

The Office of Exporter Services: Introduction to Export Controls The Export Administration Regulations (EAR) Connection

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U.S. DEPARTMENT OF COMMERCE
BUREAU OF INDUSTRY AND SECURITY



BIS Mission:

Advance U.S. national security, foreign policy, and economic objectives by ensuring an effective export control and treaty compliance system and promoting continued U.S. strategic technology leadership.

Export Administration Regulations (15 CFR 730 – 774)

BIS Web site: www.bis.doc.gov

GPO Web Site: www.access/gpo.gov/bis/ear/ear_data.html



Key Regulatory Agencies



Bureau of Industry and Security (BIS):
Dual-use and less sensitive military items

www.bis.doc.gov



Directorate of Defense Trade Controls (DDTC):
Critical defense articles and services

www.pmddtc.state.gov/



Office of Foreign Assets Controls (OFAC):
Economic and trade sanctions

www.treasury.gov/resource-center/sanctions

U.S. Department of Commerce, Bureau of Industry and Security, September 2022



U.S. DEPARTMENT OF COMMERCE
BUREAU OF INDUSTRY AND SECURITY

Multilateral Export Control Regimes

- **Wassenaar Arrangement:** Voluntary arrangement focused on conventional arms and dual-use goods and technologies (47 member states)
- **Australia Group:** Voluntary, focused on stemming the proliferation of chemical and biological weapons (43 member states)
- **Missile Technology Control Regime:** Voluntary, focused on preventing the proliferation of missile unmanned delivery systems of delivering weapons of mass destruction (35 member states)
- **Nuclear Suppliers Group:** Voluntary, focused on stemming the proliferation of nuclear weapons (48 member states)



BIS's Export Control System

- “Items Subject to the EAR”: dual use and less-sensitive military commodities, software and technology



- Scope of the EAR:
 - Exports (including deemed exports)
 - Reexports
 - Transfers (in-country)
 - Certain foreign products
 - Certain activities by U.S. Persons

Parts 730 and 734 of the EAR



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Do you need an export license?

What is it?

Where is it going?

Who will receive it?

What is the end use?



What is it?

The Commerce Control List



Categories

0	Nuclear & Miscellaneous
1	Materials, Chemicals, Microorganisms, & Toxins
2	Materials Processing
3	Electronics
4	Computers
5	Telecommunications & Information Security
6	Sensors & Lasers
7	Navigation & Avionics
8	Marine
9	Aerospace & Propulsion

Product Groups

A	Systems, Equipment, & Components
B	Test, Inspection, & Production Equipment
C	Materials
D	Software
E	Technology

Plus EAR99 items....





Sample Export Control Classification Number (ECCN)



Category **6A004** Reason for Control
Product Group

6A004 Optical equipment and “components, ” as follows (see List of Items Controlled).

LICENSE REQUIREMENTS

Category

Reason for Control: NS, AT

Control(s)	Country Chart (See Supp. No. 1 to part 738)
NS applies to entire entry	NS Column 2.
AT applies to entire entry	AT Column 1.

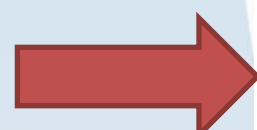
REPORTING REQUIREMENTS See §743.1 of the EAR for reporting requirements for exports under License Exceptions, and Validated End-User authorizations

LIST BASED LICENSE EXCEPTIONS (SEE PART 740 FOR A DESCRIPTION OF ALL LICENSE EXCEPTIONS)

LVS: \$3000

GBS: Yes for 6A004.a.1, a.2, a.4, b, and d.2.

CIV: Yes for 6A004.a.1, a.2, a.4, b, and d.2.



What are the Reasons for Control?



- ❖ AT = Anti-Terrorism
- ❖ CB = Chemical & Biological Weapons
- ❖ CC = Crime Control
- ❖ CW = Chemical Weapons Convention
- ❖ EI = Encryption Item
- ❖ FC = Firearms Convention
- ❖ MT = Missile Technology

- ❖ NP = Nuclear Nonproliferation
- ❖ NS = National Security
- ❖ RS = Regional Stability
- ❖ SI = Significant Item
- ❖ SL = Surreptitious Listening Devices
- ❖ SS = Short Supply
- ❖ UN = United Nations



Where is it going?

The Commerce Country Chart



****Supplement No. 1 to Part 738 of the EAR****

Countries	Chemical & Biological Weapons			Nuclear Nonproliferation		National Security		Missile Tech	Regional Stability		Firearms Conventi on	Crime Control			Anti-Terrorism	
	CB 1	CB 2	CB 3	NP 1	NP 2	NS 1	NS 2	MT 1	RS 1	RS 2	FC 1	CC 1	CC 2	CC 3	AT 1	AT 2
Afghanistan	X	X	X	X		X	X	X	X	X		X		X		
Albania ^{2,3}	X	X		X		X	X	X	X	X						
Algeria	X	X		X		X	X	X	X	X		X		X		
Andorra	X	X		X		X	X	X	X	X		X		X		
Angola	X	X		X		X	X	X	X	X		X		X		
Antigua & Barbuda	X	X		X		X	X	X	X	X	X	X		X		
Argentina	X					X		X	X		X	X		X		
Armenia	X	X	X	X		X	X	X	X	X		X	X			
Aruba	X	X		X		X	X	X	X	X		X		X		
Australia ³	X					X		X	X							
Austria ^{3,4}	X					X		X	X			X		X		
Azerbaijan	X	X	X	X		X	X	X	X	X		X	X			
Bahamas, The	X	X		X		X	X	X	X	X	X	X		X		

What's the end use ?Who is the end user?

End Use/End User Controls



- ❖ Nuclear § 744.2
 - certain nuclear end-uses, i.e., nuclear explosive activities, unsafeguarded facilities, nuclear fuel activities
 - countries not in Supplement 3 to Part 744
- ❖ Missile § 744.3
 - Design, development production or use of any rocket system or unmanned air vehicle
 - D:4 countries
- ❖ Certain worldwide restrictions for the use in delivery of WMD
- ❖ Chemical and Biological § 744.4
 - Design, development, production, stockpiling or use of chemical or biological weapons in or by any country worldwide
- ❖ Maritime nuclear propulsion – § 744.5
- ❖ Activities of U.S. Persons – § 744.6
- ❖ Certain foreign aircraft or vessels – § 744.7
- ❖ Entity List – Supp. 4 to part 744
- ❖ Unverified List – § 744.15
- ❖ OFAC designated persons part 744
- ❖ Microprocessors to Military Users and Uses
- ❖ Country Group D:1 § 744.17
- ❖ Military End Use - § 744.21
- ❖ Military Intelligence End Use - § 744.22





Who is it going to?

Prohibited Parties



- **Consolidated Screening List (CSL)**

- **Department of Commerce**

- Denied Persons List
- Unverified List
- Entity List
- Military End-user Lists (MEU)

- **Department of State**

- Debarred List
- Nonproliferation Sanctions

- **Department of Treasury**

- Special Designated Nationals List
- Foreign Sanctions Evaders List
- Sectoral Sanctions Identifications List (SSI)
- Palestinian Legislative Council List (PLC)
- List of Foreign Financial Institutions Subject to Part 561
- Non-SDN Iran Sanctions Act List (NS-ISA)



<https://www.trade.gov/consolidated-screening-list>



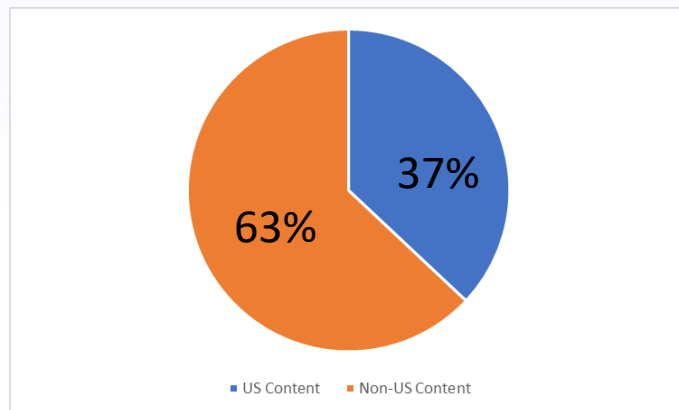
Controls on Items with U.S. Content

De Minimis Controls

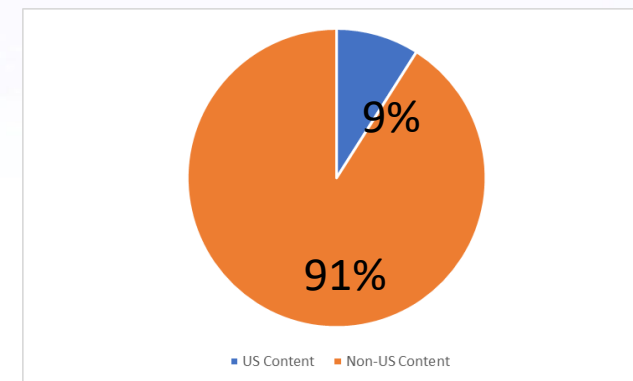
Foreign Produced Direct Products

De Minimis Rules

- A non-U.S. made item that incorporates **controlled U.S.-origin content** that exceeds the *de minimis* percentage is subject to the EAR.



- A non-U.S. made item that incorporates **controlled U.S.-origin content** that does not exceed the *de minimis* percentage is not subject to the EAR.



Foreign- “Direct Product”

- Foreign-produced items located outside the United States are subject to the EAR when they are a “direct product” of specified “technology” or “software,” or are produced by a plant or ‘major component’ of a plant that itself is a “direct product” of specified “technology” or “software.”



Another Form of Authorization: License Exceptions



Transaction-Based License Exceptions

- ❖ TMP – Temporary Imports, Exports and Reexports
- ❖ RPL – Service & Replacement of Parts & Equipment
- ❖ GOV – Governments, International Organizations
- ❖ BAG – Baggage
- ❖ TSU – Technology and Software Unrestricted

List-Based License Exceptions

Availability Based on ECCN:

- ❖ Limited Value Shipments (LVS)
- ❖ Shipments to Group B Countries (GBS)
- ❖ Technology and Software Restricted (TSR)
- ❖ Strategic Trade Authorization (STA)

How to Submit an Application



❖ Registering for the Simplified Network Application Process – Redesign (SNAP-R)

-SNAP-R is the method of application.

-If your company has never registered before, start with the SNAP-R Online Registration at <https://snapr.bis.doc.gov/registration>

-Respond to the confirmation email

-A Company Identification Number (CIN), also called an Applicant ID #, will be assigned, and your account with administrator's privileges will be created at your company.

❖ Who can apply?

-Only a person in the U.S. can apply for a license to export from the United States

-Types of export transactions:

- Standard export transaction
- Routed export transaction

❖ Required support documentation

- Support document requirements are found in part 748 of the EAR (beginning with § 748.9)



What is the status of my license application?

- ❖ Accepted
- ❖ Held Without Action (HWA)
- ❖ Pending
 - with one of the reviewing agencies: DoD, DOE, State
- ❖ Returned Without Action (RWA)
- ❖ Approved/Denied



How the U.S. Government Processes Your License Application

- ❖ BIS Review
- ❖ Interagency Review
- ❖ Escalation Procedure
- ❖ Final Decision

A Strong Public-Private Sector Partnership



A strong public-private sector partnership is most effective in preventing the diversion of controlled items for prohibited purposes.

How does BIS Educate and Interact with the Exporting Community? East Coast/HQ & West Coast/WRO

- Counseling
- BIS Website:
 - Web-based Tools
 - Online Training
 - Frequently Asked Questions
- Email Notifications
- Publications
- Online Application Process
- Teleconferences
- Seminar Program/Update Conference
- Regulations:
 - Proposed Rules
 - Notices of Inquiry
 - Advanced Notices of Proposed Rulemaking
- Technical Advisory Committees
- Advisory Opinions
- Outreach Visits



Search ...

- Home
- About BIS
- Regulations
- Compliance & Training
- Policy Guidance
- Licensing
- Enforcement
- Add'l Programs
- Data
- TAC



Regulations

- Regulations
- Export Administration Regulations (EAR)
- Commerce Control List (CCL)
- Commerce Control List Index
- Commerce Country Chart
- Search the EAR
- Federal Register Notices
- GPO's EAR: e-CFR
- Order a Hard Copy of the EAR
- CCL on the e-CFR

Regulations Links

- [Advisory Opinions](#)
- [Federal Register \(FR\)](#)
- [Tomorrow's FR](#)
- [FR and CFR Archive](#)
- [State Regs \(ITAR\)](#)
- [Census Regs \(FTR\)](#)
- [Public Comments](#)

Rules Affecting the Export Administration Regulations

Print

Published 2023

Rules published in other years: [2022](#) | [2021](#) | [2020](#) | [2019](#) | [2018](#) | [2017](#) | [2016](#) | [2015](#) | [2014](#) | [2013](#) | [2012](#) | [2011](#)

Publication Date	Effective Date (if not date of publication)	End of Comment Period	Federal Register Citation	Title of Federal Register
3/06/2023	3/02/2023		88 FR 13673	Additions and Revisions to the Entity List
2/27/2023	2/24/2023		88 FR 12175	Implementation of Additional Sanctions Against Russia and Belarus Under the Export Administration Regulations (EAR) and Refinements to Existing Controls
2/27/2023	2/24/2023		88 FR 12170	Additions of Entities to the Entity List
2/27/2023	2/24/2023		88 FR 12155	Additions of Entities to the Entity List; Revisions of Entities on the Entity List
2/27/2023	2/24/2023		88 FR 12150	Export Control Measures Under the Export Administration Regulations (EAR) to Address Iranian Unmanned Aerial Vehicles (UAV) and Their Use by the Russian Federation Against Ukraine
2/24/2023			88 FR 12108	Implementation of 2021 Wassenaar Arrangement Decisions
2/14/2023	2/10/2023		88 FR 9389	Additions to the Entity List
2/01/2023	1/31/2023		88 FR 6621	Additions to the Entity List for the EAR files
1/18/2023	1/17/2023		88 FR 2821	Implementation of Additional Export Controls: Certain Advanced Computing and Semiconductor Manufacturing Items; Supercomputer and Semiconductor End Use; Entity List Modification; Updates to the Controls to Add Macau
1/17/2023			88 FR 2507	Implementation of Australia Group Decisions from 2021 and 2022 Virtual Meetings: Controls on Marine Toxins, Plant Pathogens and Biological Equipment

Elements of an Effective Export Compliance Program (ECP)





Thank you!

➤ Export Administration Offices:

- Northern California (408) 998-8806
- Southern California (949) 660-0144
- Washington, D.C. (202) 482-4811
- ecdoexs@bis.doc.gov
- rpd2@bis.doc.gov

➤ Export Enforcement Offices:

- Nationwide (800) 424-2980

