



STEPTOE OUTSIDE COUNSEL

EU GEAs – what they are and how to benefit from them

General export authorizations (“GEAs”) are authorizations for exports to certain countries available to all exporters who meet their conditions and abide by their requirements. They may be issued by the EU (“Union General Export Authorizations”) or the Member States (“National General Export Authorizations”). The EU has adopted six GEAs, set out in Annexes IIa to II f to the EU Dual-Use Regulation:

- **EU001:** Covers most exports of items listed in Annex I to the Dual-Use Regulation (“Annex I”) to Australia, Canada, Japan, New Zealand, Norway, Switzerland (including Liechtenstein) and the United States of America.
- **EU002:** Covers exports of certain dual-use items to Argentina, Croatia, Iceland, South Africa, South Korea and Turkey.
- **EU003:** Covers most Annex I exports following their repair/replacement, where the relevant items were initially exported from the EU under a valid license and were being re-imported into the EU for the purpose of maintenance, repair or replacement. It authorizes exports to 24 destinations.
- **EU004:** Covers temporary exports for

exhibitions or fairs to 24 destinations.

- **EU005:** Covers exports of certain items listed under category 5 part 1 of Annex I to nine destinations.
- **EU006:** Covers exports of certain chemicals specified in Annex I to Argentina, Croatia, Iceland, South Korea, Turkey, and Ukraine.

Each of the EU GEAs provides:

- A precise list of destinations to which exports are permitted;
- A specific list of items that may be exported to those destinations;
- A specific set of conditions of use, which must be complied with under the particular general authorization.

EU GEAs are granted *ex officio* and provide unique licensing coverage in all the Member States without the need to file a license application at national level. However, the competent authorities of the Member State where the exporter is established may prohibit the exporter from using these authorizations if there is reasonable suspicion about their ability to comply with them or with the export control legislation. Moreover, Member States may require the exporter to register

prior to the first use of the respective EU GEA. It is crucial that exporters meet all the requirements in connection with the use of an EU GEA, as failure to do so would result in an unauthorized export.

Brexit

GEAs have also been used to avoid disruption arising from Brexit. In March 2019, the EU adopted Regulation (EU) 2019/496 amending the EU Dual-Use Regulation, by which it adds the UK to the list of destinations covered by EU general export authorization EU001. This Regulation will only apply in the case of a no-deal Brexit. The UK in turn adopted an open general export license (“OGEL”), which covers exports of dual-use items listed on Annex I to any Member State as well as to the Channel Islands. Like the EU GEA, this OGEL provides for a number of exclusions and requirements. It will apply from 31 December 2020.

Review of the EU Dual-Use Regulation

In the context of the ongoing review of the EU Dual-Use Regulation, the Commission proposed new EU GEAs covering encryption, intra-company transmission of software and technology, low-value shipments, as well as “other dual-use items” on an ad-hoc, as-needed basis. While the Council supported plans for EU GEAs on encryption and intra-company transmission, it opposed those on low-value shipments and “other dual-use items”. Consequently, the revised EU Dual-Use Regulation will not introduce the latter two EU GEAs.

Benefits for exporters and authorities

The benefits of a specific EU GEA for a company depend on the type and trading patterns of the dual-use products to be exported. Facilitated export procedures eliminating the need for individual licenses are most favored in the context of frequent exports to the same customer or country of destination. Such benefits will outweigh the more onerous record-requirements and notification procedures that an EU GEA normally entails. Likewise, an EU GEA will entitle companies and authorities alike to focus on the more potentially sensitive destinations and products.

EU GEAs are critical to creating a level playing field for EU exporters both in comparison with similar obligations in third countries and internally within the EU. They contribute to the competitiveness of EU exporters on global markets. ■

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