



**FOR IMMEDIATE RELEASE**  
October 9, 2024  
[www.bis.gov](http://www.bis.gov)

**BUREAU OF INDUSTRY AND SECURITY**  
Office of Congressional and Public Affairs  
Media Contact: [OCPA@bis.doc.gov](mailto:OCPA@bis.doc.gov)

**BIS Issues Guidance to Financial Institutions on Best Practices for Compliance with the Export Administration Regulations**

**WASHINGTON, D.C.** – Today, the Department of Commerce’s Bureau of Industry and Security (BIS) published [guidance](#) for financial institutions (FIs) containing best practice recommendations for complying with the Export Administration Regulations (EAR).

The guidance provides both background information on the EAR and recommendations on steps financial institutions can take to minimize the likelihood of EAR violations. The recommendations include a description of EAR-related due diligence best practices, the encouragement of ongoing transaction reviews for red flags, and a delineation of which types of real-time transaction screenings are and are not regarded as a best practice.

“Every export – every single one – has a related financial transaction,” said **Assistant Secretary for Export Enforcement Matthew S. Axelrod**. “Today’s guidance provides recommendations to financial institutions on how to best comply with our regulations so they can spot red flags and avoid being used as instruments to facilitate export evasion.”

The guidance focuses on General Prohibition 10 (GP 10), which prohibits financial institutions (and other persons) from financing or otherwise servicing any item subject to the EAR with knowledge that a violation of EAR has occurred, is about to occur, or is intended to occur. Such knowledge of a circumstance includes not only positive knowledge that the circumstance exists or is substantially certain to occur, but also an awareness of a high probability of its existence or future occurrence.

To avoid potential violations of GP 10 of the EAR, the guidance outlines several best practices, including: screening customers when onboarded and after against the U.S. [Consolidated Screening List](#); recommending that customers of FIs who deal with EAR items certify compliance with the EAR under certain circumstances; and establishing risk-based procedures to detect and investigate red flags post-transaction and, where necessary, to take action to prevent violations of the EAR before proceeding with any transactions involving the same customer or counterparties.

The guidance also recommends that financial institutions closely review their customers (and, where appropriate, their customers’ customers) against lists of entities that, according to publicly available trade data (such as the [Trade Integrity Project](#)), have shipped [Common High Priority List](#) (CHPL) items to Russia since 2023, and determine whether any other red flags are present. Today’s guidance builds on ongoing efforts by BIS to provide information to industry and enhance the overall security and integrity of the international trade system. BIS, along with the

Departments of the Treasury, Justice, and others previously issued several joint alerts, advisories, and notices on topics ranging from [Russian evasion tactics](#) to [voluntary self-disclosures](#).

For more information, visit <https://www.bis.gov/enforcement-policy-memos>.

###