

FACT SHEET: U.S.-INDIA PARTNERSHIP ON EXPORT CONTROLS AND NON-PROLIFERATION

Today, Prime Minister Manmohan Singh and President Barack Obama committed to work together to strengthen the global non-proliferation and export control framework and further transform our bilateral export control cooperation to realize the full potential of the strategic partnership between the two countries. The two leaders agreed to take mutual steps to implement a four-part export control reform program:

1. Membership in the Multilateral Export Control Regimes

- The United States intends to support India's full membership in the four multilateral export control regimes – the Nuclear Suppliers Group, the Missile Technology Control Regime, the Australia Group (for chemical and biological controls), and the Wassenaar Arrangement (for dual-use and conventional arms controls) – in a phased manner, and to consult with regime members to encourage the evolution of regime membership criteria, consistent with maintaining the core principles of these regimes.
- The Government of India will take steps towards the full adoption of the regimes' export control requirements to reflect its prospective membership, with both processes moving forward together.
- In the view of the United States, India should qualify for membership in the Australia Group and the Wassenaar Arrangement according to existing requirements once it imposes export controls over all items on these regimes' control lists.

2. Removal of India's Defense and Space-Related Entities from the U.S. "Entity List"

- Commensurate with India's nonproliferation record and commitment to abide by multilateral export control standards, the United States will remove all civil space and defense-related entities from the Department of Commerce "Entity List." Inclusion on this list generally triggers an export license requirement for items that otherwise do not require an export license.
- The entities to be removed are:
 - Bharat Dynamics Ltd. (BDL)
 - The four remaining subordinates of the Defense Research and Development Organization (DRDO):
 - Armament Research and Development Establishment (ARDE)
 - Defense Research and Development Lab (DRDL)
 - Missile Research and Development Complex

- Solid State Physics Laboratory; and
- The four remaining subordinates of the Indian Space Research Organization (ISRO):
 - Liquid Propulsion Systems Center,
 - Solid Propellant Space Booster Plant (SPROB),
 - Sriharikota Space Center (SHAR), and
 - Vikram Sarabhai Space Center (VSSC).
- The removal of these Indian entities from the Entity List is expected to facilitate trade and cooperation in civil space and defense and enable the two governments to focus on addressing other outstanding barriers that hinder expanded bilateral high technology trade.

3. Export Licensing Policy Realignment

- The United States will “realign” India in its dual-use export control regulations to reflect India’s status as a strategic partner, effectively treating India similarly to other close allies and partners. Although current dual-use export controls affect only a small fraction of U.S.-India trade (less than one percent), the perception of onerous U.S. export controls remains a barrier to high technology trade.
- This realignment will remove India from categories within the dual use regulations that connote India as a “country of concern.” In return, India will harmonize its national control list with the multilateral regimes and incorporate re-export controls on certain U.S.-origin items to address the potential transshipment of these items.

4. Export Control Cooperation

- The United States and India committed to a strengthened and expanded dialogue on export control issues, through fora such as the U.S.-India High Technology Cooperation Group, on aspects of capacity building, sharing of best practices, and outreach with industry.

These changes, together with the comprehensive reform of the U.S. export control system launched by President Obama last year, will bring fundamental change to the U.S. export relationship with India, consistent with U.S. national security objectives. The announcement on export controls reaffirms the two leaders’ joint commitment to expanding the U.S.-India strategic partnership, strengthening global nonproliferation efforts, and facilitating trade in the civil space, defense, and high technology sectors.