



UNITED STATES DEPARTMENT OF COMMERCE
Assistant Secretary for Export Enforcement
Washington, D.C. 20230

Export Enforcement: 2022 Year in Review

Protecting our technological advantages and preventing our adversaries from using our technologies against us or their own people are essential to our national security, as Jake Sullivan, the National Security Advisor, [stated in September](#) and Secretary Raimondo [emphasized in November](#). One critical tool in that fight is export enforcement.

Over the past calendar year, Export Enforcement has:

Strengthened administrative enforcement to keep the most critical U.S. technology out of the most dangerous hands. Strong and transparent export enforcement actions are the key to creating a level playing field that incentivizes investments in compliance. Accordingly, we made the following [changes](#) to our administrative enforcement policies:

- Made charging letters [public](#) upon filing with an administrative law judge.
- Eliminated “no admit, no deny” settlements.
- Raised penalty amounts for the most serious violations.
- Implemented non-monetary resolutions for cases without serious national security harm.
- Revised the voluntary self-disclosure (VSD) process to fast track most resolutions while focusing on those of most serious potential harm to national security.
- Refreshed BIS’s enforcement [webpage](#) to make enforcement actions easy to access.

Took enforcement action against significant national security threats, including:

- Worked with the Department of Justice (DOJ) to obtain an [indictment](#) against five Russian nationals and two oil traders for allegedly sourcing and purchasing sensitive military and dual-use items from U.S. manufacturers, including advanced semiconductors and microprocessors used in fighter aircraft, missile systems, smart munitions, radar, satellites, and other space-based military applications. Some of the electronic components obtained through this scheme were found in Russian weapons platforms seized on the battlefield in Ukraine.
- With DOJ, obtained a 16-count [indictment](#) charging five Russian nationals, including a suspected FSB Officer, and two U.S. nationals with conspiracy and other charges related to a global procurement and money laundering network on behalf of the Russian government. In a parallel enforcement action, we also [denied export privileges](#) to three persons and two companies for unlawfully purchasing and exporting sensitive components to Russian end-users, including end-users affiliated with Russian intelligence services.
- Issued a record number of [Temporary Denial Orders \(TDOs\)](#) to prevent imminent violations of the Export Administration Regulations, including 10 against Russia’s and Belarus’s biggest airlines, as well as renewed another against Iran’s Mahan Airlines.
- For the first time ever, [publicly listed](#) nearly 200 aircraft from Russia, Belarus, and Iran that triggered General Prohibition 10 restrictions, which prohibit parties from taking subsequent actions like refueling, maintenance, and repair.

- Worked with DOJ to secure an [indictment](#) against several individuals for attempting to illegally export to Russia a high-precision grinding machine system, which has potential application in nuclear proliferation and defense programs.
- Through the established interagency process, added 519 parties – the most ever – from China, Russia, Pakistan, and other countries to the [Entity List](#), which severely restricts these parties’ access to commodities, software, and technologies subject to the Export Administration Regulations.
- Issued five [charging letters](#) publicly, including against people and entities charged with illegally exporting sensitive U.S.-origin goods to Iran, Syria, and Russia, one of whom is a Russian oligarch.
- Issued a [TDO](#) suspending the export privileges of three companies for exporting to China technical drawings and blueprints used to 3-D print satellite, rocket, and defense-related prototypes.
- Worked with DOJ to obtain a [guilty plea](#) from a Texas man who was selling Chinese security cameras, solar-powered light towers, digital video recorders, and other electronics to various U.S. agencies and lying about where they were manufactured.
- In partnership with DOJ, obtained an [indictment](#) for an Alabama man accused of illegally exporting U.S.-origin goods to Iran.
- Worked with DOJ to obtain a [guilty plea](#) from a U.K. man for exporting and attempting to export an Industrial Microwave System and counter-drone system to Iran.

Enhanced our ability to facilitate end-use checks by announcing a new [two-step policy](#) that moves parties onto the Unverified List, and then from the Unverified List to the Entity List, when a host government’s sustained non-cooperation prevents the timely scheduling of end-use checks.

Strengthened antiboycott enforcement to ensure that U.S. firms are not used to support unsanctioned foreign boycotts, most notably the Arab League Boycott of Israel. We made the following [changes](#):

- Re-ordered penalty tiers in the regulations.
- Raised penalty amounts.
- Eliminated “no admit, no deny” settlements.
- Announced an enhanced focus on foreign subsidiaries of U.S. companies.

Developed partnerships with academia, industry, foreign government counterparts, and domestic interagency partners:

- Launched the [Academic Outreach Initiative](#) to help academic institutions maintain an open, collaborative research environment in a way that also protects them from national security risk.
- Put out the first-ever [joint alert](#) between FinCEN and BIS – focused on Russia evasion indicators and including a special Suspicious Activity Report (SAR) code.
- Updated, reorganized, and published a compendium of fact patterns that resulted in enforcement actions, entitled [Don’t Let This Happen to You](#).
- [Announced](#) a partnership with the Canada Border Services Agency (CBSA), which includes –for the first time ever – having an Export Enforcement analyst embedded with CBSA.
- Established new Export Control Officer positions in Finland and Taiwan.
- [Announced](#) enhanced enforcement collaboration with European Union (EU) member states through the U.S.-EU Trade and Technology Council.