

# **Control of Exports Annual Report 2024**

1 January 2024 - 31 December 2024



# **Contents**

## Contents

Minister's Foreword	i
Introduction	1
Legislative and Administrative Updates 2024	2
Control of Exports Act	2
Introduction of Export Authorisation System (EAS)	2
National Military Export Control List	3
EU Updates	3
Export Authorisation Data 2024	4
Dual-Use	4
Military	6
Comparison 2023-2024	7
Assessing Authorisation Applications	8
Compliance and Enforcement	10
Stakeholder Engagement	11
Annex I – Global Framework for Export Controls	12
Annex II – Dual-Use Categories Annex I List	13
Annex III – Military Categories EU Common Military List	14

### Minister's Foreword

I am pleased to present the Control of Exports Annual Report 2024. This Report underscores Ireland's steadfast commitment to openness and transparency in the operation of export controls. It provides an overview of the Department's activity in regulating exports of dual-use and military goods for 2024. It also outlines



changes to both Irish and European export control legislation introduced during 2024.

Ireland remains firmly committed to supporting open, free, and responsible trade within the multilateral, rules-based international system, while ensuring that global security and humanitarian concerns are not compromised. Strong export controls are essential to preventing the proliferation of weapons of mass destruction, supporting regional security and stability, combating terrorism, and protecting human rights.

In an increasingly volatile geopolitical landscape, the importance of effective export controls cannot be overstated. Export controls are essential to facilitating open and secure trade by ensuring that sensitive goods and technologies do not fall into the wrong hands. A well-regulated export control framework provides certainty and confidence for businesses operating in global markets, allowing Ireland to remain a trusted and responsible trading partner.

A significant milestone in this regard was the commencement of the Control of Exports Act 2023 in August 2024. This legislation streamlined and strengthened Ireland's capacity to regulate the export of controlled goods, ensuring that our legislative framework remains fit for purpose.

This Report reaffirms Ireland's dedication to maintaining a secure and transparent trade environment while protecting our national interests and supporting global stability.

Peter Burke, T.D.

Minister for Enterprise, Tourism and Employment

### Introduction

Under Section 4 of the Control of Exports Act 2023 and previously under Section 9 of the Control of Exports Act 2008, the Minister for Enterprise, Tourism and Employment is required to prepare and present an annual report to each House of the Oireachtas on the operation of the Act during the preceding year.

Following the commencement of the Control of Exports Act 2023 in August 2024, this report provides an overview of export control activities under both Acts for the year ending 31 December 2024.

The primary focus of the 2023 Act was to update and streamline the legislative framework, rather than introduce new controls, and marked a continuation of existing processes for exporters. This report highlights key changes to both Irish and European export control legislation over the course of the year.

For previous reports on the operation of Ireland's export control regime, please visit the publications section of the Department's website <u>Publication - DETE</u>.

For any further information related to this report or export control matters, please contact exportcontrol@enterprise.gov.ie.

# **Legislative and Administrative Updates 2024**

### **Control of Exports Act**

The Control of Exports Act 2023 was commenced on 22 August 2024. This legislation replaces the Control of Exports Act 2008 and enhances Ireland's ability to meet its obligations under EU export control regulations while ensuring that operational procedures for exporters remain largely unchanged.

While the EU dual-use regulation has direct effect across all member states, national legislation is required to establish effective, proportionate, and dissuasive penalties for non-compliance. The Act reflects Ireland's decision to adopt additional measures on non-listed items permitted under EU regulations, reinforcing the national framework for export controls.

The Act establishes an authorisation system for the export of dual-use items to third countries, ensuring compliance with EU licensing requirements and procedures. Additionally, the Act gives legal effect in Irish law to the Council Common Position on activities involving military items.

The Control of Exports Act 2023 is structured as follows:

- Parts 2 and 3 Outline controls for dual-use and military items.
- Parts 4 and 5 Detail the authorisation process and procedures for appeals.
- Part 6 Covers enforcement measures.
- Part 7 Sets out offences and corresponding penalties for breaches of export controls.

Throughout 2024, the Department of Enterprise, Tourism and Employment focused on ensuring a smooth transition to the new legislative framework. Outreach and guidance initiatives were undertaken to inform exporters of their responsibilities under the Act.

### Introduction of Export Authorisation System (EAS)

Alongside the introduction of the new legislation, the Department of Enterprise, Tourism, and Employment launched an enhanced IT system - the Export Authorisation System (EAS) - on the same day as the Act's commencement. This new system provides an online portal for exporters, modernising the process for applying for export authorisations and offering exporters a more user-friendly and efficient platform to manage their compliance with export control regulations.

### **National Military Export Control List**

The EU Common Military List sets out the definitions and technical specifications of defence-related equipment subject to Export Controls. This list is amended and updated periodically. Updates to the EU List in 2023 were incorporated into the new National Military Export Control List in 2024.

### **EU Updates**

### **White Paper on Export Controls**

In 2024, the European Commission published a White Paper on Export Controls, outlining proposed reforms to strengthen the EU's export control framework. The White Paper highlights the need to enhance the resilience and adaptability of the EU's export control system in response to evolving geopolitical and technological challenges. It proposes measures to improve coordination among member states, streamline licensing procedures, and address emerging risks related to advanced technologies and critical supply chains. The paper also emphasises the importance of maintaining a balance between security interests and the competitiveness of EU exporters. During 2024, Ireland actively participated in consultations on the White Paper, contributing to the development of a more cohesive and effective EU export control strategy.

### **Guidance on the Export of Cyber Surveillance Items**

In October 2024, the European Commission published <u>guidance on cyber-surveillance</u> for exporters. The guidelines are designed to help exporters apply controls on certain cyber-surveillance items. This includes, among other things, due diligence steps to assess risks related to exporting these items.

### **Updates to Annex I of the Dual-use Regulation**

On 5 September 2024, the European Commission adopted a Delegated Regulation updating the EU dual-use export control list in Annex I of Regulation (EU) 2021/821 to reflect 2023 decisions from international non-proliferation regimes. The update adds new dual-use goods, including nuclear plants and equipment, new toxins, and chemical precursors (e.g., Dipropylamine and Neosaxitoxin), and noise reduction equipment, while also modifying control parameters for signal analysers and converters and updating technical definitions for equipment like vibration test and telemetry devices.

# **Export Authorisation Data 2024**

This report aims to provide maximum transparency regarding licensing activity. At the same time, the Department recognises that maintaining the commercial sensitivity and confidentiality of information shared by exporters is essential to supporting exporters to engage in open and free trade. The Department also has a responsibility to protect the security of exporters' personnel and facilities. As a result, export data is presented in an aggregated format, this may result in multiple categories being reported together.

### **Dual-Use**

An authorisation is required for the export of dual-use items to third countries.

### **Dual-Use Export Authorisations - Individual**

Individual dual-use authorisations are issued in respect of a specific export transaction. Each Individual dual-use authorisation allows the export of the specified items to a specified enduser. The transaction must be completed within twelve months of the date of issue of the authorisation and may be completed as multiple exports within that year up to the maximum value of the licence.

The data for 2024 follows the trend relating to these types of exports for previous years, with ICT related items forming the largest part of Ireland's dual-use exports. In 2024, a total of 676 individual dual-use authorisations were granted, with a combined value of approximately €1.59 billion. The largest number of authorisations fell under Category 5 (Telecommunications and Information Security), accounting for 558 authorisations worth nearly €888 million, highlighting the high demand in this sector. A glossary detailing the Dual-Use Categories is included in Annex II.

Table 1: Dual-Use Export Authorisations – Individual by category

	Category	Issued 2024	Value €m	Issued 2023	Value €m
Cat 1	Special materials and related equipment	12	21.58	18	13.3
Cat 2	Materials Processing	12	3.78	12	6.7
Cat 3	Electronics	24	152.74	26	170
Cat 5	Telecommunications and information security	558	887.88	688	611.4
Cat 7	Navigation and avionics	13	3.62	10	2
0, 6, 8, 9, Catchall		57	517.95	36	429
Total		676	1,587.54	790	1,232.40

### **Dual-Use Export Authorisations – Brokering**

Brokering activities (dual-use) authorisations may be issued to companies that negotiate with and arrange transactions between non-EU countries for the purpose of selling or buying dual-use items. No authorisations for dual-use brokering activities were issued in 2024.

### **Dual-Use Export Authorisations – Global**

Global authorisations authorise multiple shipments of a specified range of low risk, high volume goods and technology to one or more destinations. Global authorisations cannot be granted for exports to military, police, or State security end-users. A total of 46 global dual-use export authorisations were issued in 2024, the value for these authorisations was 1,302.6m

Table 2: Dual-Use Export Authorisations – Global

Year	Value €
2019	1,897.8m
2020	1,481.6m
2021	1,506.7m
2022	1,807.4m
2023	1,107.7m*
2024	1,302.6m

<sup>\*</sup>This figure has been adjusted to reflect an incorrect figure of €1100.0m Included in the 2023 Annual Report.

### **Union General Export Authorisations**

The Dual-Use Regulation (Annex II) defines a small number of EU General Export Authorisations (UGEA) which allow certain low-risk exports to proceed without requiring exporters to apply for an export authorisation. There are significant restrictions, detailed in the Dual-use Regulation, on the use of each UGEA. 30 UGEAs were notified in 2024, an increase of 1 from 2023.

### Military

An authorisation is required for the export of Military items outside the State, the type of authorisation applying is dependent on the exporter, end user and end use.

### Military Export Authorisations - Individual

Military authorisations are required for the export of any items listed in the National Military Export Control List to any destination. Each authorisation authorises the export of specified dual-use items to a specified end-user. The transaction must be completed within twelve months of the date of issue of the authorisation.

In 2024, a total of 164 individual military export authorisations were granted, with a combined value of approximately €183.5 million. The largest value of exports was concentrated in ML5 with 49 authorisations totalling over €102 million. A glossary detailing the Military Categories is included in Annex III.

Table 3: Military Export Authorisations – Individual

ML Category	Number of Authorisations	Value Exports (Euros)
ML1	13	53,750
ML3	1	4100
ML4	27	16,812,982
ML5	49	102,042,818
ML6	7	1075721
ML7	4	488,847
ML8	0	0
ML9	7	712504
ML10	9	15,607,319
ML11	5	101806
ML13	2	19964
ML15	14	39,313,341
ML16	1	20000
ML17	2	15195
ML21	5	500,000
ML22	18	6695598
Total	164	183,463,945

### Military Export Authorisations – Global

Global transfer authorisations facilitate the transfer of defence-related products between companies in EU member states. These authorisations are valid for a period of three years

and in 2024 one Global Military Authorisation was reissued to account for an administrative change to a company name previously issued the authorisation in 2023.

### Military Export Authorisations - Brokering

Brokering authorisations are required for the negotiation or arrangement of the transfer of items listed on the EU Common Military List, whether that transfer is from Ireland to a country outside the EU ('third country'), from another EU member state to a third country, or from one third country to another. In 2024, a total of four military brokering authorisations were recorded, with a combined value of approximately €356,000. The transactions were distributed across several categories.

### **Comparison 2023-2024**

In 2024, a total of 891 authorisations were granted, with a combined value of approximately €3.07 billion, from 1,032 authorisations worth €2.63 billion in 2023. Individual dual-use authorisations remained the largest category, both in number (677) and value (€1.59 billion).

*Table 5 – Comparison 2023 and 2024* 

Authorisation	Number 2023	Number 2024	Value € 2023	Value € 2024
Individual Dual-Use	790	677	1,232.4m	1,587.5m
Global Dual-Use	55	46	1,107.7m	1,302.6m
Individual Military	184	164	278.8m	183.5m
Brokering	4	4	1.3m	0.35m
TOTAL	1,032	891	2,620.2m	3,073.95m

# **Assessing Authorisation Applications**

The assessment of export authorisation applications focuses on ensuring, to the greatest extent possible, that the item being exported will be used by the stated end-user for its intended purpose and will not be diverted or misused for illicit activities, such as in connection with weapons of mass destruction or violations of human rights.

Each application received by the Department is assessed on a case-by-case basis, considering the many varying and complex factors involved. These include the nature of the goods, the intended end-use, the identity and reliability of the end-user, and any potential risks related to the diversion or misuse of the items. The Department consults with the Department of Foreign Affairs regarding any foreign policy issues, including human rights considerations, which may arise from a proposed export. It also engages with other EU and international export licensing authorities as necessary. Furthermore, applications are carefully reviewed in the context of any EU Restrictive Measures, such as trade sanctions or arms embargoes, which may be in place against the destination country.

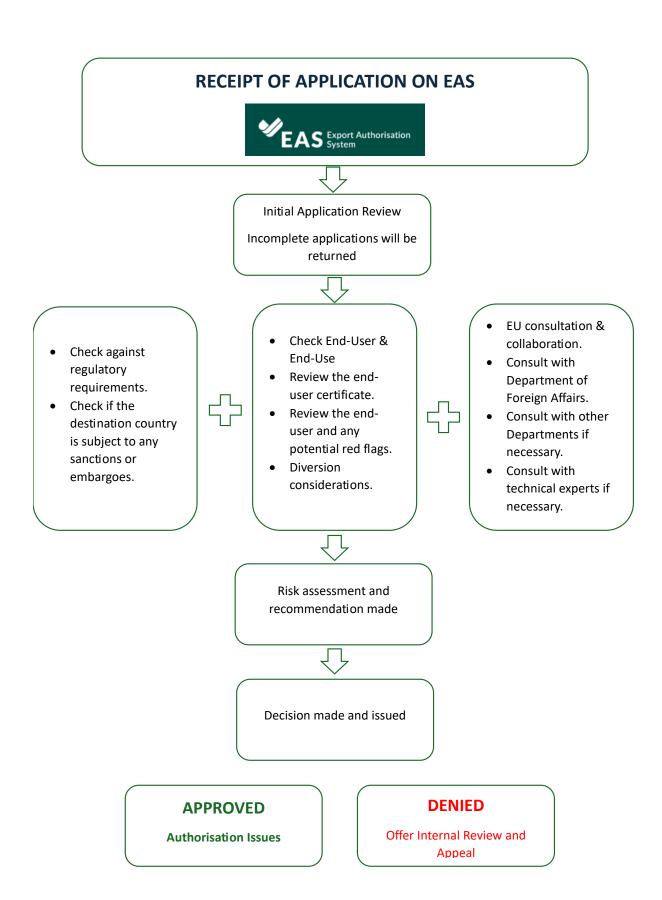
In 2024, a total of 12 dual-use export authorisation applications were denied due to concerns about the intended end-use, the protection of human rights, the potential risk of diversion, and/or compliance with EU sanctions. Both the number of applications received, and the number of denials can fluctuate depending on a variety of factors, including exporters entering or exiting the market, shifts in global trade dynamics, and changes in geopolitical conditions.

Exporters submit applications for export authorisation through the EAS (Export Authorisation System). The application requires details about the exporter, the goods being exported, the end-user, and the intended end-use of the goods. Additionally, it must include technical specifications of the items and end-user certificate.

Most authorisation applications are processed within 20 working days from the receipt of a fully complete application with all required information. However, this processing time may take longer than 20 days if the end-use destination is particularly sensitive or if it is necessary for the department to consult with another EU member state or another government department.

Under Regulation (EU) 821/2021, the minimum time for consultation with other EU member states on dual-use applications is 10 working days. This period applies when a member state needs to consult others on a specific export license application, particularly where the item is transiting through that member state. This 10-day consultation period can extend further (not exceeding 30 days) if additional information or more thorough review is required.

Figure 1. Application process



# **Compliance and Enforcement**

An enforcement team of 5 Authorised Officers operating under a separate dedicated Trade Compliance Unit are responsible for ensuring compliance with export controls, collaborating with An Garda Síochána and the Defence Forces to detect and investigate potential breaches. The Department aims to build awareness and foster a culture of compliance among Irish exporters. In 2024, Authorised Officers conducted a total of 47 audits:

- 35 on-site audits
- 12 desk-based audits

Desk-based audits were introduced in Q4 of 2024 following the commencement of the Control of Exports Act 2023 and the successful completion of a pilot project. These audits involve a remote review of documents, records, and data to assess compliance with the Act, without the need for a physical site visit. The pilot project and the 12 audits conducted in 2024 focused on exporters involved in low-risk dual-use exports who have a history of or familiarity with export control compliance.

The audit process, whether conducted virtually or onsite, follows a structured approach to ensure thorough evaluation and compliance with export controls. It begins with a formal notification of the audit date and requirements. The process includes a detailed review of export records to assess accuracy and adherence to regulations. Following the audit, a comprehensive report is provided, outlining findings and recommended actions. If significant issues are identified, a follow-up site visit may be conducted to ensure corrective measures have been effectively implemented. While some issues were identified during the 2024 audits, they were all resolved and addressed without the need for a compliance notice or further action under either Act.

# **Stakeholder Engagement**

Throughout 2024, the Department of Enterprise, Tourism and Employment undertook extensive engagement with exporters and representative bodies to support the implementation of the new Control of Exports Act 2023 and the rollout of the updated ICT system. This included the preparation of detailed guidance materials and the streamlining of export control information on the Department's website to enhance clarity and accessibility for stakeholders.

Engagement activities included targeted outreach with industry, industry bodies, and academic institutions, as well as coordination with the Department's Offices and Agencies. The Department maintained close working relationships with key cross-government stakeholders to monitor geopolitical developments in export destination countries. Collaboration with the Revenue Commissioners and customs officials was also a key focus, ensuring consistent enforcement and compliance with export controls.

When necessary, audits were conducted in cooperation with An Garda Síochána and the Revenue Commissioners to assess compliance and strengthen oversight. The Department also engaged with officials from the Defence Forces and the Department of Justice to ensure a cohesive approach to export control measures.

At the EU and international level, the Department actively engaged with the European Commission and other member states to contribute to the development of EU export control policy, including participation in consultations on the White Paper on Export Controls and updates to the Annex I. The Department worked closely with the Department of Foreign Affairs to ensure Ireland's position and interests were represented in global export control discussions at the meetings of multilateral export control regimes.

# Annex I – Global Framework for Export Controls

The global system for controlling the export of dual-use items is supported by several international, multilateral non-proliferation regimes. These regimes are based on voluntary agreements between participating countries, aimed at enhancing global security by preventing the proliferation of sensitive goods and technologies. Each regime maintains a regularly updated list of controlled items that pose proliferation risks. These lists are adjusted by technical experts from participating countries to reflect advances in technology and changes in the geopolitical landscape.

Ireland, represented by the Department of Foreign Affairs, actively participates in all major international export control regimes. Through these frameworks, participating countries agree to manage the import, export, and transit of specific controlled items. The regimes provide guidelines and maintain lists of controlled items that member countries, including Ireland, are committed to regulating.

Ireland is a member of the following key international export control regimes:

- **The Australia Group** Focuses on preventing the proliferation of biological and chemical weapons through coordinated export controls.
- The Missile Technology Control Regime Regulates the export of missile components and technologies related to unmanned aerial vehicles (UAVs).
- The Nuclear Suppliers Group Aims to prevent the spread of nuclear weapons by controlling the export of nuclear materials and technologies.
- The Wassenaar Arrangement Establishes guidelines for controlling the export of conventional arms and dual-use goods and technologies.

These regimes provide a consistent and coordinated approach to export controls, ensuring that member states, including Ireland, maintain high standards in the regulation and management of sensitive items.

# Annex II – Dual-Use Categories Annex I List

Dual-use items are products and components including software and technology which can be used for both civil and military purposes. Dual-use items can be freely traded within the EU, except for some sensitive items requiring prior authorisation (see Annex IV of Regulation 821/2021).

The Dual-Use categories referenced in this report correspond to those set out in Annex I to the Dual-Use Regulation. The 'Export Control Classification Number' or ECCN is an alphanumeric designation Control List to identify items for export control purposes.

Table 6: Dual Use ECCN Number

The first number identifies the	The second letter	The third number shows what regime the
primary category	represents the type of	goods were classified by
	goods/services	
Category 0: Nuclear materials,	A: Systems, equipment,	001-099: Wassenaar Arrangement
facilities, and equipment	and components	(dual use)
Category 1: Special materials	B: Test, inspection,	101-199: Missile Technology Control
and related equipment	production equipment	Regime (dual use)
and related equipment	production equipment	regime (dadi dae)
Category 2: Materials	C: Materials	201-299: Nuclear Suppliers Group
processing		(dual use)
	D: Software	
Category 3: Electronics		301-399: Australian Group
	E: Technology	
Category 4: Computers		401-499: Chemical Weapons
		Convention
Category 5:		504.000 /
Telecommunications and		501-899: (reserved)
information security		901-999: National controls
Category 6: Sensors and lasers		901-959. National controls
category of sensors and lasers		
Category 7: Navigation and		
avionics		
Category 8: Marine		
Category 9: Aerospace and		
Propulsion		

# **Annex III – Military Categories EU Common Military List**

The EU Common Military List sets out the types of military goods and technologies subject to export controls. An authorisation is required for the transfer of any item on this list, whether within the EU or to a third country. The list includes a wide range of equipment, from small arms and ammunition to advanced electronic systems and military-grade technology. The EU Common Military List is divided into 22 categories of equipment, summarised below.

Table 8: EU Common Military List

ML1	Smooth bore weapons with a calibre of less than 20 mm, other arms and automatic
	weapons with a calibre of 12.7 mm (calibre 0.50 inches) or less and accessories, and
	specially designed components therefor.
ML2	Smooth-bore weapons with a calibre of 20 mm or more, other weapons or armament
	with a calibre greater than 12,7 mm (calibre 0,50 inches), projectors specially designed
	or modified for military use and accessories, and specially designed components
	therefor.
ML3	Ammunition and fuse setting devices, and specially designed components therefor.
ML4	Bombs, torpedoes, rockets, missiles, other explosive devices and charges and related
	equipment and accessories, and specially designed components therefor.
ML5	Fire control, surveillance and warning equipment, and related systems, test and
	alignment and countermeasure equipment, specially designed for military use, and
	specially designed components and accessories therefor.
ML6	Ground vehicles and components.
ML7	Chemical agents, 'biological agents', 'riot control agents', radioactive materials, related
	equipment, components, and materials.
ML8	"Energetic materials" and related substances.
ML9	Vessels of war (surface or underwater), special naval equipment, accessories,
	components, and other surface vessels.
ML10	'Aircraft', 'lighter-than-air vehicles', 'Unmanned Aerial Vehicles' ('UAVs'), aero-engines
	and 'aircraft' equipment, related equipment, and components, specially designed or
	modified for military use.
ML11	Electronic equipment, "spacecraft" and components, not specified elsewhere on the
	EU Common Military List.
ML12	High velocity kinetic energy weapon systems and related equipment, and specially
	designed components therefor.
ML13	Armoured or protective equipment, constructions, components, and accessories.
ML14	'Specialised equipment for military training' or for simulating military scenarios,
	simulators specially designed for training in the use of any firearm or weapon specified
	by ML1 or ML2, and specially designed components and accessories therefor.
ML15	Imaging or countermeasure equipment, specially designed for military use, and
	specially designed components and accessories therefor.
ML16	Forgings, castings, and other unfinished products specially designed for items specified
	by ML1 to ML4, ML6, ML9, ML10, ML12 or ML19.

ML17	Miscellaneous equipment, materials and 'libraries', and specially designed
	components therefor.
ML18	'Production' equipment, environmental test facilities and components.
ML19	Directed energy weapon systems (DEW), related or countermeasure equipment and
	test models, and specially designed components therefor.
ML20	Cryogenic and "superconductive" equipment, and specially designed components and
	accessories therefor.
ML21	"Software."
ML22	"Technology."