Ericsson Group's comment on proposed changes to the Commerce Control List – "Notice of Inquiry – CCL"

The Ericsson Group would like to thank the Bureau of Industry and Security for the opportunity to give comments on how the descriptions of items controlled on the Commerce Control List (CCL) of the Export Administration Regulations (EAR) could be more clear and positive and "tiered" in a manner consistent with the control criteria the Administration has developed as part of the reform effort. Ericsson welcomes the approach to have a single set of licensing policies that will apply to each tier of control, bringing clarity and consistency across the Export Control system. Below please find our detailed comments.

Clarification of the CCL

Encryption items and encryption technology requires more extensively defined or clearer notes on what specifically is controlled than is currently provided. It is felt that there is considerable ambiguity in the ECCNs that could be clarified even though there has been recent activity on encryption clarification, it is still a vague area for the average user of any encryption item or technology. The terminology used in the CCL is not current, industry standard and not flexible enough. In addition, the CCL should incorporate the typical non-standard engineering language (i.e., everyday slang of the software/hardware industry) that is more commonly used. Definitions should follow with specific criteria and valid example should be provided to provide clarity.

The Proposed Tiering System

In place of a comment on the proposed tiers, we instead have a question. It seems as if Category 5, Parts 1 and 2 could easily fall under Tier 1 or 2 depending on the end use or end user of the products given that software and hardware can be used for almost any purpose or for multiple uses. Will the telecom industry have any input on the criteria and where items are to be placed in these tiers? If the tiering system is about function and end use, it is possible that additional reporting or even more complex controls are going to be placed on products that are unwarranted. As a conclusion, the proposal will not be of significant importance to a multi-national company as Ericsson due to certain conditions that must be fulfilled and because the country coverage in many cases are very limited.
The proposal seems to be written for small and medium enterprises (SMEs). When the process of reforming the export controls continues Ericsson will be available to give further comments from an Industry perspective.

Yours sincerely,

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