Revisions to the Export Administration Regulations: Initial Implementation of Export Control Reform; Correction; Final Rule
DEPARTMENT OF COMMERCE
Bureau of Industry and Security
15 CFR Parts 730, 732, 734, 736, 738, 740, 742, 743, 744, 746, 748, 750, 756, 758, 762, 764, 770, 772, and 774
[Docket No. 120403246–3635–02]
RIN 0969–AF65
Revisions to the Export Administration Regulations: Initial Implementation of Export Control Reform; Correction
AGENCY: Bureau of Industry and Security, Commerce.
ACTION: Final rule; correction

SUMMARY: The Bureau of Industry and Security (BIS) is correcting a final rule that appeared in the Federal Register of April 16, 2013. As part of the Export Control Reform (ECR) Initiative, the Bureau of Industry and Security (BIS), and the Directorate of Defense Trade Controls (DDTC), Department of State, have published multiple proposed amendments to the Export Administration Regulations (EAR) and the International Traffic in Arms Regulations (ITAR), respectively, to strengthen national security by fundamentally reforming the export control system. The final rule implements the initial ECR changes by adding a structure and related provisions to control munitions items that the President has determined no longer warrant export control on the U.S. Munitions List (USML) on the Commerce Control List (CCL), specifically aircraft, gas turbine engines, and related items. The final rule was published in conjunction with a Department of State document that revises the USML so that upon the effective date of both documents, the USML and CCL and corresponding regulatory structures will be complementary. The Department of State is also correcting their final rule that appeared in the Federal Register of April 16, 2013, in a document published elsewhere in this issue of the Federal Register.

DATES: This rule is effective October 15, 2013.


FOR FURTHER INFORMATION CONTACT: For general questions about the “600 series” control structure or transition related questions, contact Hillary Hess, Regulatory Policy Division, Office of Exporter Services, Bureau of Industry and Security, at 202–482–2440 or rpd2@bis.doc.gov. For technical questions about the ECCNs included in this rule contact Gene Christiansen, Office of National Security and Technology Transfer Controls, at 202–482–2984 or gene.christiansen@bis.doc.gov. For questions about the definition of “specially designed,” contact Timothy Mooney, Regulatory Policy Division, Office of Exporter Services, Bureau of Industry and Security, at 202–482–2440 or timothy.mooney@bis.doc.gov.

SUPPLEMENTARY INFORMATION:

Background

The Bureau of Industry and Security (BIS) provides the following corrections to the final rule that appeared in the Federal Register of April 16, 2013 (78 FR 22660). These include correcting typographical and other minor grammatical issues and correcting certain amendatory instructions to reflect the revised regulatory text included in the final rule. In addition, these corrections to the final rule include updating cross references and other regulatory text to ensure the regulatory text reflects the intent of the April 16 final rule and the regulatory text of subsequent final rules published implementing Export Control Reform.

In FR Doc. 2013–8352 appearing on page 22660 in the Federal Register of Tuesday, April 16, 2013, the following corrections are made:

1. On page 22674, in the second column, in the second to the last sentence in the first paragraph, “The new provision would allow the continued use of STA for exports of controlled items to a foreign consignee in one of the STA–36 countries so long as the foreign consignee has a valid license authorizing such a use of STA.” is corrected to read “The new provision would allow the use of STA for exports, reexports or in-country transfers to a consignee in one of the Country Group A:5 countries so long as the foreign consignee has a valid license where the United States Government has authorized the ultimate end use, the license or other authorization is in effect, and the consignee verifies in writing that they have such authorization and provides the license or other approval identifier to the exporter.”

2. On page 22690, in the first column, in the heading 10, “Paragraphs (b)(4) and (b)(5), and the new paragraph (b)(6) (i.e., the “development” exclusions)—incorporating intent during the development phase for consideration of whether to exclude certain commodities from “specially designed”” is corrected to read “Paragraphs (b)(4) and (b)(5), and the new paragraph (b)(6) (i.e., the “development” exclusions)—incorporating intent during the development phase for consideration of whether to exclude certain commodities and software from “specially designed””.

3. On page 22702, in the third column, in the last sentence of the second full paragraph, “BIS has also revised the STA paragraph to provide that paragraph (c)(2) of STA is not available any technology controlled in 9E619.” is corrected to read “BIS has also revised the STA paragraph to provide that paragraph (c)(2) of STA is not available for any technology controlled in 9E619.”

4. On page 22703, in the second column, in the first sentence under heading 8., “BIS is clarifying that 9D619 and 9E619 control software and technology, respectively, for the development of production of “tip shrouds” rather than just “shrouds.”” is corrected to read “BIS is clarifying that 9D619 and 9E619 control software and technology, respectively, for the development or production of “tip shrouds” rather than just “shrouds.””

§ 734.3—[Corrected]

5. On page 22707, in the first column, in § 734.3 Items subject to the EAR, in the note to paragraph (b)(1)(ii) in the fourth sentence, “As the Attorney General exercises independent delegated authority to designate defense articles and services for purposes of permanent import controls, the permanent import control list administered by the Department of Justice has been separately labeled the U.S. Munitions Import List (27 CFR Part 447) to distinguish it from the list set out in the International Trade in Arms Regulations.” is corrected to read “As the Attorney General exercises independent delegated authority to designate defense articles and services for purposes of permanent import controls, the permanent import control list administered by the Department of Justice has been separately labeled the U.S. Munitions Import List (27 CFR Part 447) to distinguish it from the list set out in the International Traffic in Arms Regulations.”

Supplement No. 1 to Part 736 General Orders—[Corrected]

6. On page 22708, in the first column, in Supplement No. 1 to Part 736 General Orders, under General Order No. 5 in the last sentence of paragraph (a), “DDTC licenses, agreements, or other
approvals that contain items transitioning from the USML to the CCL and that are issued prior to the effective date of the final rule transferring such items to the CCL may continue to be used in accordance with the Department of State’s final rule, Amendments to the International Trade in Arms Regulations: Initial Implementation of Export Control Reform, published on April 16, 2013 in the Federal Register. It is revised to read “DDTC licenses, agreements, or other approvals that contain items transitioning from the USML to the CCL and that are issued prior to the effective date of the final rule transferring such items to the CCL may continue to be used in accordance with the Department of State’s final rule, Amendments to the International Traffic in Arms Regulations: Initial Implementation of Export Control Reform, published on April 16, 2013 in the Federal Register.”

§ 740.2—[Corrected]

7. On page 22709, in the first column, in § 740.2 Restrictions on all license exceptions, in paragraph (a)(13)(iv), “License Exception TSU (§ 740.13(a) or (b) of the EAR);” is corrected to read “License Exception TSU (§ 740.13(a), (b), (f) and (g) of the EAR);”

§ 740.9—[Corrected]

8. On page 22709, in the second column, in § 740.9 Temporary imports, exports, reexports, and transfers (in-country)(TMP), in amendment 21, the instruction “Section 740.9 is amended by revising paragraphs (a) and (b) to read as follows:’’ is corrected to read “Section 740.9 is amended by revising the section heading and paragraphs (a) and (b) to read as follows:’’

9. On page 22711, in the third column, in § 740.9 Temporary imports, exports, reexports, and transfers (in-country)(TMP), in paragraph (a)(14)(I), “(Part 748 of the EAR contains for more information about license applications.)” is corrected to read “(Part 748 of the EAR contains for more information about license applications.)’’

§ 740.20—[Corrected]

10. On page 22719, in the first column, in § 740.20 License Exception Strategic Trade Authorization (STA), in paragraph (b)(3)(iii)(C), “The United States Government has issued a license that authorizes the use of License Exception STA, the license is in effect, and the consignee provides a copy of such authorization to the exporter.” is corrected to read “The United States Government has issued a license that authorizes the use of License Exception STA, the license is in effect, and the consignee verifies in writing that the consignee has such authorization and provides the license or other approval identifier to the exporter, reexporter or transferor (as applicable).”

§ 743.4—[Corrected]

12. On page 22722, in the second column, in § 743.4 Conventional arms reporting, in amendment 34, the instruction “Add § 743.4 to read as follows:’’ is corrected to read “Section 743.4 is added to read as follows:’’

§ 748.3—[Corrected]

13. On page 22724, in the second column, in § 748.3 Classification requests, advisory opinions, and encryption registrations, in paragraph (e)(3)(ii), “The overall role of the “part,” “component,” “accessory,” “attachment,” or “software” in the performance capabilities of the enumerated item that it is used in or with;’’ is corrected to read “The overall role of the “part,” “component,” “accessory,” “attachment,” or “software” in the performance capabilities of the enumerated item that it is used in or with;’’

SUPPLEMENT NO. 1 TO PART 748—ITEM APPENDIX, AND BIS—748P-B: END-USER APPENDIX; MULTIPURPOSE APPLICATION INSTRUCTIONS [Corrected]

14. On page 22725, in the first column, in Block 5, “If you are submitting a License Exception STA eligibility request pursuant to § 740.20(g), mark the box labeled “Export” with an +X) and then proceed to Block 6 of this supplement for instructions specific to such requests.” is corrected to read “If you are submitting a License Exception STA eligibility request pursuant to § 740.20(g), mark the box labeled “Export” with an (X) and then proceed to Block 6 of this supplement for instructions specific to such requests.”

§ 758.1—[Corrected]

15. On page 22726, in the second column, § 758.1 The Automated Export System (AES) record, in paragraph (b)(3), “For all exports of “600 series” items enumerated in paragraphs .a through .x of a “600 series” ECCN regardless of value or destination, including exports to Canada;’’ is corrected to read “For all exports of “600 series” items enumerated or otherwise described in paragraphs .a through .x of a “600 series” ECCN regardless of value or destination, including exports to Canada:’’

PART 772—[CORRECTED]

16. On page 22727, in the second column, in § 772.1 Definitions of terms as used in the Export Administration Regulations (EAR), in amendment 65.b., the instruction “Adding, in alphabetical order, the following definitions for the terms “600 series,” “600 Series Major Defense Equipment” or “MDE,” “accessories,” “attachments,” “build-to-print technology,” “component,” “end item,” “equipment,” “facilities,” “material,” “part,” and “system,”’’ is corrected to read “Adding, in alphabetical order, the following definitions for the terms “600 series,” “600 Series Major Defense Equipment or MDE,” “accessories,” “attachments,” “build-to-print technology,” “component,” “end item,” “equipment,” “facilities,” “material,” “part,” and “system,”’’

17. On page 22729, in the second column, in § 772.1 Definitions of terms as used in the Export Administration Regulations (EAR), the definition of the term “system”, “System. This is a combination of “end items,” “parts,” “components,” “accessories,” “attachments,” firmware, or “software” that are designed, modified or adapted to operate together to perform a specialized function.” is corrected to read “System. This is a combination of “end items,” “equipment,” “parts,” “components,” “accessories,” “attachments,” firmware, or “software” that operate together to perform a specialized function.”

PART 774—[CORRECTED]

18. On page 22730, in the first column, in Supplement No. 1 to part 774 (the Commerce Control List), ECCN 0A919, in “items” paragraph a.2.c in the List of Items Controlled section, “Are direct products of U.S. origin “600 series” technology (see § 736.2(b)(3) of the EAR).” is corrected to read “Are

22. On page 22730, in the third column, in Supplement No. 1 to part 774 (the Commerce Control List), in ECCN 9A610, under “Related Controls” paragraph (1) in the List of Items Controlled section, “Technical data directly related to articles enumerated in USML Category XIX are subject to the control of USML Category XIX(g).” is corrected to read “Technical data directly related to articles enumerated or otherwise described in USML Category XIX are subject to the control of USML Category XIX(g).”

23. On page 22731, in the first column, in Supplement No. 1 to part 774 (the Commerce Control List), in ECCN 9A610, under “items” paragraph x in the List of Items Controlled section, “Parts,” “components,” “accessories,” and “attachments” that are “specially designed” for a commodity subject to control in this ECCN or a defense article in USML Category VIII and not elsewhere specified on the USML or the CCL, is corrected to read “Parts,” “components,” “accessories,” and “attachments” that are “specially designed” for a commodity subject to control in this ECCN or a defense article in USML Category VIII and not elsewhere specified on the USML or in ECCN 9A610, y.

24. On page 22731, in the second column, in Supplement No. 1 to part 774 (the Commerce Control List), ECCN 9A610, in “items” paragraph y.10 in the List of Items Controlled section, “Hydraulic and fuel hoses, straight and un bent lines, fittings, clips, couplings, nutplates, and brackets,” is corrected to read “Hydraulic and fuel hoses, straight and un bent lines, fittings, couplings, and brackets.”

25. On page 22731, in the second column, in Supplement No. 1 to part 774 (the Commerce Control List), ECCN 9A610, in “items” paragraph y.29 in the List of Items Controlled section, “Military Aircraft” that were first manufactured from 1946 to 1955 that do not incorporate defense articles enumerated on the U.S. Munitions List, unless the items are required to meet safety or airworthiness standards of a Wassenaar Arrangement Participating State; and do not incorporate weapons enumerated on the U.S. Munitions List, unless inoperable and incapable of being returned to operation.” is corrected to read “Military Aircraft” that were first manufactured from 1946 to 1955 that do not incorporate defense articles enumerated on the U.S. Munitions List, unless the items are required to meet safety or airworthiness standards of a Wassenaar Arrangement Participating State; and do not incorporate weapons enumerated or otherwise described on the U.S. Munitions List, unless inoperable and incapable of being returned to operation.”

b. Do not incorporate weapons enumerated or otherwise described on the U.S. Munitions List, unless inoperable and incapable of being returned to operation.”

26. On page 22731, in the second column, in Supplement No. 1 to part 774 (the Commerce Control List), in ECCN 9A619 heading, is corrected to add the phrase “(see List of Items Controlled)” at the end of the heading before the period.

27. On page 22731, in the third column, in Supplement No. 1 to part 774 (the Commerce Control List), in ECCN 9A619, under “Related Controls” paragraph (1) in the List of Items Controlled section, “Military gas turbine engines and related articles that are enumerated in USML Category XIX, and technical data (including software) directly related thereto, are subject to the jurisdiction of the International Traffic in Arms Regulations (ITAR),” is corrected to read “Military gas turbine engines and related articles that are enumerated or otherwise described in USML Category XIX, and technical data (including software) directly related thereto, are subject to the jurisdiction of the International Traffic in Arms Regulations (ITAR).”

28. On page 22732, in the first column, in Supplement No. 1 to part 774 (the Commerce Control List), in ECCN 9A619, under “items” paragraph y.5 in the List of Items Controlled section, “V-Band, cushion, broomstick, hinged, and loop clamps;” is corrected to read “V-Band, cushion, broomstick, hinged, and loop clamps;”

29. On page 22732, in the first column, in Supplement No. 1 to part 774 (the Commerce Control List), in ECCN 9A619, under “items” paragraph y.5 in the List of Items Controlled section, “9B610 Test, Inspection, and Production” is corrected to read “9B610 Test, Inspection, and Production”

30. On page 22732, in the first column, in Supplement No. 1 to part 774 (the Commerce Control List), in ECCN 9B610 heading, “9B610 Test, Inspection, and Production” is corrected to read “9B610 Test, Inspection, and Production”

31. On page 22732, in the second column, in Supplement No. 1 to part
774 (the Commerce Control List), the ECCN 9B610, under “items” paragraph a in the List of Items Controlled section, “Test, inspection, and production “equipment” “specially designed” for the “production,” “development,” repair, overhaul, or refurbishment of commodities enumerated in ECCN 9A610 (except 9A610.y) or USML Category VIII, and “parts,” “components,” “accessories,” and “attachments” “specially designed” therefor,” is corrected to read “Test, inspection, and production “equipment” “specially designed” for the “production,” “development,” repair, overhaul, or refurbishment of commodities enumerated in ECCN 9A619 (except for 9A619.y) or USML Category XIX, and “parts,” “components,” “accessories,” and “attachments” “specially designed” therefor.”

32. On page 22732, in the second column, in Supplement No. 1 to part 774 (the Commerce Control List), the ECCN 9B619, under “items” paragraph b in the List of Items Controlled section, “Environmental test facilities “specially designed” for the certification, qualification, or testing of commodities enumerated in ECCN 9A610 (except for 9A610.y) or USML Category VIII and “parts,” “components,” “accessories,” and “attachments” “specially designed” therefor,” is corrected to read “Environmental test facilities “specially designed” for the certification, qualification, or testing of commodities enumerated in ECCN 9A619 (except for 9A619.y) or USML Category XIX, and “parts,” “components,” “accessories,” and “attachments” “specially designed” therefor.”

33. On page 22732, in the second column, in Supplement No. 1 to part 774 (the Commerce Control List), the ECCN 9B619 heading, “9B619 Test, inspection, and production “equipment” “specially designed” for the “development” or “production” of commodities enumerated in ECCN 9A619 or USML Category XIX,” is corrected to read “9B619 Test, inspection, and production “equipment” “specially designed” for the “development” or “production” of commodities enumerated or otherwise described in ECCN 9A619 or USML Category XIX.”

34. On page 22732, in the second column, in Supplement No. 1 to part 774 (the Commerce Control List), the ECCN 9B619, under “items” paragraph a in the List of Items Controlled section, “Test, inspection, and production “equipment” “specially designed” for the “production,” “development,” repair, overhaul, or refurbishment of commodities enumerated in ECCN 9A619 (except for 9A619.y) or USML Category XIX, and “parts,” “components,” “accessories,” and “attachments” “specially designed” therefor,” is corrected to read “Test, inspection, and production “equipment” “specially designed” for the “production,” “development,” “specially designed” for the “production,” “development,” repair, overhaul, or refurbishment of commodities enumerated in ECCN 9A619 (except for 9A619.y) or USML Category XIX, and “parts,” “components,” “accessories,” and “attachments” “specially designed” therefor.”

35. On page 22732, in the second column, in Supplement No. 1 to part 774 (the Commerce Control List), the ECCN 9B619, under “items” paragraph b in the List of Items Controlled section, “Equipment, cells, or stands “specially designed” for testing, analysis and fault isolation of engines, “systems,” “components,” “parts,” “accessories,” and “attachments” specified in ECCN 9A619 on the CCL or in Categorization in XIX on the USML,” is corrected to read “Equipment, cells, or stands “specially designed” for testing, analysis and fault isolation of engines, “systems,” “components,” “parts,” “accessories,” and “attachments” enumerated or otherwise described in ECCN 9A619 (except for 9A619.y) or USML Category XIX, and “parts,” “components,” “accessories,” and “attachments” “specially designed” therefor.”

36. On page 22732, in the third column, in Supplement No. 1 to part 774 (the Commerce Control List), the ECCN 9B619, under “items” paragraph y in the List of Items Controlled section, “Bearing pullers “specially designed” for the “production” or “development” of commodities enumerated in ECCN 9A619 (except for 9A619.y) or USML Category XIX and “parts,” “components,” “accessories,” and “attachments” “specially designed” therefor,” is corrected to read “Bearing pullers “specially designed” for the “production” or “development” of commodities enumerated in ECCN 9A619 (except for 9A619.y) or USML Category XIX and “parts,” “components,” “accessories,” and “attachments” “specially designed” therefor.”

37. On page 22732, in the third column, in Supplement No. 1 to part 774 (the Commerce Control List), the ECCN 9C610 heading is corrected to add the phrase “(see List of Items Controlled)” at the end of the heading before the period.

38. On page 22732, in the third column, in Supplement No. 1 to part 774 (the Commerce Control List), the ECCN 9C610, under “items” paragraph a in the List of Items Controlled section, “Materials not elsewhere specified in the USML or the CCL and “specially designed” for commodities enumerated in ECCN 9A610 (except 9A610.y)” is corrected to read “Materials not otherwise specified in the USML or the CCL and “specially designed” for commodities enumerated or otherwise described in ECCN 9A610 (except 9A610.y)”.

39. On page 22732, in the third column, in Supplement No. 1 to part 774 (the Commerce Control List), the ECCN 9C619 heading is corrected to add the phrase “(see List of Items Controlled)” at the end of the heading before the period.

40. On page 22733, in the first column, in Supplement No. 1 to part 774 (the Commerce Control List), the ECCN 9C619, under “items” paragraph of the List of Items Controlled section, “Materials not otherwise specified in the CCL or on the USML” is corrected to read “Materials not otherwise specified in the USML or the "specially designed" for commodities enumerated in ECCN 9A619 (except for 9A619.y)”.

41. On page 22733, in the first column, in Supplement No. 1 to part 774 (the Commerce Control List), the ECCN 9D610 heading is corrected to add the phrase “(see List of Items Controlled)” at the end of the heading before the period and to make the entire heading bold.

42. On page 22733, in the first column, in Supplement No. 1 to part 774 (the Commerce Control List), in ECCN 9D610, the “Related Controls” paragraph in the List of Items Controlled section, “Software directly related to articles enumerated in USML Category VIII is subject to the control of USML paragraph VIII(i)” is corrected to read “Software directly related to articles enumerated or otherwise described in USML Category VIII is subject to the control of USML paragraph VIII(i)”.

43. On page 22733, in the third column, in Supplement No. 1 to part 774 (the Commerce Control List), the ECCN 9D619 heading is corrected to add the phrase “(see List of Items Controlled)” at the end of the heading before the period.

44. On page 22733, in the third column, in Supplement No. 1 to part 774 (the Commerce Control List), in ECCN 9D619, the “Related Controls”
45. On page 22734, in the first column, in Supplement No. 1 to part 774 (the Commerce Control List), in ECCN 9D619, in “items” paragraph b.8 in the List of Items Controlled section, “Mechanical “components” and “parts” as follows: fuel metering units and fuel pump metering units, valves (fuel throttle, main metering, oil flow management), heat exchangers (air/air, fuel/air, fuel/oil), debris monitoring (inlet and exhaust), seals (carbon, labyrinth, brush, balance piston, and “knife-edge”), permanent magnetic alternator and generator, eddy current sensors;” is corrected to read “Mechanical “components” and “parts” as follows: fuel metering units and fuel pump metering units, valves (fuel throttle, main metering, oil flow management), heat exchangers (air/air, fuel/air, fuel/oil), debris monitoring (inlet and exhaust), seals (carbon, labyrinth, brush, balance piston, and “knife-edge”), permanent magnetic alternator and generator, eddy current sensors;”

46. On page 22734, in the first column, in Supplement No. 1 to part 774 (the Commerce Control List), the ECCN 9E610 heading is corrected to add the phrase “(see List of Items Controlled)” at the end of the heading before the period.

47. On page 22734, in the first and second column, in Supplement No. 1 to part 774 (the Commerce Control List), in ECCN 9E610, the “Related Controls” paragraph in the List of Items Controlled section, “Technical data directly related to articles enumerated in USML Category VIII are subject to the control of USML Category VIII(i).” is corrected to read “Technical data directly related to articles enumerated or otherwise described in USML Category VIII are subject to the control of USML Category VIII(i).”

48. On page 22734, in the third column, in Supplement No. 1 to part 774 (the Commerce Control List), the ECCN 9E619 heading is corrected to remove “refurbishment” and add in its place “refurbishing” and is corrected to add the phrase “(see List of Items Controlled)” at the end of the heading before the period.

49. On page 22734, in the third column, in Supplement No. 1 to part 774 (the Commerce Control List), in ECCN 9E619, under “Related Controls” paragraph (1) in the List of Items Controlled section, “Technical data directly related to articles enumerated in USML Category XIX are subject to the control of USML Category XIX(g).” is corrected to read “Technical data directly related to articles enumerated or otherwise described in USML Category XIX are subject to the control of USML Category XIX(g).”


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