

US Export Controls & The Republic of Korea

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U.S. Department of Commerce
Bureau of Industry and Security

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Oakland, CA

BIS Mission

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

INK PENS to NUCLEAR EXPLOSIVES



0 40 80 120 160 200 meters

Scale 1 pixel = ~1 meter



**Export Controls used to be easier
because our adversaries were clearly defined.**

Now the nature of our adversaries makes controls more difficult.



Designated Terrorist Countries

- Embargoed: *Cuba, Iran, Sudan*
- Not Embargoed: *Syria, North Korea*

- ♂ Drug Traffickers
- ♂ Weapons Proliferating Entities
- ◆ Designated Terrorist Entities

- OFAC's SDNs
- BIS denied persons
- State's sanctioned entities

“conceptual representation only”

Export Administration Regulations (EAR)

- Designed to implement the Export Administration Act
- Apply to “dual use” items
 - Items that can be used in both commercial and military/strategic applications
 - Also apply to items that have solely civil uses



We Control Exports for:

- National Security
- Foreign Policy
 - Anti-terrorism
 - Crime control
 - Regional Stability
- Non Proliferation
 - Nuclear non-proliferation
 - Chemical/biological weapons
 - Missile technology

Multilateral Basis

The U.S. prefers to use multilaterally adopted controls, but will use unilateral controls when necessary to further U.S. policies

Examples of multilateral cooperation:

Wassenaar Arrangement

Missile Technology Control Regime (MTCR)

Nuclear Suppliers Group (NSG)

Australia Group [chem/bio] (AG)

BIS WORKS WITH OTHER U.S. GOVERNMENT AGENCIES

- U.S. Dept. of State
- U.S. Dept. of Defense
- U.S. Dept. of Energy
- U.S. Dept. of Justice
- U.S. Dept. of Treasury
- Nuclear Regulatory Commission

How do I know what my regulatory requirements are?

- Depends *primarily* on what you are exporting and what country it is going to

Product/Country License Determination

Commerce Control List Categories

0 = Nuclear materials, facilities and equipment
& miscellaneous items

1 = Materials, Chemicals, Microorganisms & Toxins

2 = Materials Processing

3 = Electronics

4 = Computers

5 part I = Telecommunications

5 part II = Information Security

6 = Sensors & Lasers

7 = Navigation & Avionics

8 = Marine

9 = Propulsion Systems, Space Vehicles
& Related Equipment



Five Product Groups

- A. Systems, Equipment and Components
- B. Test, Inspection & Production Equipment
- C. Material
- D. Software
- E. Technology

CATEGORY 4 - COMPUTERS

A. SYSTEMS, EQUIPMENT AND COMPONENTS

4A001 Electronic computers and related equipment, and "electronic assemblies" and specially designed components therefor.

License Requirements

Reason for Control: NS, MT, AT, NP, XP

Control(s)

NS applies to entire entry

Country Chart

NS Column 2

MT applies to items in 4A001.a when the parameters in 4A101 are met or exceeded

MT Column 1

AT applies to entire entry

AT Column 1

License Exceptions:

List of Items Controlled:

N.B: For the control status of “software” specially designed for packet switching, see ECCN 5D001. (Telecommunications).

Note 3: Computers, related equipment and “software” performing cryptographic, cryptoanalytic, certifiable multi-level security or certifiable user isolation functions, or that limit electromagnetic compatibility (EMC), must also be evaluated against the performance characteristics in Category 5, Part 2 (“Information Security”).

A. SYSTEMS, EQUIPMENT AND COMPONENTS

4A001 Electronic computers and related equipment, and “electronic assemblies” and specially designed components therefor.

License Requirements

Reason for Control: NS, MT, AT, NP

<i>Control(s)</i>	<i>Country Chart</i>
NS applies to entire entry	NS Column 2
MT applies to items in	MT Column 1

License Exceptions

LVS: \$5000 for 4A001.a; N/A for MT and 4A001.b
GBS: N/A
CIV: N/A

List of Items Controlled

Unit: Equipment in number; parts and accessories in \$ value

Related Controls: See also 4A101 and 4A994. Equipment designed or rated for transient ionizing radiation is subject to the export licensing authority of the U.S. Department of State, Directorate of Defense Trade Controls. (See 22 CFR part 121.)

Related Definitions: For the purposes of integrated circuits in 4A001.a.2, 5×10^3 Gy(Si) = 5×10^5 Rads (Si); 5×10^6 Gy (Si)/s = 5×10^8 Rads (Si)/s.

Items:

a. Specially designed to have either of the following characteristics:

a.1. Rated for operation at an ambient temperature below 228 K (-45°C) or above 358 K (85°C);

Note: 4A001.a.1. does not apply to computers

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Commerce Country Chart

Reason for Control

Countries	Chemical & Biological Weapons			Nuclear Nonproliferation		National Security		Missile Tech	Regional Stability		Firearms Convention	Crime Control			Anti-Terrorism	
	CB	CB	CB	NP	NP	NS	NS	MT	RS	RS	FC	CC	CC	CC	AT	AT
	1	2	3	1	2	1	2	1	1	2	1	1	2	3	1	2
Ireland	X					X		X	X	X		X		X		
Israel	X	X	X	X	X	X	X	X	X	X		X		X		
Italy	X					X		X	X							
Jamaica	X	X		X		X	X	X	X	X	X	X		X		
Japan	X					X		X	X							
Jordan	X	X	X	X		X	X	X	X	X		X		X		
Kazakhstan	X	X	X			X	X	X	X	X		X	X			
Kenya	X	X		X		X	X	X	X	X		X		X		
Kiribati	X	X		X		X	X	X	X	X		X		X		
Korea, North	See Sections 742.19 and 746.4 of the EAR to determine whether a license is required in order to export or reexport to this destination.															
Korea, South	X					X		X	X	X		X		X		
Kuwait	X	X	X	X		X	X	X	X	X		X		X		
Kyrgyzstan	X	X	X	X		X	X	X	X	X		X	X			
Laos	X	X		X		X	X	X	X	X		X	X			

End Uses of Concern

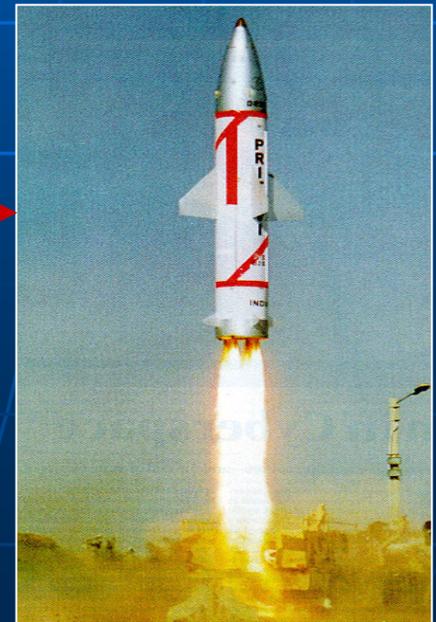
Nuclear Weapons



Chemical & biological Weapons



Missiles



Or Support of these activities by a U.S. person

End Users of concern

Denied Persons List



Specially Designated
Nationals List



Entity List

Unverified End Users



The Republic of Korea

Export Licenses CY07 (01/01/07 – 12/31/07)*

	Approved	Denied	RWAd	TOTAL
South Korea	404 (83%)	1 (.002%)	78 (16%)	483

*not official figures

The Republic of Korea 2007 Export Statistics

- \$68,000,000 in Licensed Trade
Of that:
 - \$31,000,000 in 5A002 Commodities
 - \$11,000,000 in 3C003 Materials
 - \$ 5,000,000 in 1C107 (Graphite)



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EXPORTER RESOURCES

- [Export Administration Regulations](#)
- [Commerce Control List](#)
- [Lists To Check](#)

ADDITIONAL RESOURCES

- [Search](#)
- [What's New](#)
- [Export Control Basics](#)
- [FAQs on Export Licensing](#)
- [Guidance on Reexports](#)
- [Advisory Opinions](#)

Thursday - January 10, 2008

Under Secretary of Commerce Mario Mancuso discusses the Validated End-User Program With Senior Representatives from the Confederation of Indian Industry



[Story](#)

BIS PUBLICATIONS

- [BIS Annual Report 2006](#)
- [SNAP-R Exporter User Manual](#)
- [Don't Let This Happen to You!](#)

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POLICY INITIATIVES

[Export Enforcement Act of 2007](#)

[U.S.- India High Technology Cooperation](#)

[U.S.- China Export Control Policy](#)



Story

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IN THE NEWS

November 07, 2007
BIS publishes final rule on Expanded Licensing Jurisdiction for QRS11 Micromachined Angular Rate Sensors
[HTML](#) | [PDF](#)

November 05, 2007
BIS publishes final rule on December 2006 Wassenaar Arrangement Plenary Agreement Implementation
[HTML](#) | [PDF](#)

November 01, 2007
BIS Welcomes The International Emergency Economic Powers Enhancement Act Provisions
[Press Release](#) | [Fact Sheet](#)

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Industry Outreach

National Export Council Annual Conference - [Details](#)

Massachusetts University and Business Leaders - [Details](#)

TO YOU!

[Don't Let This Happen to You!](#)

Major Cases List

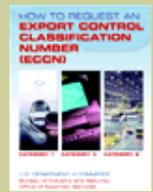


BIS DOC

[Major Cases](#)



[Introduction to the Commerce Department's Export Controls](#)



[How to Request an Export Control Classification Number \(ECCN\)](#)





Office of Export Enforcement

HOTLINE 1-800-424-2980



If your competitor is breaking the law, help him find a new home.

Who to Call for Assistance

- Export Administration Offices:

- Northern California (408) 998-8806
- Southern California (949) 660-0144
- Washington, D.C. (202) 482-4811

- Export Enforcement Offices:

- Northern California (408) 291-4204
- Southern California (949) 251-9001
- Nationwide (800) 424-2980

www.bis.doc.gov



PARTNERS IN COMPLIANCE



Contact Information

San Jose Office

Larry Sullivan

408 998-8806

Newport Beach Office

Bryce Bewley

Ph: 949-660-0144 ext 119

The Export Administration Regulations are subject to change at any time so the material on these slides is may become outdated.

Please use these slides for internal company training purposes only.