

BIS Expands Controls on Exports to China, Russia, and Venezuela

MAY 1, 2020

On April 28, 2020, the U.S. Department of Commerce's Bureau of Industry and Security (BIS) published a series of rules that will amend the Export Administration Regulations (EAR) to expand license requirements on the export of items intended for military end use or military end users in China, Russia, or Venezuela.

Specifically, the rules will make the following changes to the EAR:

Expansion of Military End Use and End User Controls

On June 29, 2020, the rule will expand license requirements for exports, reexports, and transfers (in-country) of items intended for military end use or military end users in China, Russia, or Venezuela by:

- (1) Broadening the license requirement in 15 C.F.R. § 744.21 of the EAR to include military end users in China in addition to military end use;
- (2) Broadening the scope of the items subject to license requirements in 15 C.F.R. § 744.21 by adding items to the list of items subject to the military end-use and end-user license requirements in Supplement No. 2 to part 744;
- (3) Adopting a license review policy of presumption of denial in 15 C.F.R. § 744.21(e);
- (4) broadening the definition of "military end use"; and
- (5) Expanding Electronic Export Information (EEI) filing requirements to include all items destined to China, Russia, or Venezuela regardless of the value of the shipment, unless the shipment is eligible for License Exception GOV.

Removal of License Exception Civil End Users (CIV)

On June 29, 2020, the rule will remove license exception Civil End Users (CIV), that authorizes the export, reexport, or transfer (in country) of certain national security-controlled (NS) items to civilian end-users for civilian end uses in Country Group D:1, *i.e.*, countries of national security concern including China.

Modification of License Exception Additional Permissive Reexports (APR)

BIS is further seeking comments on a [proposed rule](#), that would modify license exception Additional Permissive Reexports (APR) by removing provisions that authorize the reexport by partner countries of certain NS items on the Commerce Control List (CCL). The purpose of the rule is to ensure consistent reviews of exports and reexports of U.S. items. All comments must be submitted by June 29, 2020.

BIS published these rules to support the objectives discussed in the National Security Strategy of the United States, namely to prevent entities in China, Russia, and Venezuela from acquiring U.S. technology that could be used in the development of weapons, military aircraft, or surveillance technology for military end uses and military end-users.

2 Min Read

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