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Regulation Id: BIS-2012-0045

January 28, 2013

Subject: **Comments on Proposed Revisions to the Export Administration Regulations (EAR): Control of Military Electronic Equipment and Related Items the President Determines Longer Warrant Control Under the United States Munitions List (USML)**

Reference: RIN 0694-AF64

Dear Mr. Baker:

The General Electric Company, acting through its GE Aviation business unit (GEA), submits the following comments for the referenced proposed rule. GEA appreciates Administration's effort to address this issue.

SUMMARY COMMENTS:

GEA commends the Administration's efforts on export control reform. GEA concurs that military electronic computers should not be subject to United States Munitions List (USML) and thus their jurisdictional status should be change so that they are subject to the Export Administration Regulations (EAR). This change would create a reduction of over 100 licenses in GEA's current ITAR inventory, out of which 85% could potentially be eligible for License Exception STA. GEA agrees with the overall structure for controlling military electronics under the Commerce Control List (CCL), but has a few comments on editorial and definitional modifications.

SPECIFIC COMMENTS

ECCN 3A611:

1. GEA recommends the following editorial change to the LVS entry under 3A611: *"$1500, N/A for 3A611.c".* This would ensure consistency with other ECCN entries that contain similar subparagraph restrictions.

2. Under the related definitions section, GEA notices the use of the term "directly related" when referencing technical data subject to USML Cat. XI. However, this term is not defined under that section or the UMSL. In order to ensure definitional consistency on delineating what is subject to a control and what is not, GEA recommends the use of the term "specially designed" instead.
3. Proposed ECCN 3A611.f controls microelectronic devices or printed circuit boards certified as a "trusted device from a microelectronics (DMEA) accredited supplier, but provide no link or reference as to who to validate the supplier's accreditation. Therefore, GEA recommends either the inclusion of a list of DMEA accredited suppliers or guidance in the BIS website on how to validate such accreditation.

ECCN 3B611:

1. In its proposed rule rationale, BIS delineates how 3B611 is intended to align with Wassenaar Munitions List (WAML) 18. However, upon review of WAML, GEA observes that BIS did not include the WAML 18 note listing the equipment subject to this control. For clarity and true alignment, GEA recommends the inclusion of this note.

ECCN 4A003:

1. Upon a review of the proposed language for 4A003, GEA noticed that Note 1 includes a reference to 15 CFR 746.3. GEA questions whether this specific restriction is necessary.

Miscellaneous

1. GEA would like to highlight that this rule does not address a review process for items transferring to the CCL that have Low Observable/Counter-Low Observable (LO/CLO) characteristics.

2. GEA recommends the inclusion of a new interpretation to Part 770 that clarifies that items subject to parameter-based CCL entries will be controlled under such entry if the item meets the parameter at the time of export and not whether it has potential capability (e.g. dormant capability) to meet the control, so long as that additional capability cannot be executed by the end user without additional activity by the exporters. Exporters would be required to obtain any necessary authorizations to activate such a capability for a customer.

We appreciate the opportunity to provide comments on this Proposed Rule. If you have any questions or require additional information concerning this submission, please contact the undersigned at (202) 637-4206 or by email at: kathleen.palma@ge.com or Laura J. Molinari at (202) 637-4401 or by email at: laura.molinari@ge.com

Sincerely,

Kathleen Lockard Palma
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