

# New Zealand Strategic Goods List (NZSGL) 2021

## EXPLANATORY STATEMENT OF AMENDMENTS

### Construct of the NZSGL

The NZSGL is comprised of listed goods, software and technology that are derived from the control lists developed by the multilateral, non-proliferation and export control regimes of which New Zealand is a participating state.<sup>1</sup> The NZSGL includes equipment, assemblies and components, associated test, inspection and production equipment, materials, chemicals, software and technology.

The NZSGL is divided into two parts:

- Part 1 covers military and related goods – those goods, software and technologies designed or adapted for use by the armed forces, or goods that are inherently lethal. These goods include:
  - o Military Goods, being goods, software or technology that are designed or adapted for military purposes, including their parts and accessories; and
  - o Non-Military Lethal Goods, being equipment that is inherently lethal, incapacitating or destructive such as non-military firearms, non-military ammunition and commercial explosives and initiators.
- Part 2 covers those goods that have a dual use. Dual-use goods comprise equipment, software and technologies developed to meet commercial needs but which may be used either as military components or for the development or production of military systems or weapons of mass destruction.

Part 2 is further subdivided into 10 categories:

- o Category 0 – Nuclear Materials;
- o Category 1 – Materials, Chemicals, Micro-organisms and Toxins;
- o Category 2 – Materials Processing;
- o Category 3 – Electronics;
- o Category 4 – Computers;
- o Category 5 – Telecommunications and Information Security;
- o Category 6 – Sensors and Lasers;
- o Category 7 – Navigation and Avionics;
- o Category 8 – Marine; and
- o Category 9 – Aerospace and Propulsion.

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<sup>1</sup> New Zealand is a member of the Wassenaar Arrangement, the Missile Technology Control Regime, the Australia Group and the Nuclear Suppliers Group.

## **The amendments**

There are 39 amendments incorporated into the 2021 NZSGL. These amendments can be categorised as either new controls, deletions of previously existing controls, or modifications to existing controls.

Sixteen are changes which remove or reduce the requirement to obtain an approval prior to export, and 23 of the amendments are either new controls or changes to existing controls that result in an expanded scope.

## **Analysis of the changes in the *New Zealand Strategic Goods List 2021***

The amendments do not substantially alter the nature or overall purpose of the NZSGL.

The amendments that result in effective changes to the NZSGL are discussed below. Minor editorial and clarification changes where the scope of the control has not changed are not discussed here.

### **Definitions**

“Superalloy”: The revised definition of “superalloy” has removed reference to AISI 300 series alloys and replaced it with a stress rupture life specification. The scope is therefore slightly reduced.

*Impact: Slight reduction in scope of controls.*

### **Munitions List**

ML1.a: Additional decontrol section added to decontrol handguns used to slaughter or tranquilise animals. The scope remains unchanged as the ML900 series note decontrols these goods already.

*Impact: None – clarification not scope change.*

ML2.a: The term *specifically designed for military use* has been added to this control. This will not change the scope of the control as all such weapons are already considered specifically designed for military use.

*Impact: None – clarification not scope change.*

ML8.a.43: New Controls for TKX-50 (Dihydroxylammonium 5,5'-bistetrazole-1,1'-diolate) explosives, and associated software and technology.

*Impact: None – no scope change. TKX-50 was already controlled under ML908.*

ML9.h: New control and notes to control nuclear power generating equipment and propulsion systems in controlled vessels.

*Impact: Will introduce the requirement for approval to be obtained before exporting these items. In addition, technology and software required for the development, production or use of these items will also require an approval.*

ML10 Note 6: New note to decontrol propulsion engines manufactured prior 1946.

*Impact: Will reduce the requirement for an approval.*

ML21.b.5: New control and new note to control software specially designed or modified to conduct military offensive cyber operations and associated technology.

*Impact: Will introduce the requirement for approval to be obtained before exporting this software. In addition, technology and software required for the development, production or use of these items will also require an approval.*

### **Category 0 – Nuclear Materials, Facilities and Equipment**

There have been several minor amendments and restructures to this Category based on a recent review by the Nuclear Supplier Group, however the scope has not changed.

*Impact: None - clarification only.*

### **Category 1 – Materials, Chemicals, Microorganisms and Toxins**

1A002 Note 4: New note added stating specifications for controlled carbon “fibrous or filamentary materials”. This note will decontrol all fibrous and filamentary materials that are 25 mm or less.

*Impact: Will reduce the requirement for an approval.*

1B235: New control and technical note to control equipment specially designed to produce tritium and any associated software and technology.

*Impact: Will introduce the requirement for approval to be obtained before exporting these items. In addition, technology and software required for the development, production or use of these items will also require an approval.*

1C010.c: New material requirements added to the control of "fibrous or filamentary materials".

*Impact: Will introduce the requirement for approval to be obtained before exporting these items. In addition, technology and software required for the development, production or use of these items will also require an approval.*

1C350.68-91: The following 24 toxic chemicals have been added to the 1C350 controls. Associated technology will also be controlled:

Methyl dichlorophosphate (CAS 677-24-7)  
Ethyl dichlorophosphate (CAS 1498-51-7)  
Methyl difluorophosphate (CAS 22382-13-4)  
Ethyl difluorophosphate (CAS 460-52-6)  
Diethyl chlorophosphite (CAS 589-57-1)  
Methyl chlorofluorophosphate (CAS 754-01-8)  
Ethyl chlorofluorophosphate (CAS 762-77-6)  
N,N-Dimethylformamide (CAS 44205-42-7)  
N,N-Diethylformamide (CAS 90324-67-7)  
N,N-Dipropylformamide (CAS 48044-20-8)  
N,N-Diisopropylformamide (CAS 857522-08-8)  
N,N-Dimethylacetamide (CAS 2909-14-0)  
N,N-Diethylacetamide (CAS 14277-06-6)  
N,N-Dipropylacetamide (CAS 1339586-99-0)  
N,N-Dimethylpropanamide (CAS 56776-14-8)  
N,N-Diethylpropanamide (CAS 84764-73-8)  
N,N-Dipropylpropanamide (CAS 1341496-89-6)  
N,N-Dimethylbutanamide (CAS 1340437-35-5)  
N,N-Diethylbutanamide (CAS 53510-30-8)  
N,N-Dipropylbutanamide (CAS 1342422-35-8)

*Impact: Will introduce the requirement for approval to be obtained before exporting these items. In addition, technology required for the development, production or use of these items will also require an approval.*

1C351.a.42: New control on the export of Middle East Respiratory Syndrome-related Coronavirus (MERS-CoV) and associated genetic elements. Associated technology will also be controlled.

*Impact: Will introduce the requirement for approval to be obtained before exporting these items. In addition, technology required for the development, production or use of these items will also require an approval.*

## **Category 2 – Materials Processing**

2A001: Control expanded to control ISO 492 Tolerance Class 2 ball bearings and solid roller bearings and any associated software and technology.

*Impact: Will introduce the requirement for approval to be obtained before exporting these items. In addition technology and software required for the development, production or use of these items also requires an approval.*

2A001.c: Control expanded to control components of controlled active magnetic bearing systems and any associated software and technology.

*Impact: Will introduce the requirement for approval to be obtained before exporting these items. In addition technology and software required for the development, production or use of these items also requires an approval.*

## **Category 3 – Electronics**

3A001.b.3.f: Expansion of 3A001.b.3 by adding control of discrete microwave transistors with a peak saturated power output greater than 5 W at frequencies exceeding 8.5 GHz and including 31.8 GHz and any associated software and technology.

*Impact: Will introduce the requirement for approval to be obtained before exporting these items. In addition technology and software required for the development, production or use of these items also requires an approval.*

3A002.d.5-6: Expansion of 3A002.d signal generator control to control signal generators that have an RF modulation bandwidth and that fall within specified frequency ranges and any associated software and technology.

*Impact: Will introduce the requirement for approval to be obtained before exporting these items. In addition technology and software required for the development, production or use of these items also requires an approval.*

3B001.h: Expansion of 3B001.h control. Previously multi-layered masks were controlled based on their production method. This control now controls multi-layer masks designed to be used by lithography equipment regardless of the production method. Any associated software and technology is also controlled.

*Impact: Will introduce the requirement for approval to be obtained before exporting these items. In addition technology and software required for the development, production or use of these items also requires an approval.*

3D005: New control for software specially designed to restore normal operation of microcomputers, "microprocessor microcircuit" or "microcomputer microcircuit" within 1 ms after an electromagnetic pulse (EMP) or electrostatic discharge (ESD) disruption.

*Impact: Will introduce the requirement for approval to be obtained before exporting this software. In addition technology for the development, production or use of these items also requires an approval.*

3E004: New control for technology related to slicing, grinding and polishing silicon wafers to specific specifications.

*Impact: Will introduce the requirement for approval to be obtained before exporting this technology.*

#### **Category 4 – Computers**

There is a single minor amendment to this Category as the local definitions of “vulnerability disclosure” and “cyber incident response” changing to a global definition. The scope of affected controls have not changed.

*Impact: None – clarification only.*

#### **Category 5 Part 1 – Telecommunications**

5D001.e: New control for software specially designed or modified for monitoring or analysis by law enforcement and associated technology.

*Impact: Will introduce the requirement for approval to be obtained before exporting this software. In addition technology for the development, production or use of these items also requires an approval.*

#### **Category 5 Part 2 – Information Security**

5A002 Technical Note 2: Control expanded to capture quantum cryptography algorithms and associated software and technology.

*Impact: Will introduce the requirement for approval to be obtained before exporting these items. In addition technology and software required for the development, production or use of these items also requires an approval.*

5A002.a Note 2.f: Decontrol note broadened to include wireless personal area network (WPAN) devices.

*Impact: Will remove the requirement for an approval.*

5A002.a Note 2.h: Decontrol note broadened to include gateways restricted to “Operations, Administration or Maintenance” (“OAM”) tasks.

*Impact: Will remove the requirement for an approval.*

5A002.a Note 2.j: New decontrol entry added for 'connected civil industry application' devices with cryptographic capabilities.

*Impact: Will remove the requirement for an approval.*

5A004.b: New entry added to control forensic tools for computers and communication devices. Associated software and technology will also be controlled.

*Impact: Will introduce the requirement for approval to be obtained before exporting these items. In addition technology and software required for the development, production or use of these items also requires an approval.*

### **Category 6 – Sensors and Lasers**

6A001.a.2.a.6: Hydrophone sensitivity parameter added to control.

*Impact: Will remove the requirement for an approval.*

6A003.b.4.b Note 3.b.1: Decontrol scope for Instantaneous-Field-of-View (IFOV) requirement changed from 10 mrad to 2 mrad.

*Impact: Will remove the requirement for an approval.*

6A005 Note 6: New local definition for 'single transverse mode' reduces the scope of this laser control by introducing control thresholds.

*Impact: Will remove the requirement for an approval.*

6B002: New control added for masks and reticles specially designed for controlled optical sensors. Associated technology is also controlled.

*Impact: Will introduce the requirement for approval to be obtained before exporting these items. In addition technology required for the development or production of these items also requires an approval.*

### **Category 7 – Navigation and Avionics**

There have been several minor amendments and restructures to this Category based on a recent review by the Wassenaar Arrangement, however the scope of the controls has not changed.

*Impact: None – clarification only.*

## **Category 8 – Marine**

8A002.d: Update of the controls for underwater vision systems. These are now only controlled if they are designed or modified for remote operation with an underwater vehicle, and they employ techniques to minimise backscatter (including range-gated illuminators and laser systems).

*Impact: Will reduce the requirement for an approval.*

## **Category 9 – Aerospace and Propulsion**

9A004: Control expanded to control air-launch platforms and sub-orbital craft and associated software and technology.

*Impact: Will introduce the requirement for approval to be obtained before exporting these items. In addition technology and software required for the development, production or use of these items also requires an approval.*

9B001: Control reduced to limit scope to casting equipment designed for “superalloys”.

*Impact: Will reduce the requirement for an approval.*

9E003.a.7: Technology control relating to gas turbine engine components using diffusion bonding technology removed.

*Impact: Will reduce the requirement for an approval.*

9E003.a.11: Reduction of the technology control relating to fan blades by increasing the technical requirements to meet this control.

*Impact: Will reduce the requirement for an approval.*

## **Sensitive List**

3A001.b.2 and 3A001.b.3: Additional entries to the Sensitive List for monolithic microwave integrated circuit (“MMIC”).

*Impact: Will increase the scrutiny for an approval.*

8A001.d: Control removed from Category 8. This change is reflected in the Sensitive List.

*Impact: None– control removed*

## **Very Sensitive List**

New controls for unmanned submersible vehicles added to the Very Sensitive List.

*Impact: Will increase the scrutiny for an approval.*

8A001.d: Control removed from Category 8. This change is reflected in the Sensitive List.

*Impact: None– control removed*