

**COMMON PITFALLS TO AVOID IN  
EXPORT LICENCE APPLICATIONS**

Guidance Note on making  
better applications for an  
export control licence

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## Introduction

The Export Control Organisation (ECO) has to return roughly half of all applications to the exporter, either for more information, or because the application has been completed wrongly. Obviously this delays processing.

This Guidance Note outlines some of the most common mistakes or aspects to be aware of when submitting your licence application.

## Goods Descriptions – completing correctly

How you describe the item or items – and in how much detail – is **very** important.

In particular the ECO need to know what the goods were originally designed for, as well as their current intended use.

If any of the items were specially designed or modified for military use (or for the development, production or use of military items) then ECO will need details of the **original** military use. For example, if an inertial navigation system has been designed for a military application, ECO need to know which type of military application. You need to explain for what purpose it was designed – either for a combat aircraft, naval frigate, tank, gun laying platform or other use.

**Remember** your goods descriptions NEED to:

- Be clear, concise and specific.
- Include model or type number where appropriate.
- Include the value of each item or goods in sterling in the appropriate column, even if the value is only nominal. (Note that you cannot enter zero as a value).
- Ensure that the goods description matches those on the End-User Undertaking. Failure to check this will mean we have to send your application back to you which could significantly delay processing times.
- Use the same description to HM Customs in any export documentation, so that they can link any licence with the shipping documentation and, if necessary, the containers themselves.
- Detailed goods descriptions should be provided in the technical specifications sent with your licence application.

## End User or Consignee Undertakings – completing correctly

An End-User Undertaking is a document which you should provide with almost every licence application. The purpose of EUUs is to verify end-use. They need to be completed by the end-user or consignee.

Exceptions exist for some temporary licences. Additionally, in some cases an international import certificate or, where government contracts are involved, a purchase order or contract, may be sufficient.

Sample EEU forms are available on the [ECO website](#), with attached guidance notes explaining requirements.

**Remember** that all forms NEED to:

- Be signed and dated by the end-user themselves.
- Include a description of the goods, their intended use and where they will be used or based.
- If the goods are to be incorporated into another product, then this new product and use should be described.
- Ensure that the goods description on the EEU matches that on the licence application. Failure to check this will mean ECO will have to ask you to get the end-user to complete the forms again, which could obviously delay your application considerably.

### Definition of Consignees and End-Users

The ECO talks a lot about consignees, end-users and third parties on licence applications. Consignees and end-users are sometimes the same people, but quite often are not, and there is often confusion between them. This definition might help:

***Consignee*** – first recipient of exported goods. This may be where the export remains (in which case they will be the end-user), but not necessarily. The consignee can be one of the following: authorized distributor, associated company, agent or anyone else.

***End-User*** – final recipient of exported goods which are passed on from the consignee. This might be: country's armed or security forces, company, research institution, or individual.

***Third Parties*** – these are any other entities or individuals associated with the export of these items, excluding freight forwarders. These could include agents, parent or other related companies, or ultimate end-users.

***Important Note:***

*If the consignee is passing the goods on to someone else without modifying them, then the final recipient is the end-user.*

*If the consignee is doing something with the items, such as putting it into another item, then they are considered to be the end-user.*

*If the items are then to be exported to a 3<sup>d</sup> country, excluding the UK, then the recipient should be shown under Third Parties as the ultimate end-user.*

## **Specific Information on Open General Export Licences**

An OGEL is a publicly accessible licence which you might be able to use. All licences are published on the [ECO website](#).

Remember that you NEED to:

- Register to use via the [SPIRE](#) licensing system.
- Carefully read and adhere to all terms and conditions.
- Keep up to date with licence amendments (by signing up to receive the ECO's Notice to Exporters).
- Make sure that you are using the correct up to date OGEL.

## **Specific Information on applying for an Open Individual Export Licence (OIEL)**

An OIEL is a concessionary licence which is specific to an individual exporter and covers multiple shipments of specific goods to specific destinations.

When you first apply for an OIEL, you need to submit your application via the [SPIRE](#) licensing system, setting out:

- the reasons for your request.
- evidence that this type of licence is most appropriate for your proposed export.

Failure to explain will mean that ECO will have to get back to you and is likely to delay your application.

**Remember** the following essential points in completing your OIEL application:

- Do not go overboard on the number of countries listed on your application
  - You might plan over time to export your goods to 25 countries but, at the time of your application, only have contracts in 5. Bear in mind that it will take far longer to assess all 25 countries, so including all of them might hold up your application significantly. A good general principle is that the fewer the countries, the shorter the processing time. ECO advises strongly not include countries where contracts are yet to be signed. You can always apply for another OIEL at a later date.
- Entering details of the goods on the application
  - Put the name of the item(s) and a description which explains very briefly what they are designed for and what they will be used for.  
  
“Very briefly” means in about a sentence. Exporters often enter a complete product history which is not necessary.
  - You can group together similar items in one entry as long as you make clear what the items are designed for and what they will be used for. Again this needs to be brief.
  - Do not say “see attached lists”. This often means that ECO have to return your application because you need to put the details on the application itself.
  - If applying for a replacement OIEL then you should enter exactly the same words that were on your previous licence, unless there are any changes in the scope of the items you wish to export.
  - Enter detailed information on the item(s) and use can be entered in the field titled “Details of its relevant specific application/use for each item specified”.

## Checklist Summary of Basic Pitfalls to avoid

<b>Awareness of exporter responsibilities</b>	<ul style="list-style-type: none"> <li>▪ Have you read the relevant guidance on the ECO website?</li> <li>▪ Have you used the Goods Checker or the OGEL Checker tools?</li> <li>▪ Are you aware of relevant terms and conditions?</li> <li>▪ If you are using an OGEL, has it recently been amended recently and have you checked that your goods are still covered?</li> </ul>
<b>Technical Documentation</b>	<ul style="list-style-type: none"> <li>▪ Is all the technical information up to date?</li> <li>▪ Have you included a full and detailed goods description and supporting specifications and technical documents?</li> </ul>
<b>Goods</b>	<ul style="list-style-type: none"> <li>▪ Have you specified the quantities and values?</li> <li>▪ Have you included comprehensive information about goods modifications?</li> </ul>
<b>Details of earlier or related licences</b>	<ul style="list-style-type: none"> <li>▪ Have you put in details of previous or related applications?</li> </ul>
<b>Customs Declarations</b>	<ul style="list-style-type: none"> <li>▪ Have you given clear written instructions for freight forwarders and agents who complete customs declarations on your behalf?</li> </ul>
<b>Your company contact details</b>	<ul style="list-style-type: none"> <li>▪ Are your own contact details up to date and correct?</li> </ul>
<b>Completing the licence application correctly</b>	<ul style="list-style-type: none"> <li>▪ Have you completed ALL fields on the application?</li> </ul>