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BUREAU OF INDUSTRY AND SECURITY

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Commerce Makes Revisions to the Entity List to Strengthen U.S. National Security

Washington, D.C. – Today, the U.S. Department of Commerce's Bureau of Industry and Security (BIS) added 11 entities to the Entity List, under the destination of the People's Republic of China (PRC), for activities contrary to U.S. national security and foreign policy interests. Ten entities were added due to their advancement of the PRC's military modernization through the development and integration of advanced artificial intelligence research. One entity was added for its involvement in development of lithography technology for advanced-node fabrication facilities in China. This technology will enable indigenous production in China of advanced integrated circuits for military end-use.

Additionally, after an interagency review, BIS also modified one existing entry on the Entity List, under the destination of India, by removing 3 entities within the entry. The removal of Indian entities Indian Rare Earths, Indira Gandhi Atomic Research Center (IGCAR), and Bhabha Atomic Research Center (BARC) will support U.S. foreign policy objectives by reducing barriers to advanced energy cooperation, including joint research and development and science and technology cooperation, towards shared energy security needs and goals. The United States and India share a commitment to advancing peaceful nuclear cooperation and associated research and development activities, with strengthened science and technology cooperation over the past several years that has benefitted both countries and their partner countries around the world.

"As these actions demonstrate, the Entity List is a powerful tool that can be used to shape behavior that advances U.S. national security and global cooperation," said **Under Secretary of Commerce for Industry and Security Alan F. Estevez**. "With these Entity List additions and removals, we have sent a clear message that there are consequences for supporting the PRC's military modernization, and alternatively, incentives for working with the U.S. to further shared foreign policy goals and stronger bilateral relationships."

"The removal of the three Indian entities will enable closer cooperation between the United States and India to secure more resilient critical minerals and clean energy supply chains," said **Principal Deputy Assistant Secretary of Commerce for Export Administration Matthew Borman**. "This action aligns with and supports the overall ambition and strategic direction of the U.S.-India partnership."

Additional Background

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 and addresses 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—or parties that are operating at an address that presents a high diversion risk, 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. Parties on the Entity List are subject to individual licensing requirements and policies supplemental to those found elsewhere in the EAR.

The interagency End-User Review Committee (ERC)—comprised of the Departments of Commerce (Chair), Defense, State, Energy, and where appropriate, the Treasury—makes decisions regarding additions to, removals from, or 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.

The text of the rule, which includes the list of entities, is available on the Federal Register's website <u>here</u>.

Additional information on the Entity List is available on BIS's website at: https://www.bis.gov/entity-list.

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

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