Bureau of Industry and Security U.S. Department of Commerce

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Commerce Announces Addition of Iceland, Liechtenstein, Norway, and Switzerland to Global Export Controls Coalition

This Latest Action Expands and Enhances Global Coalition Standing with the Ukrainian People Against Russian Aggression

WASHINGTON, D.C. – Today, the U.S. Commerce Department, through the Bureau of Industry and Security (BIS), is issuing a rule that formally adds the nations of Iceland, Liechtenstein, Norway, and Switzerland to the growing global coalition of nations that are cooperating in our stand against Russian aggression, and Belarusian complicity, through their implementation of similarly stringent export controls. Multilateral application of export controls is a forcemultiplier in cutting Russia and Belarus off from the commodities, technologies, and software necessary to sustain their aggression, depriving their defense, aerospace, and maritime sectors of key materials.

"The more countries that agree to implement tough export controls, the less chance Vladimir Putin has to obtain the commodities, software, and technologies that he needs to sustain his brutal war machine," **said Secretary of Commerce Gina M. Raimondo**. "We welcome the commitment of Iceland, Liechtenstein, Norway, and Switzerland to joining the U.S. and 33 other allies and partners in standing together against Putin's aggression."

"Today's rule recognizes the strong partnership we have with Iceland, Liechtenstein, Norway, and Switzerland in standing up for democracy and in solidarity with the people of Ukraine," **said Deputy Secretary of Commerce Don Graves**. "The effectiveness of export controls is enhanced greatly when we are joined by committed international allies and partners. The more our coalition grows, the fewer places Putin and the Kremlin can turn for aid."

"The growing coalition of committed allies and partners standing with Ukraine demonstrates that Putin badly miscalculated if he thought the international community would turn a blind eye to his brutal aggression," **said Assistant Secretary of Commerce for Export Administration Thea D. Rozman Kendler**. "Iceland, Liechtenstein, Norway, and Switzerland are committed to strong export controls in response to Russia's senseless war, and they are key partners in our international response. The controls these countries have implemented further technologically isolate Russia and its supporter Belarus." Under a rule issued and implemented today by BIS, Iceland, Liechtenstein, Norway, and Switzerland are added to the list of countries that are excluded from certain license requirements of the U.S. Russia/Belarus Sanctions rules, including the foreign direct product (FDP) rules for Russia/Belarus and Russian/Belarusian Military End Users (MEUs). Iceland, Liechtenstein, Norway, and Switzerland join Australia, Canada, the 27 member states of the European Union (EU), Japan, the Republic of Korea, New Zealand, and the United Kingdom, bringing the total number of countries excluded from application of the FDP rules to 37.

Specifically, under the Export Administration Regulations (EAR), countries that have made a commitment to implement substantially similar export controls on Belarus and Russia under their domestic laws may receive full or partial exclusions, as appropriate, from the FDP rules' license requirements, and such license requirements are not used to determine controlled U.S.- content under the EAR's *de minimus* rules provided certain criteria set forth under the new Russia-Belarus restrictions (§746.8 of the EAR) are met.

Adoption of substantially similar export controls by the countries in the coalition expands the scope of products that cannot be obtained by Russia and Belarus. Countries that apply substantially similar controls to those of the United States through their own laws are excluded from application of the FDP rules for Russia/Belarus and Russian/Belarusian MEUs because their own domestic controls duplicate the effects of these FDP rules. These partners are sharing in the effort required to implement these controls globally through their own legal systems, educating companies on compliance responsibilities under their domestic laws, and leveraging their law enforcement resources. The United States will continue to work tirelessly with our partners to share information and enforcement resources, and to coordinate on the commodities, technologies, and software to be controlled, which will result in an increasingly effective global effort.

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 text of the rule, which takes effect upon release by the Federal Register on April 8, 2022, is available <u>here</u>.

Additional information on the Bureau of Industry and Security's actions in response to Russia's aggression is available <u>here</u>.

For more information, visit <u>www.bis.doc.gov</u>.

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