



Goldfarb Seligman
Law Offices | Established 1930

Issue 3

Customs & Trade in Israel

A Legal Newsletter

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Defense Export Control- Dual-Use Equipment

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Towards the end of 2007, the Defense Export Control law, 2007 ("the law"), came into effect. The law, and the various regulations and orders enacted thereunder, replaced previous legislation regulating defense export from Israel. The intent of the law is to regulate defense export on the grounds of national security, foreign policy, international commitments and other crucial interests of the State of Israel.

In the previous articles, we learned that defense export control is regulated by various mechanisms (marketing licensing, export licensing etc.). The Defense Export Control Agency ("DECA") is the body charged with control of defense export. Although regulation impedes international trade, it is a necessity in a world plagued by terrorists aching to obtain weapons and other military equipment.

Between Military and Civilian Equipment

There are often correlations between the civilian and military domains. That is to say, certain goods may be utilized for both civil and military purposes. When the said goods are intended for civil use, but may be applied to the development of militaristic capabilities, they are defined as "dual-use" goods.

Defense export control law differentiates between defense equipment and dual-use equipment. This distinction allows for a more fluid export of civilian goods with "militaristic potential", while still retaining a measure of control on their export.

Who Controls the Export of Dual-Use Equipment?

The law states that when faced with dual-use goods, the end-use of the goods must be examined:

If the end-use is defense related (i.e. the goods are being sold to a defense body, such as government security forces- military, police or other defense agencies), the export is controlled by the DECA.

Conversely, if the end-use is civilian, the export is controlled by the Ministry of Economy and Industry.

What is Included in the "Dual-Use" Equipment List?

In order to simplify the definition of dual-use equipment, a chapter of the Wassenaar Arrangement was dedicated to the subject.

The Wassenaar Arrangement is an international export control regimen adopted by Israeli law. A section of the arrangement regulates defense export control, while another constitutes of a list of dual-use goods, divided into nine categories: advanced Materials and Related Equipment, Materials Processing, Electronics, Computers, Telecommunications and "Information Security", Sensors and "Lasers", Navigation and Avionics, Marine, and Aerospace and Propulsion.

It is easily discernible that the categorized goods can be utilized in both military and civilian applications.

In the following articles, we will discuss dual-use export control that falls under the Ministry of Economy's authority.

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The review provided above is a condensed summary. The information contained therein is provided for information purposes only and does not constitute legal advice. For further details, please contact Adv.

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