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Export Control Modernization: Strategic Trade Authorization License Exception

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Export Control Modernization: Strategic Trade Authorization License Exception

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Comment by CGG Veritas

Submitter Information

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Organization: CGGVeritas

General Comment

February 7, 2011

Regulatory Policy Division
Bureau of Industry and Security
U.S. Department of Commerce

Re: RIN 0694–AF03

To whom it may concern:

We are pleased to see these significant steps taken towards the Export Control Reform Initiative; unfortunately, we will not be able to take advantage of this latest proposed License Exception Ruling, Strategic Trade Authorization ("STA") because the bulk of our controlled exports fall under 6A001.

ECCN 6A001 or, perhaps 6A001.a.2.a to 6A001.a.2.a.6., remains ineligible for STA because it falls under Tier 1 items; "maintaining a military or intelligence advantage for the U.S.," and "almost exclusively available from the U.S."

These items, hydrophones, should be moved to Tier 3 for the following reasons.

• Hydrophones having similar characteristics and strength are manufactured outside the US, in China, UK, France and Australia, so this technology is not almost exclusive to US.
• Because there is such an abundance of foreign made hydrophones, the U.S. would not be at a disadvantage if U.S. manufactured hydrophones for the seismic industry were decontrolled.

Another point we'd like to make concerns our position in export and reexport transactions. We are in fact the final end-user of these hydrophones, or towed arrays utilizing hydrophones, and we maintain constant security over these goods. Also please note that these items are only used for civil-end use projects.

With that said, items located in 6A001 should be eligible for STA if the end-user and the exporter or reexporter are the same or related entities.

Even with the additional requirements necessary for STA, the benefits for our company would still be worth the effort.

Kind Regards,