

# EU Report Provides Key Industry Insights Into Export Controls on Dual-Use Items

March 3, 2025

On 30 January 2025, the European Commission published the [first annual report](#) on the implementation of the revised EU Dual-Use Regulation (Regulation (EU) No 2021/821) since it entered into force. EU member states are in charge of enforcing the export controls system and authorising exports subject to licences. Since information related to the issuing of licences is not public, there is little transparency about implementation in this field. This report, therefore, provides valuable insights on EU member states' licensing decisions, which includes decisions on:

- The use of general export licenses (granted at the EU level – EU general authorisations – or by EU member states and allowing exports of dual-use items to certain destinations under certain conditions).
- Granting global licenses (granted by EU member states to one exporter and covering export of multiple items to multiple countries of destination or end users).
- Granting individual licenses (granted by EU member states to one exporter and covering exports of one or more dual-use items to one end user or consignee in a third country).

## Key findings

The report covers the period between 2022 to 2023, a period which has seen significantly increased international export control, including due to the conflict with Russia, but also to protect strategic sectors, such as semiconductors and technology-critical raw materials, domestically.

Some of the key findings are:

- **Authorisations and scale of regime:** In 2022, member states authorised dual-use exports amounting to 57.3 billion euros and denied licences for goods worth a total of 0.98 billion euros. This shows that most applications are granted with denials amounting to only 0.04% of the value of total extra-EU27 exports that year. However, in general, there was an upward trend for both authorised dual-use trade and denials in 2022 compared to the previous year.
- **Focus areas:** The industries and products most impacted by the Dual-Use Regulation include cyber-surveillance, information security, cryptocurrencies, quantum computing and artificial intelligence (AI). The category **information security and crypto-analysis items and equipment**, which includes software that is subject to encryption controls, represented a total value of 4.81 billion euros of national general export authorisations, which is 45% of the overall total. The category **information security and crypto-analysis items and equipment** also accounts for a total of 7% by value of individual authorisations (in third place after nuclear machinery and industrial equipment, accounting for 33% and 9%, respectively) and 18% by value of global authorisations.
- **Increased international cooperation:** The EU increased cooperation on export control with countries around the world, particularly with the US, following the establishment of the Trade and Technology Council in June 2021. Another example is the joint identification with the US, UK and Japan of 'common high priority items' that might be used by the Russian military in its war against Ukraine.
- **Destination of controlled items:**
  - The US is the leading destination by value for goods covered by the EU Dual-Use Regulation, with 24% of authorisations (excluding global authorisations) by value being exported to the US.
  - This is followed by China, with 19% of authorisations by value (excluding global authorisations).
  - The UK is the third most common destination, with 7% of authorisations by value (excluding global authorisations).

# Conclusion

EU export control is becoming increasingly relevant and sophisticated, with enhanced data collection, stricter enforcement and greater collaboration with global partners. Businesses must stay informed and proactive to ensure compliance and mitigate legal risks, enabling them to maintain access to global markets.

If you have questions on EU and UK export controls – and how they may affect you and your business – please reach out to the lawyers listed below.

*Trainee solicitor Emily Hall also contributed to this alert.*

This content is provided for general informational purposes only, and your access or use of the content does not create an attorney-client relationship between you or your organization and Cooley LLP, Cooley (UK) LLP, or any other affiliated practice or entity (collectively referred to as "Cooley"). By accessing this content, you agree that the information provided does not constitute legal or other professional advice. This content is not a substitute for obtaining legal advice from a qualified attorney licensed in your jurisdiction, and you should not act or refrain from acting based on this content. This content may be changed without notice. It is not guaranteed to be complete, correct or up to date, and it may not reflect the most current legal developments. Prior results do not guarantee a similar outcome. Do not send any confidential information to Cooley, as we do not have any duty to keep any information you provide to us confidential. When advising companies, our attorney-client relationship is with the company, not with any individual. This content may have been generated with the assistance of artificial intelligence (AI) in accordance with our AI Principles, may be considered Attorney Advertising and is subject to our [legal notices](#).

## Key Contacts

Juan Nascimbene London	<a href="mailto:jnascimbene@cooley.com">jnascimbene@cooley.com</a> +44 (0) 20 7556 4558
Rebecca Halbach Brussels	<a href="mailto:rhalbach@cooley.com">rhalbach@cooley.com</a> +32 2 486 7503

This information is a general description of the law; it is not intended to provide specific legal advice nor is it intended to create an attorney-client relationship with Cooley LLP. Before taking any action on this information you should seek professional counsel.

Copyright © 2023 Cooley LLP, 3175 Hanover Street, Palo Alto, CA 94304; Cooley (UK) LLP, 22 Bishopsgate, London, UK EC2N 4BQ. Permission is granted to make and redistribute, without charge, copies of this entire document provided that such copies are complete and unaltered and identify Cooley LLP as the author. All other rights reserved.