement 7 to Part 748 identifies the ECCNs and facilities under the headings “Eligible Items (By ECCN)” and “Eligible Destinations”, respectively:

GE India
AIFACS Bldg., 1 Rafi Marg
New Delhi 110 001 India

GE India Technology Centre Private Ltd. (GEITC)
122, EPIP, Phase II
Hoodi Village
Whitefield Road
Bangalore, Karnataka 560066 India
1C002.a.1, 1C002.a.2, 1C002b.1.a and 1C002.b.1.b
1E001, 2E983,
9E003.a.1, 9E003.a.4, 9E003.a.5, 9E003.a.6, 9E003.a.8, and 9E003.c

Bangalore Engineering Centre (BEC)
c/o GE India Technology Centre Private Ltd. (GEITC)
122, EPIP, Phase II
Hoodi Village
Whitefield Road
Bangalore, Karnataka 560066 India
1C002.a.1, 1C002.a.2, 1C002.b.1.a, 1C002.b.1.b
1E001
9E003.a.1, 9E003.a.2, 9E003.a.4, 9E003.a.5, 9E003.a.6, 9E003.a.8, and 9E003.c

GE Fanuc Systems PVT Ltd.
90/B Electronics City
Hosur Road

Bangalore 561229 India
2A983
2D983

The VEUs listed in Supplement No. 7 to Part 748 were reviewed and approved by the U.S. Government in accordance with the provisions of Section 748.15 and Supplement Nos. 8 and 9 to Part 748 of the EAR.

Approving this new end-user as a VEU is expected to further facilitate exports to civil end-users in India. Approval of this company also represents a significant savings of time for suppliers and end-users. Authorization VEU will eliminate the burden on exporters and reexporters of preparing license applications and on BIS for processing such applications, as exports and reexports will be made under general authorization instead of under a license. These savings will enable exporters and reexporters to supply VEUs much more quickly, thus enhancing the competitiveness of U.S. exporters, as well as reexporters, and end-users in India.

To ensure appropriate facilitation of exports and reexports, on-site reviews of the VEUs may be warranted pursuant to paragraph 748.15(a)(2) and Section 7(iv) of Supplement No. 8 to Part 748 of the EAR. If such reviews are warranted, BIS will inform the Government of India, as appropriate.

Since August 21, 2001, the Export Administration Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 CFR, 2001 Comp., p. 783 (2002)), as extended most recently by the Notice of July 23, 2008 (73 FR 43603, July 25, 2008), has continued the EAR in effect under the International Emergency Economic

Powers Act. BIS continues to carry out the provisions of the Act, as appropriate and to the extent permitted by law, pursuant to Executive Order 13222.

Rulemaking Requirements

1. This final rule has been determined to be not significant for the purposes of Executive Order 12866.

2. Notwithstanding any other provisions of law, no person is required to respond to nor be subject to a penalty for failure to comply with a collection of information, subject to the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.) (PRA), unless that collection of information displays a currently valid Office of Management and Budget (OMB) Control Number. This rule involves collections previously approved by the OMB under control number 0694-0088, “Multi-Purpose Application,” which carries a burden hour estimate of 58 minutes to prepare and submit form BIS-748; and for recordkeeping, reporting and review requirements in connection with Authorization Validated End-User, which carries an estimated burden of 30 minutes per submission. This rule is expected to result in a decrease in license applications submitted to BIS. Total burden hours associated with the Paperwork Reduction Act and Office of Management and Budget control number 0694-0088 are not expected to increase significantly as a result of this rule.

3. This rule does not contain policies with Federalism implications as that term is defined under Executive Order 13132.

4. The provisions of the Administrative Procedure Act requiring notice of proposed rulemaking, the opportunity for public participation, and a delay in effective date, are inapplicable because this regulation involves a military and foreign affairs function of the United States (5 U.S.C. 553(a)(1)). Further, no other law requires that a notice of proposed rulemaking and an opportunity for public comment be given for this final rule. Because a notice of proposed rulemaking and an opportunity for public comment are not required to be given for this rule under the Administrative Procedure Act or by any other law, the analytical requirements of the Regulatory Flexibility Act (5 U.S.C. 601 et seq.) are not applicable. Therefore, this regulation is issued in final form. Although there is no formal comment period, public comments on this regulation are welcome on a continuing basis. Comments should be submitted to Sheila Quarterman, Regulatory Policy Division, Bureau of Industry and Security, U.S. Department of Commerce, 14th Street & Pennsylvania Avenue, NW, Room 2705, Washington, DC 20230

List of Subjects in 15 CFR Part 748

Administrative practice and procedure, Exports, Reporting and recordkeeping requirements.

Accordingly, part 748 of the Export Administrative Regulations (15 CFR Parts 730 – 774) is amended as follows:

PART 748 - - [AMENDED]

1. The authority citation for 15 CFR Part 748 continues to read as follows:

Authority: 50 U.S.C. app. 2401 *et seq.*; 50 U.S.C. 1701 *et seq.*; E.O. 13026, 61 FR 58767, 3 CFR 1996 Comp., p. 228; E.O. 13222, 66 FR 44025, 3 CFR 2001 Comp., p. 783; Notice of July 23, 2008, 73 FR 43603 (July 25, 2008).

2. Supplement No. 7 to Part 748 is amended by:
 - a. Adding a new column “Country” before the column “Validated end-user”;
 - b. Adding “China (People’s Republic of)” in the “Country” column; and
 - c. Adding an entry for “India”.

The additions read as follows:

SUPPLEMENT NO.7 TO PART 748- AUTHORIZATION VALIDATED END-USER
(VEU); LIST OF VALIDATED END-USERS, RESPECTIVE ITEMS ELIGIBLE FOR
EXPORT, REEXPORT AND TRANSFER AND ELIGIBLE DESTINATIONS

Country	Validated End-User	Eligible Items (By ECCN)	Eligible Destination
China (People’s Republic of)	*****	*****	*****
India	GE India	For GEITC: 1C002.a.1, 1C002.a.2, 1C002b.1.a and 1C002.b.1.b 1E001, 2E983, 9E003.a.1, 9E003.a.4, 9E003.a.5, 9E003.a.6, 9E003.a.8, and 9E003.c	AIFACS Bldg., 1 Rafi Marg New Delhi 110 001 India GE India Technology Centre Private Ltd. (GEITC) 122, EPIP, Phase II Hoodi Village Whitefield Road Bangalore, Karnataka 560066 India

		<p>For BEC: 1C002.a.1, 1C002.a.2, 1C002.b.1.a, 1C002.b.1.b 1E001 9E003.a.1, 9E003.a.2, 9E003.a.4, 9E003.a.5, 9E003.a.6, 9E003.a.8, and 9E003.c</p> <p>For GE Fanuc Systems PVT Ltd.: 2A983 2D983</p>	<p>Bangalore Engineering Centre (BEC) c/o GE India Technology Centre Private Ltd. (GEITC) 122, EPIP, Phase II Hoodi Village Whitefield Road Bangalore, Karnataka 560066 India</p> <p>GE Fanuc Systems PVT Ltd. 90/B Electronics City Hosur Road Bangalore 561229 India</p>
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DATED: June 26, 2009

Matthew S. Borman

Acting Assistant Secretary

for Export Administration

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