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COMMERCE SIGNIFICANTLY STREAMLINES EXPORT CONTROLS FOR AUSTRALIA AND THE UNITED KINGDOM, ADVANCES GOALS OF THE AUKUS ENHANCED TRILATERAL SECURITY PARTNERSHIP

WASHINGTON, D.C. – Today, the U.S. Commerce Department's Bureau of Industry and Security (BIS) published an interim final rule significantly reducing licensing requirements for Australia and the United Kingdom (UK) to foster defense trade and technological innovation. BIS anticipates these changes will reduce licensing burdens for trade with Australia and the UK by over 1,800 total licenses valued at over \$7.5 billion per year.

BIS is removing Commerce Control List (CCL) license requirements to allow Commercecontrolled military items, missile technology-related items, and hot section engine-related items to be exported or reexported to Australia and the UK without a license. As a result, many Commerce-controlled items, including certain satellite-related items, will now be eligible for export or reexport to Australia and the UK without a license.

"Australia and the United Kingdom are among our closest and most longstanding allies. Our nations have robust collective security arrangements and have fought side-by-side for over a hundred years," said **Alan Estevez, Under Secretary of Commerce for Industry and Security**. "BIS is taking action today to advance the AUKUS partnership by using export control authorities to support defense trade and innovation with Australia and the UK."

The AUKUS Enhanced Trilateral Security Partnership, launched in 2021, is a collaborative multinational effort between the United States., the UK, and Australia with the goals of (1) supporting collective security and defense interests, (2) deepening information and technology sharing, and (3) fostering integration of security and defense-related science, technology, industrial bases, and supply chains.

"Today's action dramatically reduces the scope of BIS export controls for trade with Australia and the UK," said **Thea D. Rozman Kendler, Assistant Secretary for Export Administration**. "We support the principles of AUKUS, and look forward to the joint innovation that will come from this move. This rule also enables BIS to further focus our resources on scrutinizing highrisk exports to countries of concern." Both the UK and Australia welcomed the announcement, saying it would bring huge benefit to the delivery of the AUKUS partnership.

To promote innovation and realize the goals of AUKUS, Australia, the UK, and the United States are each committed to reducing export control restrictions to facilitate secure trade between and among the AUKUS partners.

Additional Background

The UK and Australia are members of all four multilateral export control regimes and the Global Export Controls Coalition formed in response to Russia's illegal war against Ukraine. Both countries have robust export control systems and have taken additional steps in recent months to enhance technology protection.

The UK's National Security Act 2023 provides for, among other things, enhanced protections against the unauthorized disclosure of certain defense-related information. Australia's Defense Trade Controls Amendment Act 2024 and Safeguarding Australia's Military Secrets Act 2024 provide for controls on reexports of items originally exported from Australia, disclosures of controlled technology to certain foreign persons within Australia, and the provision of defense services.

These measures mitigate the risk of unauthorized use or diversion of those items subject to BIS's Export Administration Regulations, which may now be exported or reexported without a license to Australia and the UK. With these changes, firearms-related items are the primary category of items that remain subject to a BIS license requirement to Australia and the UK.

Existing license requirements for the following items will remain in place:

- Certain satellites and related items
- Certain items controlled pursuant to the Chemical Weapons Convention, and items controlled for short supply reasons (e.g., certain petroleum products and Western red cedar)
- Certain law enforcement restraints and riot control equipment, implements of torture or execution, and horses exported by sea

The rule is on public inspection today here

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

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