FOR IMMEDIATE RELEASE May 9, 2022

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BUREAU OF INDUSTRY AND SECURITY

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Commerce Increases Restrictions on U.S. Exports to Russian Industrial and Commercial Sectors

WASHINGTON – The Commerce Department's Bureau of Industry and Security (BIS) released a rule (link here) building on its March 3, 2022, Russian Industry Sector Sanctions rule (link here) by expanding the scope of items subject to stringent license requirements. The items now subject to license requirements support a wide range of commercial and industrial operations, from wood products to construction machinery, and are consistent with existing restrictions on similar items put in place by the European Union (EU). Today's action furthers international coordination in response to Russia's brutal and illegal invasion of Ukraine and will further deprive Russia's government of additional tools, equipment, and resources it needs to support activities that generate revenues that sustain its military aggression.

"It is clear that "Fortress Russia" is crumbling. There are reports of Russia's inability to replenish and repair Putin's war machine due to a failure to obtain the inputs and finished products necessary to support local production," **said Secretary of Commerce Gina M. Raimondo**. "Today's action further demonstrates the shared resolve of the U.S. and our allies and partners to deny the Russian military the resources and revenue it needs to continue its atrocities against the people and communities of Ukraine."

"From the start of Russia's assault on Ukraine, the U.S. has taken action in close coordination with our like-minded partners and today's action continues that coordination in solidarity with Ukraine," **said Deputy Secretary of Commerce Don Graves.** "Today's action continues to slam the door on Russia's access to the global economy."

"A major military campaign is reliant on a strong industrial base and the ability to quickly and effectively resupply," said Under Secretary of Commerce for Industry and Security Alan Estevez. "Today's action continues our close and powerful coordination with our allies and partners to restrict access to the inputs and items needed to repair, resupply, and support its military and thereby to degrade Putin's war efforts."

"The United States continues to be closely aligned with our international partners in support of Ukraine," said Assistant Secretary of Commerce for Export Administration Thea D. Rozman Kendler. "Our alignment began even before Russia's invasion and has only strengthened in the face of Putin's relentless assault on Ukraine's people and communities, as well as our shared values."

Today's rule builds on the unprecedented international coordination on export controls that have been put in place since Russia's invasion began. Specifically, the rule expands the scope of the Russian industry sector sanctions by adding 205 6-digit Harmonized Tariff Schedule (HTS) codes and the corresponding 478 Schedule B numbers to the list of items requiring a license for the export, reexport, or transfer (in-country) to Russia in order to better align with restrictions put in place by the European Union. These items are classified as EAR99, which previously did not require a license for most exports to Russia. The rule also makes some clarifying and conforming changes to existing rules. The rule takes effect on upon release by the Federal Register. The text of the rule, which includes the list of applicable HTS codes and Schedule B numbers, is available on the Federal Register's website <a href="https://example.com/here-ex

The HTS is administered by the U.S. Department of Homeland Security's Customs and Border Protection and additional information is available online at: https://go.usa.gov/xuf7x. Schedule B numbers are administered by the Census Bureau of the U.S. Department of Commerce and additional information is available online here: https://go.usa.gov/xuf7q.

Further information on the Bureau of Industry and Security's actions in response to Russia's invasion of Ukraine is available online at: https://bis.doc.gov/index.php/policy-guidance/country-guidance/russia-belarus.

For more information, visit www.bis.doc.gov.