

Raksha Mantri Shri Rajnath Singh approves two Open General Export Licences in a major push for defence exports

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Raksha Mantri Shri Rajnath Singh has approved issuance of two Open General Export Licences (OGELs) for export of certain parts & components and intra-company transfer of technology to select countries. It will give a boost to defence exports and enhance ease of doing business. The application for grant of OGEL will be considered by Department of Defence Production (DPP) on a case-to-case basis.

Following a demand by the exporters, the DPP held extensive consultations with various stakeholders and formulated this OGEL policy and submitted for Raksha Mantri's approval.

The countries allowed under the OGELs are: Belgium, France, Germany, Japan, South Africa, Spain, Sweden, UK, USA, Canada, Italy, Poland and Mexico. Export of items to a 'Special Economic Zone' is not permitted.

For acquiring the licences, the applicant is mandatory to have Import-Export certificate. The quarterly & end of the year reports on all the transactions done under OGELs should be submitted to DPP for examination and post-export verification.

The items permitted under OGEL includes components of ammunition & fuse setting device without energetic and explosive material; firing control & related alerting and warning equipment & related system; and body protective items. Complete aircraft or complete unmanned aerial vehicles (UAVs) and any components specially designed or modified for UAVs are excluded under this licence.

The transfer of technology to the countries is subject to the condition that the export is an intra-company transfer from an Indian subsidiary (applicant exporter) to its foreign parent company and/or to subsidiaries of the foreign parent company.

The OGEL is a one-time export licence to be granted to a company for a specific period (two years initially).

The details of the licences may be accessed on the following hyperlinks:

<https://www.defenceexim.gov.in/showfile.php?fname=OGEL-Parts>

<https://www.defenceexim.gov.in/showfile.php?fname=OGEL-ToT>

India has made significant strides in improving its defence exports. These have grown seven-fold over the last two years and reached to Rs 10,500 crore in 2018-19. This has been made possible due to the reforms brought in the standard operating procedure and ushering in a portal for online clearance of applications. The processing time has been brought down significantly.

ABB/SS/Nampi/DK/Savvy/MTJ/ADA

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