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BUREAU OF INDUSTRY AND SECURITY

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Commerce Makes Additions to Entity List for Supporting Online Censorship and Surveillance to Target Political Actors and Human Rights Activists and for Diversion of U.S. Items to Entity Listed Party

WASHINGTON, D.C. – Today, the Commerce Department's Bureau of Industry and Security (BIS) added two entities to the Entity List under seven entries for activities contrary to U.S. national security and foreign policy interests. One entity was found to have been involved in supporting online censorship and surveillance to target political actors and human rights activities, and the other is being added for diversion of U.S. items to an Entity Listed party.

"The United States and our allies and partners are global leaders in innovation, and we must also be global leaders when it comes to living up to our shared values," **said Under Secretary for Industry and Security Alan F. Estevez.** "Today's additions to the Entity List demonstrate that we will not hesitate to act to ensure that powerful, commercially available technologies aren't being used contrary to our values, which include standing against censorship, surveillance, and repression. We also won't stand by as entities seek to provide items to Entity Listed parties and will act accordingly."

"Today's commercially available technologies are powerful, and while they can be used to protect and manage our networks in support of the free flow of information and open communication, they can also be used to engage in surveillance, censorship, and the targeting of activists," said Assistant Secretary of Commerce for Export Administration Thea D.

Rozman Kendler. "BIS is working tirelessly to protect human rights, and today's action sends a clear message that we will not hesitate to stand up for American values."

"We will continue to leverage all of our enforcement and regulatory authorities to prevent U.S. technology from enabling destabilizing activities, from mass surveillance and the targeting of human rights activists and political opponents to nuclear weapons programs," said Assistant Secretary of Commerce for Export Enforcement Matthew S. Axelrod. "And those who attempt to circumvent our Entity List restrictions will themselves be designated and face the same export control restrictions."

Two entities are being added to the Entity List under seven entries in multiple countries. One entity operating in multiple destinations globally is being listed due to information that it supplies deep packet inspection technology to a foreign government, where it is used in mass web-monitoring and censorship to block news as well as target political actors and human rights activists. One entity is based in the People's Republic of China (PRC) and is being added for acquiring and attempting to acquire U.S.-origin items on behalf of a party on the Entity List.

As a result of today's rule, any transactions with these entities that involve items subject to the Export Administration Regulations (EAR) will require a license from the BIS, and applications for those licenses are likely to be denied.

The text of the rule released today, which includes the list of entities, is available on the Federal Register's website here. The effective date for the rule is February 26, 2024.

Additional Background on the Entity List Process

These BIS actions were taken under the authority of the Export Control Reform Act of 2018 and its implementing regulations, the Export Administration Regulations (EAR). The Entity List (supplement no. 4 to part 744 of the EAR) identifies entities for which there is reasonable cause to believe, based on specific and articulable facts, that the entities—including businesses, research institutions, government and private organizations, individuals, and other types of legal persons—have been involved, are involved, or pose a significant risk of being or becoming involved in activities contrary to the national security or foreign policy interests of the United States. Parties on the Entity List are subject to individual licensing requirements and policies supplemental to those found elsewhere in the EAR.

Entity List additions are determined by the interagency End-User Review Committee (ERC), comprised of the Departments of Commerce (Chair), Defense, State, Energy, and where appropriate, the Treasury. The ERC makes decisions regarding additions to, removals from, or other modifications to the Entity List. The ERC makes all decisions to add an entity to the Entity List by majority vote and makes all decisions to remove or modify an entity by unanimous vote.

Additional information on the Entity List is available on BIS's website at: https://bis.doc.gov/index.php/policy-guidance/faqs

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