



SCOMET Update: Amendment to Appendix 3 [List of SCOMET Items] to Schedule- 2 of ITC (HS) Classification of Export and Import Items, 2018

INSIGHTS

August 30, 2023

Dear Reader,

We are writing to you with an important update regarding the list of Special Chemicals, Organisms, Materials, Equipment, and Technologies (SCOMET) items regulated by the Directorate General of Foreign Trade (DGFT), India.

Background

The DGFT maintains a list of SCOMET items i.e., dual-use items which have the potential for both civil application as well as weapons of mass destruction. Currently, the list organizes the SCOMET items under eight (8) categories. The export of these items is permitted only against export authorization (unless the export of the concerned item is prohibited or permitted subject to fulfilling certain conditions).

On August 28, 2023, the DGFT vide notification no. 27/2023 issued an updated and revised list of SCOMET items (**Updated and Revised SCOMET list**). The relevant notification and the Updated and Revised SCOMET list are available [here](#) and [here](#) respectively.

Scope of Amendment

I. Expansion of the Scope of the SCOMET Items

The DGFT through the above notification has expanded the scope of SCOMET items falling under various categories. An indicative list of the same is provided below.

Category	Sub-category	Name of the SCOMET item included post-amendment
Category 2: Micro-organisms, toxins	2B008	Bipolaris oryzae (Cochliobolus miyabeanus, Helminthosporium oryzae)
	2B009	Pseudocercospora ulei (Microcyclus ulei, Dothidella ulei)
	2F027	Brevetoxins
	2F028	Gonyautoxins
	2F029	Nodularins
	2F030	Palytoxin
Category 6: Munitions List	6A004	Submunitions therefor
	6A011.a	Cryptographic functionality
	6A011.b	Jamming equipment designed or modified to hinder the reception, operation or effectiveness of positioning, navigation or timing services provided by "satellite navigation systems", and specially designed components therefor;
Category 8: Special Materials and Related Equipment, Material Processing, Electronics, Computers, Telecommunications, Information Security, Sensors and Lasers, Navigation and Avionics, Marine, Aerospace and Propulsion	8D401.b	"Software", other than that specified by 8D401.a., specially designed or modified for the "development" or "production" of equipment as follows: 1. "Digital computers" having an 'Adjusted Peak Performance' ('APP') exceeding 24 Weighted TeraFLOPS (WT);
	8E401.b	b. "Technology" (according to the General Technology Note) other than that specified by 8E401.a., for the "development" or "production" of equipment as follows: 1. "Digital computers" having an 'Adjusted Peak Performance' ('APP') exceeding 24 Weighted TeraFLOPS (WT);

II. Clarificatory Amendment

In addition to the above, certain clarificatory amendments have also been made to the list of SCOMET items. An indicative list of the same is provided below.

Category	Sub-category	Clarificatory amendment
Category 3: Materials, Materials Processing Equipment and related technologies	3B007	Note: Item 3B007 does not control batch mixers, continuous mixers and fluid energy mills. N.B. For batch mixers, continuous mixers and fluid energy mills, see 3B014 and 3B015.
	3D008	Technical note: 'Disinfected' denotes a process to reduce the number of microorganisms but not usually of bacterial spores, through the use of chemical agents, without necessarily killing or removing all organisms.
	3D011	Note 2: This control includes any isolator meeting all of the above-mentioned characteristics, regardless of its intended use and its designation, except for medical isolators specially designed for barrier nursing or transportation of infected patients.
Category 5: Aerospace systems, equipment, including production and test equipment, related technology and specially designed components and accessories therefore	5A	Note: Ballistic missiles (regardless of their end use) and their related systems will be classified under subcategory 6A004 (Munitions List)
	5A217	Note: Apparatus and devices specified in 5A217.a include those installed on a manned aircraft or an unmanned aerial vehicle.
Category 6: Munitions List	6A004	N.B. For grenade or canister ammunition for weapons or projectors specified in 6A001. Or 6A002. and submunitions specially designed for ammunition, see 6A003.
	6A010	Note 2: 6A010.f. does not apply to: 1. Towbars; 2. Protective mats and covers; 3. Ladders, steps and platforms; 4. Chocks, lashings and tie-down equipment
	6A013.d.1	Note 5: 6A013.d.1. does not apply to protective eyewear. N.B. For laser protective eyewear, see 6A017.o. N.B. 1 See also entry 8A105 on the Dual-Use List. N.B. 2 For "fibrous or filamentary materials" used in the manufacture of body armour and helmets, see entry 8C110 on the Dual-Use List
Category 8: Special Materials and Related Equipment, Material Processing, Electronics, Computers, Telecommunications, Information Security,	8A703	Technical Notes: 1. For the purposes of 8A703., 'inertial measurement equipment or systems' incorporate accelerometers or gyroscopes to measure changes in velocity and orientation in order to determine or maintain heading or position without requiring an external reference once aligned. 'Inertial measurement equipment or systems' include: - Attitude and Heading Reference Systems (AHRSS); - Gyrocompasses;

Sensors and Lasers, Navigation and Avionics, Marine, Aerospace and Propulsion		<ul style="list-style-type: none"> - Inertial Measurement Units (IMUs); - Inertial Navigation Systems (INSs); - Inertial Reference Systems (IRSs); - Inertial Reference Units (IRUs). <p>2. For the purposes of 8A703, 'positional aiding references' independently provide position, and include:</p> <ul style="list-style-type: none"> a. "Satellite navigation system"; b. "Data-Based Referenced Navigation" ("DBRN").
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III. Amendments pursuant to the GAED and GAEC Policies

Finally, in furtherance to the (i) General Authorization for Export of Drones (**GAED**) policy introduced recently by the Government of India and (ii) the recent expansion of chemicals falling under the General Authorization for Export of Chemicals (**GAEC**), the Updated and Revised SCOMET list merely incorporates the sub-categories and items thereunder that can be exported under the GAED and GAEC.

Date of Implementation	To provide transition time to the relevant businesses, the changes made to the list of SCOMET items under the aforementioned notification are effective from September 28, 2023 i.e., 30 days after the issuance of the notification dated August 28, 2023.
Way Forward/What should companies do?	To obtain export authorization to export the SCOMET items, the exporters would need to submit an application in the prescribed format to the Directorate General of Foreign Trade (DGFT), Department of Atomic Energy (DAE), or Department of Defence Production (DDP)/ Ministry of Defence, as appropriate. The procedure to file the said application is laid down under the Foreign Trade Procedure, which is available here .

For any queries or comments on this update, please feel free to contact us at elptrade@elp-in.com

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