FOR IMMEDIATE RELEASE

WASHINGTON, D.C.—Today, the Commerce Department’s Bureau of Industry and Security (BIS) added 49 entities to the Entity List for providing support to Russia’s military and/or defense industrial base. Forty-two of the entries are based in the People’s Republic of China (PRC), with additional entities based in Estonia, Finland, Germany, India, Turkey, the United Arab Emirates (UAE), and the United Kingdom.

These entities supplied Russian consignees connected to the Russian defense sector with U.S.-origin integrated circuits, including those identified in “Tier 1” of the Common High Priority Items List developed by the U.S. and other international partners. Russia relies on these microelectronics for precision guidance systems in the missiles and drones it uses against civilian targets in its unlawful war in Ukraine.

“We have been clear since the beginning—we will not hesitate to act against parties, wherever located, that facilitate the sale of U.S.-origin items to Russia’s military for its war against Ukraine,” said Under Secretary of Commerce for Industry and Security Alan Estevez. “No matter how convoluted the trail may be or how many hands items are passing through, if U.S.-origin items are finding their way to Russia’s military, we will work tirelessly to stop it.”

“These entities account for a significant portion of the global trade in U.S.-origin integrated circuits to Russia from March through July 2023 and our action today is a clear warning to others that we will not hesitate to act,” said Assistant Secretary of Commerce for Export Administration Thea D. Rozman Kendler. “We will continue working with our international allies and partners to identify entities of concern and take action using our regulatory tools as appropriate.”

“Today’s additions to the Entity List provide a clear message: if you supply the Russian defense sector with U.S.-origin technology, we will find out, and we will take action,” said Assistant Secretary for Export Enforcement Matthew S. Axelrod. “But we also need the help of industry – we need you to exercise extra caution when shipping high-priority items to customers abroad, to help ensure those customers aren’t then funneling those items to Russian missile and drone programs.”

Text of the rule is available online [here](https://bis.doc.gov). This rule is effective as of October 6, 2023.
Developed in cooperation with partners such as the European Union, the United Kingdom, and Japan, the Common High Priority Items List includes items, identified by 6-digit Harmonized System (HS) codes, that pose a heightened risk of being diverted illegally to Russia because of their importance to Russia’s war efforts. Notably, BIS has identified electronic integrated circuits in Tier 1 of the Common High Priority Items List, which covers items of the highest concern due to their critical role in the production of advanced Russian precision-guided weapons systems. Companies that ship integrated circuits or other items on the Common High Priority Items List face heightened risk of being caught up in Russia’s illicit procurement networks and may face regulatory action from BIS, among other consequences.

The Common High Priority Items List is available on BIS’s website here. To aid industry in preventing diversion of these items to Russia through third countries, BIS and its allies have published guidance on identifying Russian evasion patterns, red flags, and due diligence, including a best practice of obtaining end-use certifications, for exports of the highest priority items. Additional information on BIS’s actions related to Russia’s invasion of Ukraine including additional compliance information for industry, academia, and other stakeholders is available on BIS’s Russia-Belarus Resources page here.

**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—that 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 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, based on specific and articulable facts that the entities 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.

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.

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