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**Assistant Secretary for Export Enforcement Matthew S. Axelrod
Remarks to the Southeast Asia Forum on Export Controls
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Thank you for that kind introduction, Heidi.

I am honored to welcome everyone to this second day of the Southeast Asia Forum on Export Controls. Our collective participation in this forum, and in the Joint Industry Outreach and Women in Strategic Trade discussions earlier this week, reflects a shared belief that we work best when we work together – when we develop common best practices aimed at protecting sensitive technologies, when we deter evasion through robust enforcement, and when we build capacity among strategic trade practitioners.

At the U.S. Department of Commerce, where I serve as Assistant Secretary for Export Enforcement, we have a dedicated team of analysts and agents focused on a singularly important mission: keeping the most sensitive technologies out of the most dangerous hands.

At no point in history has that mission been more important, and at no point have strategic trade controls been more central to our collective security, than right now. Adherents to multilateral export control regimes have long known that such controls are critical to the world’s safety, and most effective when widely implemented across the globe. But our current geopolitical challenges, the increasingly rapid development of technology with the potential to wreak largescale devastation, and the countless ways in which the world is now interconnected, have raised the importance of strategic controls in unprecedented ways.

As just one example, the effectiveness of the stringent multilateral controls recently adopted by the United States and 37 other countries aimed at degrading Russia’s war machine in Ukraine has become front page news. There have been numerous reports that Russia is unable to repair and rebuild its tanks and other weaponry because they lack critical components; Russian and Belarusian commercial airplane traffic has decreased 77%, with Russian airlines having to cannibalize their fleets to keep the remainder operational; and none other than Vladimir Putin

himself assessed in mid-July that “the almost-complete closure of access to foreign high-tech products is a huge challenge for our country” that had put Russia in a “state of disarray.”

The Biden Administration, alongside our allies and partners, has been sending a clear message to those seeking to undermine our strategic trade controls, whether they be our Russia controls or controls traditionally imposed to prevent the advance of WMD, destabilizing military modernization, or human rights abuses. And that message is this: we will work tirelessly to enforce our restrictions and hold accountable those who violate them. My hope is that as partners in the region, we can build a collective capacity for effective enforcement to deliver this same message multilaterally.

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So how can we work together, both to maintain a level global playing field for industry and to ensure a safe and secure world? From my perspective, it’s through three sets of critical partnerships.

First and foremost are partnerships with industry and academia. Industry is often our primary line of defense. After all, they’re the ones who receive the sales order. They’re the ones who evaluate whether the item, end user, and end use are appropriate. That’s one reason why it was so important for this week’s events to kick off with the Joint Industry Outreach seminar. Those of us here who lead enforcement agencies should all be committed to helping industry understand both the importance of trade controls and the mechanics of how to comply with them. It’s much more effective to help companies prevent violations on the front end than to wait to enforce violations on the back end.

For our part, we have been actively working with U.S. and global industry to educate companies on compliance with our export controls and inform them of potential diversion attempts. Our domestic enforcement agents have reached out to almost 600 companies in the past six months to discuss our enhanced Russia controls. And here in Singapore, our regional Export Control Officer, Mike Burnett, has facilitated outreach to more than 1,000 regional exporters on the Russia controls. We’ve also partnered with Singapore, Malaysia, and Japan to host the JIO, which last year alone trained 1,400 exporters in the Asia-Pacific region on strategic trade controls more broadly.

Another way we partner with industry is by helping companies that trade in U.S. items screen their end users. We make frequent updates to our Entity, Unverified, and Denied Persons Lists, and have developed a tool for global companies to easily search and download a consolidated screening list onto their own IT systems. We also warn companies of specific diversion attempts when we receive tips through intelligence, partner, or industry channels.

As for academia, we just launched an Academic Outreach Initiative to partner with research universities, a crucial engine of U.S. and global innovation, in order to help them better understand and comply with export controls. We are initially focusing on those universities that are involved in research and development for our Department of Defense, are researching emerging and foundational technologies, or have affiliations with parties on our Entity List.

Our research universities are busy developing the latest and greatest technologies. But the same open and collaborative research environment that sparks such innovation can also create vulnerabilities for unauthorized technology transfer. That is why it is critical that we partner with academia to minimize risk.

Our second critical set of partnerships involves cooperation across our domestic law enforcement agencies. The U.S. Commerce Department, like our Singaporean colleagues, is rare among strategic trade controllers because we have both export licensing and enforcement under one roof. That co-location helps us link customs and licensing data to identify non-compliant strategic goods shipments. But even in a system such as ours, where the licensing and enforcement functions have connectivity in a single government agency, we have found that working closely with law enforcement partners across the U.S. government helps maximize the effectiveness of our enforcement efforts.

Our domestic collaboration starts with U.S. Customs and Border Protection (CBP), which is housed in a different cabinet agency. We share strategic trade licensing information and work cooperatively with officials at CBP to identify, detain, and seize unauthorized shipments at U.S. ports and borders. For example, in the first six months since Russia's further invasion of Ukraine, we have detained nearly 240 outbound shipments worth over \$93 million that were all destined for Russia. That means we're on pace to achieve nearly as many detentions this fiscal year for items headed to Russia as we did last year for the entire world. Our ability to focus attention on Russia in this way simply would not be possible without our powerful partnership with our customs agency.

We also have crucial investigative partnerships with a variety of other U.S. law enforcement agencies, like FBI, HSI, ATF, and Department of Defense investigators. Although we work in different agencies housed in different cabinet departments, our complementary tools, authorities, and resources allow us to be more effective together than we would be separately. Simply put, it's rare that we work a case alone. We rely on these domestic partnerships to enhance our capacity to enforce our controls. This type of partnership among domestic enforcers is a practice we believe can prove successful across the globe.

Which brings me to the third set of partnerships – our partnerships with all of you, both bilaterally and multilaterally. We live in a world where the manufacture and distribution of advanced technologies often spans multiple countries. At every point in this global network there are potential vulnerabilities that adversaries can attempt to exploit, whether it be stealing intellectual property (including for controlled technology) or diverting items for WMD or illicit military end uses. For all of us who work to establish and enforce strategic trade controls, that deep interconnectedness of the global supply chain means we must be deeply interconnected as well.

A key part of that interconnection is the sharing of information and best practices. Earlier this summer, we announced the establishment of enhanced enforcement coordination efforts with both Canada and the European Commission. One foundational element of our coordination is the sharing of information to increase each other's capability to enforce strategic controls.

By sharing shipment data with our partners in Canada, for example, we have already been able to identify diversion pathways and collaborate on investigative actions that have prevented adversaries from acquiring controlled items. Here in the Asia-Pacific region, we hope to similarly expand upon the relationships we have with the countries in this room to further support enforcement capacity building. We look forward to the opportunity to discuss concrete ways to do that in bilateral and multilateral sessions with you later today and tomorrow. By combining our efforts through coordinated enforcement, we believe we expand our joint capacity to safeguard technologies from misuse and misappropriation – and help keep all of our countries safe and secure.

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Let me close with this. There's an old saying: "If you want to go fast, go alone. But if you want to go far, go together." The challenges we collectively face require us to do both – to go fast and far at the same time. To me, that means we all have lots of work to do individually, within our own agencies and countries, to design, implement, and enforce effective strategic trade controls. But it also means that we have lots of work to do together, in partnership with one another.

I recognize that given the differences in our authorities and in our agencies' structures, there will also be differences in how we each implement our respective controls. But I am confident that we can all benefit from building ways to share best practices on effective enforcement, including through enhanced information sharing, to protect our collective security interests.

I look forward to meeting with you over the next two days so that we can continue to learn from one another on how best to enforce strategic trade controls and, in so doing, help build a safer world. Thank you and now on to today's program.

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