



# Department for International Trade

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Dear Mark,

Thank you for your correspondence of 10<sup>th</sup> May, in which you asked a number of questions ahead of my appearance before the Committees on Arms Export Controls on 13<sup>th</sup> June.

I note that the session has been postponed once because I was not available, once because James Cleverly was not available, and once because the Committees were not quorate, and I understand your disappointment that the session will be for one hour only, but I am sure that – under your chairmanship – we will be able to cover sufficient ground in the allotted time. I welcome the questions you have posed in writing and am certainly happy to respond to each of them in turn, below. For ease of reference, I have also included the questions.

**1. What plans do you have to improve the transparency and information available on Open Licences [for example the including additional details on financial value, end-user and type of equipment transferred under open licences]?**

Information about what is licensed in Open Individual Export Licences (OIELs) is published as Official Statistics each quarter – no other country publishes as much data as the United Kingdom about licensing decisions. OIELs cover multiple shipments of specified items to specified destinations. OIEL applications do not include values because, by their very design, OIELs are generally not restricted by quantity. Therefore, we do not have that data to publish in the way we have for Standard Individual Export Licence (SIELs).

Our new digital licensing system – LITE – is being developed to interface with HMRC's new Customs Declaration System to enable greater and more reliable information exchange. This may mean more data about licence usage could be available in the future.

- **What plans do you have to make the public databases on export licences easier to use?**

HM Government publishes comprehensive Official Statistics every quarter about export licences granted and refused. In addition, we provide a searchable database allowing users to produce bespoke reports drawing on this data already. We publish an annual report too. We currently publish more licensing data than any other country.

The current searchable database has been in use since 2008 and, although a 'help' page is available on the website, we recognise that the search tool can still be difficult to use. As the current searchable database is based on SPIRE, the transition to LITE will require the development of a new way to present the data.

We are currently looking at options for the future searchable database and are carefully considering how we can satisfy our data transparency obligations, as well as legal accessibility requirements, while still delivering a clear and usable tool. We would be interested in hearing the Committees' views on how data made available through the searchable database may be made more usable.

**2. What are the reasons for the delays in the new LITE system becoming operational? By what date do you expect it to be operational?**

As export control policy is complex, we are releasing functionality in LITE incrementally and transitioning exporters in phases until we are confident the service can accept all exporters. It is important to make sure we deliver the new system without disrupting the critical service provided by our export control function.

The system is already live with a limited number of users. We are aiming to gradually onboard users over the course of this year and into 2023. We will be able to provide more precise dates once we have delivered the initial phases of onboarding.

**3. Who have you consulted as part of the ECJU Transformation Programme and why has there been no formal consultation process?**

The Transformation Programme team has consulted exporters directly and gathered feedback from across the Department for International Trade in the United Kingdom and overseas. A formal consultation process was not deemed appropriate. Instead, ECJU undertook a customer survey in March 2022, with the aim of gathering feedback on how ECJU is perceived as a regulator and what, if any, improvements to the customer experience could be considered. Over 270 exporters responded. The survey showed that ECJU is built on strong foundations with:

- Around 70% of respondents with experience of other export control regimes agreeing that ECJU performed better than other regimes.
- 88% agreed that ECJU staff were knowledgeable on export controls and acted in a professional manner.
- 90% agree that ECJU was rigorous in its approach.

The suggestions put forward by respondents related to:

- Easier to use digital system.
- More and better communications.
- More efficient and transparent processes.

This feedback was fed directly into the Transformation Programme deliverables.

**• What are the objectives and intended outcomes of the Transformation Programme?**

ECJU's Transformation Programme aims to deliver a robust and modern service for the future and one which strikes the right balance between *protection* in an ever evolving and changing environment *and facilitation* of responsible exports.

When concluded, the Transformation Programme will deliver a professional customer-focused organisation that provides timely and accurate licensing decisions in support of counter-proliferation, national security, and rights and responsibilities, and which facilitates economic growth. The Programme will ensure that ECJU's work is underpinned by modern technology, efficient processes, and a whole of government approach. ECJU will support and champion its staff and provide them with improved access to learning and professional opportunities.

#### 4. What are the current staffing and retention levels at each grade and role in the ECJU?

The information requested is set out in [Annex A](#) of this letter.

- **What action are you taking to address concerns about resource levels at the ECJU, especially Technical Officers and Compliance Inspectors, and also on retention?**

ECJU is undergoing an organisational redesign, which will strengthen the teams and address recruitment challenges by offering greater career progression and learning and development opportunities. We have several live recruitment campaigns running and are committed to reviewing our resourcing levels in the future as the efficiency benefits of the organisational redesign and the introduction of LITE are embedded. On staff retention, recent staff surveys have shown that staff members tend to stay in ECJU for longer than other parts of the Department for International Trade.

#### 5. In evidence to us in November 2020, Department for International Trade officials told us there were no plans to change the licensing criteria. What changed between November 2020 and December 2021 to make you decide to change it?

- **Why was there no consultation on the changes with this committee, Parliament, industry, stakeholders and the public?**
- **Why was the review of the licensing criteria led by the Cabinet Office?**

On leaving the EU, the United Kingdom was presented with an opportunity to look again at how she controls strategic exports and to revisit the assessment criteria for export licensing to make sure they properly reflect her strategic export objectives. The ECJU Transformation Programme had the objective of reviewing the strategic objectives and operating model for the Unit, which provided the opportunity for a more comprehensive appraisal to be made of the full export controls system.

The Cabinet Office, with its responsibility for assuring effective cross-Government collaboration, coordinated the review. However, I should like to emphasise that the revised criteria were agreed and approved by the three Secretaries of State with responsibility for export licensing, namely the Foreign Secretary, Defence Secretary and International Trade Secretary.

There is no precedent for conducting a formal consultation on changes to the licensing criteria; no consultation was carried out when they were last updated in 2014 by the Rt Hon Vince Cable. The revised criteria reflect the United Kingdom's strategic export objectives and take into account a full range of factors including her international legal obligations.

- **Will there be an end user guide for the new Criteria and extended training for those applying for licences? When do you expect this to be made available?**

If the Committees are referring to a British version of the EU User's Guide, then I can confirm that there will be no such user guide.

ECJU delivers classroom-based training to industry on all aspects of the licensing process, including the licensing criteria. The training is held monthly and rotates around the country. Courses are constantly updated with information about the latest legislation and improved using industry feedback.

The half or full day courses cater for companies of all sizes from sole traders to multinationals. Course content and dates are incorporated into a regular training bulletin on GOV.UK and advertised to industry and others. Information and guidance are available online also, together with additional support being provided through webinars and training programmes.

ECJU's outreach to industry includes a subscriber-based service called "Notice to Exporters" to inform exporters about how changes to export control legislation and sanctions, impact their use of strategic export control licences. There are currently about 13,000 subscribers to the service including trade associations and other business intermediaries with wider reach to their members. The notices are also published on GOV.UK.

**6. What licence applications (broken down by licence category, value and type of item) were granted and refused for exports to Russia in each year since 2010?**

The information requested is set out in [Annex B](#) of this letter. Summary tables are provided, showing the number and value (where applicable) of licence applications to Russia in each year since 2010. Tables giving more detailed information about these applications, including descriptions of the goods, are also included.

Please note that each line in the detailed tables in [Annex B](#) represents an individual good and does not necessarily represent a whole licence. Other notes are included in the Annex.

**7. What licence applications (broken down by licence category, value and type of item) were granted and refused for exports to Ukraine in each year since 2010?**

The information requested is set out in [Annex C](#) of this letter, in the same format as described above.

**8. In response to the previous CAEC report, the Government stated "We are aware that other countries carry out some limited end-use checks and will draw on their experience to understand what an approach to possible end-use monitoring might look like". What further work have you undertaken to examine other countries approaches?**

I can confirm that officials held preliminary discussions with the German authorities to understand their approach and had intended to hold discussions with the US. However, the need to prioritise resources, such as on supporting the response to the COVID-19 pandemic, meant discussions with the German authorities never progressed beyond initial contact and discussions planned with the US were postponed.

Our current approach, and preference, is to focus on a rigorous risk assessment before a licence is issued and to consider whether goods might be used in a way which is inconsistent with the Strategic Export Licensing Criteria. End-use monitoring cannot replace this process and limitations of scale and locations mean that the benefits of end-use monitoring will be limited.

I hope these answers are of help to the Committees and I look forward to appearing before you at the evidence session next month. I am copying this letter to James Cleverly.

With best wishes.

Yours ever,

**RANIL JAYAWARDENA MP**  
Minister for International Trade

## Annex A

ECJU – Staff Data including Vacancies: At 1 May 2022				
Team	Filled Posts	Grade Split	vacant Posts	Vacancies by Grade and Roles
Technical Assessment Unit (TAU)	11	G7 -1, SEO -2, HEO -8	4	Team Leader - SEO: 1, Technical Adviser - HEO: 3
Compliance	8	G7 -1, HEO -5, AO -2	4	Deputy Head of Compliance - SEO: 1, Compliance Inspectors - HEO: 3
Enforcement Unit	6	G7 -1, HEO -1, EO -2, AO -2	1	Enforcement - EO: 1
Licensing Unit	17	G7 -1, HEO -2, EO -9, AO -5	6	Head of Engagement - G7: 1, Head of Licensing - SEO: 1 Licensing Manager - HEO: 3 Licensing Officer - EO: 1
Business Awareness Unit (BAU)	3	G7 -1, SEO -1, EO -1	1	Information Web Manager - HEO: 1
Policy	10	G6 -1, G7 -1, SEO -2, HEO -6	0	
Governance	10	G6 -1, G7 -2, SEO -3, HEO -2, EO -2	5	Business Support - SEO: 1, Board Secretariat - SEO: 1, Risk and Assurance Officer - HEO: 1, Board Support - EO: 1 Business Support - EO: 1
ECJU DIT Total Filled Posts - 65 not incl Transformation				
ECJU DIT Total Vacancies - 21 not incl. Transformation				
Transformation Team	15	SCS -1, G6 -2, G7-5, HEO -2, SEO -3, EO -1, Specialist Contractor -1	3	People and Culture - SEO: 1, Change and Communication - SEO:1, Project Support Officer - HEO: 1