Department for Business & Trade

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The Rt Hon Liam Byrne MP
Chair, Business and Trade Committee
House of Commons
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2 April 2025

Dear Liam,

Thank you for your correspondence of 25 March, following your Committee's visit to the Export Control Joint Unit (ECJU) on 6 March 2025. I am glad that you found this a useful visit and I have instructed my officials in ECJU to follow up with your Clerks on points 1-8 in your letter separately, as these flow from the discussions on 6 March.

You asked for a response from me on the following areas:

1. *We are pleased that the Department "will retrospectively publish all LITE data that has been omitted during the transition period" but would be grateful if you could clarify if it will be clearly signposted which figures have changed so users are not required to go through the laborious process of comparing and contrasting two datasets. It would also be helpful if you could set out any plans you have to update any information given to this Committee, Parliament or the public (such as in response to FoI requests) which is based on the "In Development" statistics and is subsequently altered.*

Within the strategic export control licensing statistics, we have an established process for making clear any revisions made to previously published figures. This is set out in ECJU's statistics revision policy, which is published on GOV.UK alongside these statistics (https://www.gov.uk/government/publications/strategic-export-controls-licensing-statistics-revisions-policy). In addition to the established process, I will ensure that the statistical releases that retrospectively publish LITE data provide further information to users to ensure this is as clear and transparent as possible.

Due to the more limited scope of the licensing data required for Freedom of Information requests, it has been possible to extract and manually validate data from both SPIRE and LITE for all requests that have been received since the reclassification of ECJU's Official Statistics to the Official Statistics in Development in 2024 Q1. Similarly, where statistical information has been provided to Parliament, whether through Written Parliamentary Questions, Oral Evidence Sessions, or Debates in the House, this has also included both SPIRE and LITE data underlying information already published in statistical releases.

2. *Given the continuing concerns over arms exports to Israel, we request that you to commit to publishing updated information on a quarterly basis.*

The previous ad hoc releases published cover the period from 7 October 2023 to 6 December 2024. These were published on an ad hoc basis to recognise the exceptional circumstances and the significant Parliamentary and public interest in the conflict. As the Committee is aware, I am committed to ensuring our Official Statistics covering all export licensing decisions return to their typical quarterly rhythm from now on and have directed my officials to make this a priority. This will ensure that Parliament and the wider public has regular access to this important information. The overall need for ad hoc releases should reduce as we return to a regular schedule.

The last statistical release on export licensing decisions was published on 27 February 2025, and the next statistical release is scheduled for 15 May 2025. Whilst there is still an increased time lag between the end of a reporting period and the release in which the data appears, my officials are working to gradually reduce this.

3. *Committee staff have asked your officials for a copy of the Government's "Grounds of Resistance" in the Al-Haq judicial review case... I would therefore be grateful if you could ensure the Committee receives this document, or a full explanation of why you consider it cannot be disclosed.*

As court rules already set out an existing process for non-parties to request documents from the Court in cases such as this, we would suggest the Committee follow that established procedure should they wish. However, wherever documents are published in the case or are otherwise publicly available outside of the process noted above (such as the interim judgment of the court referred to in your letter), I have directed officials to share these with the Committee.

Yours sincerely,

Douglas Alexander

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You asked for a response from ECJU on the following points raised in the LITE visit:

1. Data on the outcomes of each type of licence application for 2024 (as per Table 2.1 in the Strategic Export Controls Annual Report 2023).

The following table provides licensing decisions made between 1 January 2024 – 30 September 2024:

Licensing decision	SIELs	OIELs	SITCLs	OITCLs
Issued	8,703	260	96	13
Refused / Rejected	454	55	9	12
Revoked	0	0	0	0

This is the only data for 2024 that is currently published.

Data on licensing decisions for the 1 October to 31 December 2024 period (and for the 2024 calendar year) will be published in the Strategic Export Controls Licensing Statistics 2024 Quarter 4 release, currently due for publication on 15 May 2025.

Data on the outcomes of all licence applications for the whole of 2024 will be published in the Strategic Export Controls Annual Report 2024, currently due for publication in Summer 2025.

2. Data on the value of export licences for each type of export licences for the last three years.

Of the available export licence types, only SIELs have values included as part of the licence as OIELs do not restrict exporters by quantities or values that they wish to export.

Data on the value of SIEL licences up to 30 September 2024 was published in the strategic export controls licensing statistics 2024 quarter 3 release, published on 27th February 2025. Data on the value of SIEL licences up to 31 December (and for the 2024 calendar year) will be published in the Strategic Export Controls Licensing Statistics 2024 Quarter 4 release, currently due for publication on 15th May 2025.

The following table provides the value of SIEL licences issued between 1 January 2022 – 30 September 2024:

Year	Value (£ billion)
2022	65.9
2023	70.3
2024 (up to 30 September)	137.8

The goods included on the licence are valued by the exporter during the application process, which means that this may not be the same as the value of the actual exports that take place under the licence.

Through ongoing conversations with exporters, we have come to understand that the values included in some licences in recent reporting periods at the time of application are speculative. The actual values of exports taking place under these licences are likely to be much lower. We have been engaging with the exporters involved to rectify this, in order to have a more accurate picture of values in statistics for future reporting periods.

3. ECJU's performance in 2024 against its targets to complete 70% of applications for SIELs and SITCLs within 20 working days, and 99% within 60 working days and information matters that are impacting the attainment of these targets.

ECJU has public targets to conclude 70% of SIEL applications within 20 working days, and 99% within 60 working days. There are no public targets for SITCLs.

The following table provides the performance against targets for SIEL applications completed between 1 January 2024 – 30 September 2024 (data for the October to December 2024 period is due for publication on 15th May, as previously stated):

Quarter	**Applications completed in 20 working days (%)**	**Applications completed in 60 working days (%)**	**Median processing time (days)**
1 January to 31 March 2024	58	84	17
1 April to 30 June 2024	64	89	15
1 July to 30 September 2024	59	82	17

The DBT teams in ECJU are now resourced with a vacancy rate which aligns with the Departmental average. However, the demands on the service are variable and can be unpredictable, in the context of an unprecedented geopolitical context, which can put pressure on the team's ability to meet current performance targets. DBT is also dependent on the resources within the FCDO and MOD advisory teams, and throughout 2024 these teams have faced considerable pressure and resource constraints A number of factors currently impact on overall ECJU performance:

- ECJU has had a particular focus in the second half of 2024 on clearing the stock of outstanding applications which had passed our secondary (60 day) target. This concerted action has proved effective in getting overdue cases resolved. But recording these cases as complete drags down the % against our performance target (which tracks the 'age' of cases closed in a given period, as opposed to the volume of applications that are live in that period).

- Dual-use goods being exported to China can be challenging to conclude within ECJU's public targets due to the complexity of these cases. In particular the growing volume of goods being considered since 2022 under the Military End Use Control (MEUC) has placed added pressures on ECJU's other government advisers (primarily the MOD and FCDO).

- The Office for Trade Sanctions Implementation (OTSI) began operations in October 2024, and processes licence applications for freestanding services. ECJU currently continues to process applications for goods and their associated services for sanctioned destinations. These applications are also complex to manage, and as the scope of sanctions against Russia has increased, so has the volume of related licence applications.

- As discussed at the 6 March visit, ECJU's current performance is affected by the dual running of licensing platforms as the outgoing system, SPIRE, is replaced with LITE. Whilst this is making good progress, as the team explained, there is ongoing pressure on our operations teams to support the ongoing design process of LITE with subject matter expertise, learn to use the new system effectively, whilst also operating the legacy system.

4. A roadmap and timeline for moving all types of export licence application onto the LITE IT system.

Our current assessment is that the functionality necessary for LITE to operate as an export control platform will be built by March 2027, with the decommissioning of the legacy system, SPIRE, complete by March 2029.

For this financial year, our current expectation is that exporters will be able to apply for F680s in LITE by May 2025. They will be able to apply for OIELs by the end of 2025, and OGELs in 2026. Further analysis is required to define the order in which the remaining necessary development takes place, ahead of our expected completion, by March 2027. We would be happy to liaise with clerks in around three months' time with further detail on this specific point.

5. Further information on the functionality of LITE, including:

a. the interaction with Companies House databases;

LITE has an automated Companies House (CH) 'look-up' which receives relevant data required from CH as part of licence applications by exporters.

b. why applicants are required to state whether they are based in the GB or Northern Ireland;

The requirement for applicants to state whether they are based in Great Britain (GB) or Northern Ireland when completing export control applications is due to the different regulatory frameworks that apply in these regions. After the UK left the European Union, the UK and EU established the Windsor Framework, which means that EU export control legislation continues to apply in Northern Ireland, while GB follows its own set of regulations. This distinction ensures that the appropriate legal and procedural requirements are met for each region, facilitating compliance with both UK and EU laws. This distinction in location is necessary for ECJU operational staff to know when considering what regulation applies to, for example, a controlled good such as a firearm.

> *c. the proposed interaction with HMRC's Customs Declaration System; and*

LITE, as with SPIRE, will ensure the functionality is retained for data and information to be exchanged as required with HMRC's Customs Declaration System, supporting both HMRC and UKBF staff in carrying out their roles

> *d. will it include functionality to flag when an export licence applicant or named end-user has been subject to previous compliance or enforcement action?*

LITE includes 'flags' in terms of prior compliance or enforcement action. An important part of any licence determination involves engaging other government departments and agencies when arriving at a decision.

6. What action is being taken to improve the transparency of OIELs and OGELs, including data on the precise equipment and quantities exported, the companies exporting the equipment and its intended destination and how this will be incorporated into LITE?

We are currently working with exporters to ensure the application process for OIELs on LITE is as clear and simple as possible from an exporter perspective. ECJU is also using this opportunity to assess the data collected as part of the OIELs application process and the data collected on subsequent usage of any OIELs that are issued to an exporter. This will inform decisions on the government's approach to transparency of open licences. We expect that exporters will be able to apply for OIELs in LITE by the end of 2025, and for OGELs on LITE during 2026.

7. What progress has been made on ensuring the continuation of a public facing export licensing database where stakeholders and the public can interrogate the official export licensing data according to their own parameters?

We are using the development of LITE as an opportunity to improve the way we publish data, including changing and improving the overall format of data published through the searchable database website, with development of the replacement service now well underway. These changes are based on research with known users of the searchable database website to make sure the format best meets their needs.

8. The processes and checks undertaken for the licensing of the export of intangible assets such as intellectual property, fundamental research and applied research.

The process and checks undertaken as part of the licensing process are the same for intangible transfers as they are for the export of tangible assets. ECJU's assessment takes into account how the technology will be used - e.g. for the development or production of goods in the destination country, and the implications of that - just as it takes into account how physical goods might be used in that country, as well as the risks of diversion or onward supply to undesirable end-uses or end-users.