

Commerce Press Release



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BUREAU OF INDUSTRY AND SECURITY

April 11, 2024

Office of Congressional and Public Affairs

<https://bis.doc.gov>

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Commerce Adds 11 Entities to the Entity List for Supporting PRC Military Modernization and Providing Support to Russia's Military

WASHINGTON, D.C. – The U.S. Commerce Department's Bureau of Industry and Security (BIS) added 11 entities to the Entity List for activities contrary to U.S. national security and foreign policy interests. The 11 entities are under the destinations of the People's Republic of China (PRC) (6), Russia (3), and the United Arab Emirates (UAE) (2).

Four entities were added for support for the PRC's military modernization efforts; Two of these four also supported Military-Intelligence End Users through the acquisition of U.S.-origin items.

"We remain laser focused on our commitment to rigorously tracking down every lead we can find to stop our most critical tools from being used against us," **said Under Secretary of Commerce for Industry and Security Alan Estevez.**

Additionally, five of the eleven entities are Russian and PRC entities were added for actions related to unmanned aerial vehicles (UAVs). Of these, four are part of a procurement network for components for UAV applications. These components are used to develop and produce Shahed-series UAVs which have been used by Iran to attack oil tankers in the Middle East and by Russia in Ukraine. Entities were also added for support for Russia's defense industrial base, and procurement of dual-use components intended for UAV applications in Iran.

"When entities act contrary to U.S. national security interests, we don't hesitate to take appropriate action to prevent them from receiving U.S. technology," **said Assistant Secretary of Commerce for Export Administration Thea D. Rozman Kendler.** "Putin's illegal and immoral war in Ukraine, in addition to the PRC's military modernization efforts, will not be aided by U.S. technologies."

"These actions make clear that U.S. technology should not – and cannot – be used to enable military modernization by China or the manufacture of drones by Iran," **said Assistant Secretary for Export Enforcement Matthew S. Axelrod.** "When Chinese or Iranian parties attempt to use U.S. technology to advance malign agendas, they forfeit their ability to receive unlicensed shipments of U.S. goods."

This rule also modifies one existing entity on the Entity List to account for an additional alias.

The text of the rule, which includes the list of entities, is available on the Federal Register's website [[here](#)]. The effective date for the rule is April 11, 2024.

Additional Background on the Entity List Process

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 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—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.

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

Additional information on the Entity List is available on BIS's website at: <https://bis.doc.gov/index.php/policy-guidance/faqs>

For more information, visit www.bis.doc.gov.

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