

Industry Capabilities for Preventing Diversion of Dual Use Technology

Domain	Capability	Key Performance Indicators (KPIs)	Assessed Risk Level
Situations	1. Manage risk in export/foreign situations	<ul style="list-style-type: none"> Recognize foreign interactions as potential export. Conduct transaction due diligence and obtain end user/end use assurances. Comply with export regulations and report suspicious situations to government. 	Low Risk
	2. Manage risk in day-to-day/domestic situations	<ul style="list-style-type: none"> Understand diversion risks and mitigation options. Adopt/adhere to Internal Compliance Program (ICP). Comply with all relevant regulations and engage/exchange info with government. 	High Risk
	3. Manage risk in known military end use situations	<ul style="list-style-type: none"> Recognize known/likely military/defense end use cases. Adopt/adhere to end user/end use accountability plan. Comply with defense-related trade controls and engage all relevant governments. 	Moderate Risk
Items	4. Safeguard non-controlled items	<ul style="list-style-type: none"> Recognize dual use potential of handled technology. Adopt/adhere to physical/cyber access control plan. Voluntarily report breaches/ losses of sensitive tech. 	Moderate Risk
	5. Safeguard controlled items	<ul style="list-style-type: none"> Recognize items subject to handling, licensing, reporting, and other controls. Adopt/adhere to regulatory compliance procedures. Report losses/misuse of controlled tech. 	Low Risk
	6. Safeguard sanctioned items	<ul style="list-style-type: none"> Recognize items subject to sanctions/restrictive measures. Adopt/adhere to sanctions compliance procedures. Report attempted access to sanctioned tech. 	High Risk
Entities	7. Avoid sanctioned entities	<ul style="list-style-type: none"> Know where to access individual, organization, and country restrictive measure lists. Screen transaction partners against EU, UN, (US) sanctions lists. Report interactions with sanctioned entities. 	Moderate Risk
	8. Manage risk with non-sanctioned entities	<ul style="list-style-type: none"> Recognize “red flags” of high-risk entities. Conduct reasonable due diligence on transaction partners. Notify the government of suspicious entities. 	Moderate Risk

* Motive international used simulation-based games and a capability scoring rubric to quantify assessed risk level

HIGH RISK: Scored at < 50%

MODERATE RISK: Scored at 50-65%

LOW RISK: Scored at > 65%



Government Capabilities for Preventing Diversion of Dual Use Technology

Domain	Capability	Key Performance Indicators (KPIs)	Assessed Risk Level
Situations	1. Adapt policies/procedures for dynamic situations	<ul style="list-style-type: none"> Maintain reasonable regulatory posture based on risk level in the jurisdiction. Rely on regulatory and non-regulatory measures to monitor/mitigate risks. Empower relevant government authorities to make decisions and be held accountable. 	Moderate Risk
	2. Coordinate with stakeholders to mitigate risks	<ul style="list-style-type: none"> Provide information and respond promptly to inquiries from affected public. Share/leverage information across government agency lines and with other governments. Notify target entities, trade associations, others of known/suspected risks and trends. 	Moderate Risk
Items	3. Govern non-controlled items	<ul style="list-style-type: none"> Recognize dual use potential of (new) tech and reasonably monitor high-risk items. Adopt/leverage “catch-all” authority to deny/restrict transactions with sensitive items. 	Moderate Risk
	4. Govern controlled items	<ul style="list-style-type: none"> Maintain up-to-date list of items subject to licensing, handling, and reporting controls. Adopt/adhere to efficient procedures for licensing, monitoring, and enforcement. 	Low Risk
	5. Govern sanctioned items	<ul style="list-style-type: none"> Maintain up-to-date list of items subject to sanctions. Adopt/adhere to efficient procedures for sanctions screening and enforcement. 	High Risk
Entities	6. Govern at-risk/target entities	<ul style="list-style-type: none"> Maintain familiarity/legitimacy with entities who handle dual use tech in the jurisdiction. Provide information to target entities that enables voluntary/regulatory best practices. Adopt/adhere to efficient procedures for compliance monitoring and enforcement. 	High Risk
	7. Detect and deny transactions with sanctioned entities	<ul style="list-style-type: none"> Monitor/interdict sanctioned entity activity in the jurisdiction. Screen entities involved in licensing, investment, other transactions against sanctions lists. Promptly issue denials and implement enforcement actions in the event of violations. 	High Risk
	8. Govern transactions with non-sanctioned entities	<ul style="list-style-type: none"> Maintain tools/databases for reviewing entity beneficiaries, affiliations, transactions, etc. Screen entities involved in covered transactions for “red flags.” Promptly issue determinations and monitor high-risk transactions that proceed. 	High Risk

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