



Department of Commerce Expands Entity List to Cover Affiliates of Listed Entities

September 29, 2025

WASHINGTON, D.C. – The Department of Commerce’s Bureau of Industry and Security (BIS) today issued a new rule that closes a significant loophole in restricted party lists – strengthening the export control regime overall.

Under today’s rule, any entity that is at least 50 percent owned by one or more entities on the Entity List or the Military End-User (MEU) List will itself automatically be subject to Entity List/MEU List restrictions. In addition, significant minority ownership by an Entity List/MEU List company is a red flag that triggers additional due diligence requirements for exporters. Previously, the Entity List and MEU List completely excluded all entities that were not specifically named on the Entity List/MEU List – even if there were extensive corporate and financial ties with listed entities.

Jeffrey I. Kessler, Under Secretary of Commerce for Industry and Security, stated:

“For too long, loopholes have enabled exports that undermine American national security and foreign policy interests. Under this Administration, BIS is closing the loopholes and ensuring that export controls work as intended.”

BIS’s Entity List and MEU List impose stringent supplemental export license requirements on parties involved in activities contrary to U.S. national security or foreign policy interests, or whether there is an unacceptable risk of use in or diversion to a military end use. While the license review policy for parties on the Entity List or MEU List is generally a presumption of denial, exporters can always apply for a license.

The public is invited to comment on today’s rule within 30 days of publication in the Federal Register. The restrictions in the rule will be immediately effective, with some exceptions available up to 60 days after publication in the Federal Register.

[Click here](#) for the interim final rule, “*Expansion of End-User Controls to Cover Affiliates of Certain Listed Entities*,” scheduled to publish in the Federal Register on September 30, 2025.

[Click here](#) for FAQs on the Affiliates Rule.