

## SUMMARY

The draft Export Control and Non-Proliferation Bill published in this document will establish a new legislative framework for both strategic export controls and export controls on cultural objects. Separate Introductions to the draft Bill by the Department of Trade and Industry and the Department for Culture, Media and Sport, seek views from those with an interest in each area of export control.

The Government's proposals for new legislation were originally set out in the Strategic Export Controls White Paper published in July 1998. The DTI's Introduction explains the conclusions of the review of those proposals and how these are reflected in the draft Bill.

The draft Bill will improve Government accountability for export controls by:

- setting out the purposes of export control in legislation;
- providing for parliamentary scrutiny of secondary legislation made under the Bill; and
- requiring the Government to publish annual reports.

The first two of these measures address recommendations made in the Scott Report.

As proposed in the White Paper, the draft Bill also contains new powers that allow for the creation of an updated and more effective strategic export control regime. These are:

- powers to impose controls on the transfer of military and dual-use technology by intangible means, and the provision of related technical services; and
- powers to impose controls on trafficking and brokering of military and dual-use equipment.

The first of these powers will be used to introduce controls on the electronic transfer of military technology, in line with similar controls already introduced for dual-use technology in European law. And it will be used to introduce controls on the provision of technical assistance intended for weapons of mass destruction and related missile programmes. This will meet a European Union obligation. Views are also sought on the possibility of introducing controls on technical assistance for conventional military end-uses in countries subject to embargoes.

As recommended in the White Paper, the power on trafficking and brokering will be used to introduce controls on trafficking and brokering of military or related equipment to embargoed destinations, of equipment used in torture and of certain missiles.

It will also be used to establish a new general licensing regime for trafficking and brokering in weapons and related equipment. Proposals are also made for registration of those applying for licences under this regime as well as of exporters. The proposal for a general trafficking and brokering licensing regime is a new proposal, which is additional to those set out in the White Paper, and views are therefore particularly sought on this issue.

The White Paper had made various recommendations relating to strategic export control procedures, and conclusions on these issues are set out in this document.

The draft Bill provides for penalties for export control offences to be raised from the current maximum level of seven years' imprisonment to a maximum of 10 years.

Options for new measures on licensed production overseas are set out in this document and views are sought on this issue.

Proposals are set out for strengthening legislation on weapons of mass destruction. Although these provisions are not included in the published draft Bill, they will be included in the Bill when it is introduced to Parliament.