

June 19, 2020

Amendment of the Export Administration Regulations People's Republic of China, Russia and Venezuela

Dear Valued U.S. Export Customer,

The Department of Commerce, Bureau of Industry and Security (BIS) recently published two notices in the Federal Register regarding amendment of the Export Administration Regulations (EAR). BIS' mission is to "advance U.S. national security, foreign policy, and economic objectives by ensuring an effective export control and treaty compliance system and promoting continued U.S. strategic technology leadership." The EARs apply to items being exported under the jurisdiction of the BIS.

The amendments would expand license requirements on exports, reexports, and transfers (in-country) of items intended for military end use or military end users in the People's Republic of China (China), Russia, or Venezuela.

The effective date pertains to goods due to export on or after June 29, 2020.

- Expands the licensing requirements for China to include "military end users," as well as "military end use," as Russia and Venezuela are set up
- Broadens the list of items for which the licensing requirements and review policy apply; adding materials processing, electronics, telecommunications, information security, sensors and lasers, and propulsion
- Expands the definition of "military end use" beyond any item for "use," "development," or "production" to include any item that supports or contributes to the operation, installation, maintenance, repair, overhaul, refurbishing, "development," or "production," of military items
- Creates a new reason for control and the associated review policy for regional stability for certain items exported to China, Russia, or Venezuela
- Expands Electronic Export Information (EEI) filing requirements in the Automated Export System (AES) for items destined to China, Russia, or Venezuela

EEI provisions currently exempt exporters from submitting filings for items valued under US\$2,500 (unless an export license is required) and from entering the Export Classification Control Number (ECCN) when the reason for control is only AT (anti-terrorism).

In order to promote transparency for controlled items destined for China, Russia, or Venezuela, the rule will require a filing in the AES **for items on the Commerce Control List (CCL)** to these destinations regardless of value, unless the items are eligible for License Exception GOV. The filing also must include the correct ECCN regardless of reason for control, even if no license is required to ship the item. Certain exemptions are still valid (e.g. personally owned baggage).

Items designated as EAR99 with a value less than US\$2,500 destined for China, Russia, or Venezuela do not require filing in the AES. There is no change in regulation for these items.

Our information is compiled from several sources that to the best of our knowledge are accurate and correct. It is always the intent of our company to present accurate information. C.H. Robinson accepts no liability or responsibility for the information published herein.



Certain shipments scheduled (on dock for loading, on lighter, laden aboard an exporting carrier, or en route aboard a carrier to port of export) on June 29, 2020 may proceed to their destination under the previous license exception eligibility or without a license so long as they are exported, reexported or transferred (in-country) before July 27, 2020. If not exported, reexported or transferred before midnight, July 27, 2020, a license will be required.

Federal Register notice of April 28, 2020 can be found [here](#).

A correction was issued to publish the full text of each revised ECCN on the Commerce Control List (CCL).

Federal Register notice of June 3, 2020 can be found [here](#).

Thank you for being our Valued Customer. If you have any questions, please do not hesitate to contact your C.H. Robinson commercial representative for further information.

Sincerely,
C.H. Robinson

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