



Russia & Belarus Export Sanctions

Under the Export Administration Regulations

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U.S. Response to Russia Invasion of Ukraine

- In response to the Russian Federation's (Russia's) invasion of Ukraine, the Bureau of Industry and Security (BIS) has taken swift and severe action to impose stringent export controls on Russia.
- These restrictions have also been applied to Belarus in response to its substantial enabling of Russia's invasion.



Note: *The export control being implement on Russia and Belarus, extend to exports, reexports and transfers (in-country) for the new controls that have been added to the EAR.*

Objectives of Export Control Restrictions

- Impair Russia's military capability
 - Target the defense, aerospace, and maritime sectors
 - Broadly restrict exports in materials, materials processing, electronics, computers, telecommunications, information security, lasers and sensors, navigation and avionics, marine, and aerospace categories
- Impair Russia's refining capability
 - Specified oil refinery equipment
- Impair oligarch's purchasing ability
 - Luxury goods



Sweeping Export Restrictions on Russia



Policy of Denial for all multilaterally controlled items

Policy of Denial for all Commerce Control List items subject to Antiterrorism controls that require a license

Foreign-direct product (FDP) rules applies to Russia and military end users

Added/identified over 200 parties including Russia military end users to Entity List

Some exclusions for global alliance countries

Some license exceptions (or portions of) available, e.g., CCD, ENC, TMP, BAG

Generally, policy of denial, some case-by-case (humanitarian, safety, allies)

Oil refinery equipment
Luxury goods

Sweeping Export Restrictions on Belarus



To prevent the diversion of items, including technology and software, in the defense, aerospace, and maritime sectors to Russia through Belarus, and

To degrade both nations' ability to sustain military aggression.

Export restrictions are the same as was applied for Russia

Policy of Denial Multilaterally Controlled Items

Wassenaar Arrangement

Australia Group

Nuclear Suppliers Group

Missile Technology Control Regime



Policy of Denial Antiterrorism (AT) Controls

- Commerce Control List

- Category 0 Miscellaneous
- Category 1 Materials, Chemicals, Microorganisms and Toxins
- Category 2 Materials Processing
- Category 3 Electronics
- Category 4 Computers
- Category 5 Part One Telecommunications
- Category 5 Part Two Information Security
- Category 6 Lasers and Sensors
- Category 7 Navigation and Avionics
- Category 8 Marine
- Category 9 Aerospace



Foreign Direct Product Rule

- Covers foreign-made items
 - Based on U.S. software or technology in categories 0-9
 - Produced with U.S. equipment based on categories 0-9
- Direct product must be AT level or other ECCN, except if destined to designated military end user



De Minimis

- Controlled U.S.-origin content to Russia or Belarus includes:
 - Multilaterally controlled items
 - 9A991 and AT controlled items categories 0-9, except Global Coalition Countries.
- Foreign made items with greater than 25% EAR controlled U.S.-origin content to Russia or Belarus are subject to the EAR
- Examples
 - Civil aircraft
 - Electronics items



Prohibit All Exports to Enablers of Aggression



Added over 200 entities to the Entity List mostly in Russia but also in Belize, Estonia, Kazakhstan, Latvia, Malta, Singapore, Slovakia, Spain, and United Kingdom.

These entities have been involved in, contributed to, or otherwise supported the Russian security services, military and defense sectors, and military and/or defense research and development efforts.

Target Russian Oil Sector

- Added license requirements to further limit the Russian oil sector by restricting the export, reexport and transfer (in-country) of additional items needed for oil refining.
- Limiting the export, reexport and transfer (in-country) of critical oil refining equipment will reduce the revenue Russia needs to support its military capabilities
 - Sale of gasoline produced from Russian oil is a major source of revenue for Russia.
- Policy of denial for item in the new list of oil refining items.



Exports of Luxury Goods



- Imposed sanctions on the export, reexport, or in-country transfer of luxury goods for all end users within Russia or Belarus, as well as for the export, reexport, or in-country transfer worldwide for certain Russian and Belarusian oligarchs and malign actors.
- The U.S.-origin luxury goods that are impacted include certain spirits, tobacco products, clothing items, jewelry, vehicles, and antique goods.
- Census Bureau statistics show 2020 U.S. exports to Russia of gem diamonds alone valued at over \$40 million.
- The same statistics show 2020 U.S. exports of jewelry valued at \$33.5 million and art and antiques valued at \$13 million.
- Exports to Russia of U.S. alcoholic beverages in 2020 including bourbon, whiskey, wine and beer totaled \$6.5 million.

Global Coalition Of Nations



Multilateral application of export controls is a force-multiplier in cutting off Russia and any additional entities that seek to provide them material support, from the commodities, technologies, and software necessary to support advanced defense, aerospace, and maritime sectors.

Countries **publicly commit** to implementing substantially similar export controls on Russia and Belarus under their domestic laws

Receive an exclusion from the license requirements required under the U.S. Russia/Belarus Sanctions rules, for:

- The foreign direct product (FDP) rules for Russia/Belarus and Russian/Belarusian Military End Users (MEUs), and
 - Not counting AT-only ECCNs and 9A991 for de minimis.
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European Union + Australia, Canada, Iceland, Japan, Liechtenstein, New Zealand, Norway, South Korea, United Kingdom, Switzerland.



Civil Aircraft Advisory



FOR IMMEDIATE RELEASE

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BUREAU OF INDUSTRY AND SECURITY

Office of Congressional and Public Affairs

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COMMERCE DEPARTMENT IDENTIFIES COMMERCIAL AND PRIVATE AIRCRAFT EXPORTED TO RUSSIA IN APPARENT VIOLATION OF U.S. EXPORT CONTROLS

Providing Any Form of Service to These Aircraft Is Also A Likely Violation of U.S. Law

WASHINGTON, D.C. – Today, the U.S. Commerce Department, through its Bureau of Industry and Security (BIS), publicly identified commercial and private aircraft that have flown into Russia in apparent violation of the Export Administration Regulations (EAR). In so doing, BIS is notifying the public that providing any form of service to these aircraft requires authorization. Absent such authorization, any person anywhere—including within Russia—risks violating the EAR and would be subject to BIS enforcement actions which could include substantial jail time, fines, loss of export privileges, or other restrictions. By preventing these aircraft from receiving any service, for example including from abroad, international flights from Russia on these aircraft are effectively grounded. Today's actions are part of BIS's response to Russia's further invasion of Ukraine.

"Today, the Department of Commerce is demonstrating the power and reach of the actions we took over the past few weeks in response to Russia's brutal war of choice against Ukraine," said Secretary of Commerce Gina M. Raimondo. "We are publishing this list to put the world on notice—we will not allow Russian and Belarusian companies and oligarchs to travel with impunity in violation of our laws."

"The actions we have taken to date have isolated Russia and Belarus from the global economy, and I hope that today's action brings that fact home to the Russian businesses and oligarchs that seek to continue their operations," said Deputy Secretary of Commerce Don Graves. "We are working with our allies and partners to ensure that Russia and Belarus understand that our actions aren't idle words or dead letters on the page. They have real teeth and as Putin's vicious war continues, they will continue to bite harder on the Russian and Belarusian economies."

"Commitment to the rule of law is one of the democratic principles that we and our allies and partners stand for as we stand with the people of Ukraine," said Assistant Secretary of Commerce for Export Enforcement Matthew S. Axelrod. "Today's action lets Vladimir Putin's enablers know that, as a consequence of their actions, they have fewer places to hide and fewer ways to get there."

(10) General Prohibition Ten - Proceeding with transactions with knowledge that a violation has occurred or is about to occur (Knowledge Violation to Occur). You may not sell, transfer, export, reexport, finance, order, buy, remove, conceal, store, use, loan, dispose of, transport, forward, or otherwise service, in whole or in part, any item subject to the EAR and exported or to be exported with knowledge that a violation of the Export Administration Regulations, the Export Administration Act or any order, license, License Exception, or other authorization issued thereunder has occurred, is about to occur, or is intended to occur in connection with the item. Nor may you rely upon any license or License Exception after notice to you of the suspension or revocation of that license or exception. There are no License Exceptions to this General Prohibition Ten in part 740 of the EAR.

Effect of Sanctions

- These export controls, along with the Treasury Department's financial sanctions, have already had a swift and severe impact on Russia's ability to engage in malicious activities.
- Over 300 private companies that have left Russia or halted operations
- The Kremlin has acknowledged the severe impact on the economy, and while they claim that they will be able to "minimize" those impacts, it is clear that is not true.
- The power and effect of our export controls will increase over time as the Russian military uses what items it has and is unable to procure replacements or access cutting-edge technologies, while the country is cut off from the revenues and materials it needs to sustain its military operations.
- The Russian economy is facing serious financial restrictions which are leading to inflation and a collapse of their currency.



Department of Commerce Bureau of Industry & Security Regulations



- **February 24, 2022:** Sweeping Export Restrictions on Russia in Response to Further Invasion of Ukraine
- **March 2, 2022:** Sweeping Export Restrictions on Belarus for Enabling Russia's Further Invasion of Ukraine
- **March 3, 2022:** Further Imposition of Sanctions Against Russia with the Addition of Certain Entities to the Entity List
- **March 3, 2022:** Target Russian Strategic Industries and Punish Enablers of Aggression
- **March 4, 2022:** Commerce Announces Republic of Korea Exclusion Rule
- **March 11, 2022:** Commerce Imposes Controls to Restrict Exports of Luxury Goods to Russia and Belarus and to Russian and Belarusian Oligarchs and Malign Actors in Latest Response to Aggression Against Ukraine
- **April 7, 2022:** Further Imposition of Sanctions Against Russia with the Addition of Certain Entities to the Entity List
- **April 14, 2022:** Expansion of Sanctions Against Russia and Belarus

Contact Information



- **Email:** If contacting the Office of Exporter Services via e-mail, please include a telephone number to facilitate BIS's response to your request. Specific questions can be emailed to:
 - ECDOEXS@bis.doc.gov
 - OEXSsubmissions@bis.doc.gov
- **Telephone:** If you have any questions about export licensing requirements or submitting a license application, you may contact BIS's Office of Exporter Services at:
 - (202) 482-4811 - Outreach and Educational Services Division (located in Washington, DC – open Monday-Friday, 8:30am-5:00pm ET)
 - (949) 660-0144 - Western Regional Office (located in Irvine, CA – open Monday-Friday, 8:00am-5:00pm PT)
 - (408) 998-8806 - Northern California branch (located in San Jose, CA – open Monday-Friday, 8:00am-5:00pm PT)
- **Formal Advisory Opinions:**
 - Request an Advisory Opinion:
<https://bis.doc.gov/index.php/component/rsform/form/22-advisory-opinion-request?task=forms.edit>