



Defence Trade Controls Amendment Bill 2023 – Industry Submission to Senate Committee

Altum RF International B.V. (**Altum RF**) is a Dutch semiconductor manufacturer which undertakes research and product development in Australia through a branch office. The resulting products are manufactured outside of Australia and are sold by our Netherlands headquarters to customers in Europe, the USA and elsewhere. Many of the products we develop are ‘dual use’ and listed in Part 2 of the DSG. Altum RF understands and appreciates the importance of export controls for dual-use goods and technology. Our Australian branch has permits for the supply of dual-use technology to our subcontractors and our Netherlands HQ. We also obtain the necessary permits to export those dual-use products from the Netherlands to our customers.

Altum RF will be adversely affected by the proposed amendment in four ways:

1. Future sales of our dual-use products designed in Australia will require two export permits: one in Australia and one in the Netherlands. Not only will this be an administrative burden but, more importantly, it will be viewed by our customers as a potential risk to the continuity of supply.
2. The new controls will make it very difficult to engage in custom development in Australia of dual-use technology for customers outside Australia, the USA and UK, because of the ongoing requirement to obtain an additional Australian permit for re-supply or re-export.
3. The new controls will make it difficult to hire foreign citizens or temporary migrants with the specialised skills and experience we need.
4. It will be much harder for us to accommodate student interns and collaborate with researchers from local universities, since many of the most capable students and postdocs in this specialised field are foreign citizens or temporary migrants.

Over the long term, the proposed amendments will make it less attractive to grow our business in Australia and will incentivise companies like ours to develop future dual-use products (typically the more advanced, high-tech projects) outside of Australia. This will be to the detriment of local expertise, sovereign capability, and foreign R&D investment into Australia.

We recommend that the Senate Committee consider additional exemptions for the re-export of dual use (DSGL Part 2) goods to and from ‘low risk’ countries such as those included in the Foreign Countries List. This would reduce the adverse impact on businesses like ours and facilitate more local technology innovation, research, and development, while retaining much of the strengthened protection around the supply of controlled technology.