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Export Control Priorities for the Tech Industry

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About the Export Controls Committee



Membership

- 280 export compliance professionals from various sectors: hardware, software, services, internet providers, semiconductors, semiconductor manufacturing equipment, electronic design automation, and telecommunications.

Leadership

- Co-Chair: Mary Thornton, Amazon Web Services
- Co-Chair: Evelyn Bernal, BPE Global

Working Groups

- Best Practices
- Encryption
- Enforcement
- International
- Legislative
- MEU

What We Do



We provide daily regulatory updates as well as facilitate webinars and educational events for our technology companies to adhere to trade laws and regulations and strengthen their internal compliance programs.



We host meetings with key government officials on priority topics of members.



We advocate and press for action via comment letters and position papers, conduct benchmarking surveys, and identify best practices in compliance.



Our annual conference has been voted best in class by attendees.

What We Stand For



Developing policy positions to support our members' interests that reduce risk and administrative and financial burden.

Customs and Export regulations and requirements that are streamlined, effective, clearly defined, and transparent.

Reducing regulatory and market barriers and advocating for U.S. tech globally.

Developing strong global trade compliance programs and organizations through research, education, and benchmarking.

Fostering a network of global trade professionals who share compliance best practices.

Outline of Recommendations

- **Narrowly tailored:** BIS must leverage existing export controls to meet national security concerns, and narrowly tailor any new controls on emerging and foundational technologies.
- **Avoid Unilateral controls:** Pursue new controls only via multilateral means.
- **MEU List:** The MEU list should be an exhaustive list of military end-users.
- **Encryption:** Remaining reporting requirements should be more streamlined, and controls should better reflect business and technological realities.
- **Licensing:** Improvements to the licensing process must be made to decrease significant delays.
- **Industry Engagement:** Robust industry engagement is necessary to ensure that proposed export controls are nuanced.

Controls on Emerging and Foundational Technology

Any new controls on emerging and foundational technologies should be narrowly tailored based on the following:

Emerging Technologies

- Must provide the US with a specific and identifiable military advantage
- Demonstrably essential for national security
- Not identified on the CCL or USML
- Not available or produced in foreign countries

Foundational Technologies

- Provides a specific and identifiable military advantage
- Demonstrably essential to national security
- Not available or produced in foreign countries

Multilateral Export Controls

- The Export Control Reform Act (ECRA) Section 1752(6) recognizes that “Export controls that are multilateral are most effective.” Section 1753(b)(3) requires that, in exercising his authority under ECRA, the President shall “seek to secure the cooperation of other governments and multilateral organizations.”
- Experience demonstrates that export controls applied unilaterally to items widely available from foreign sources are less effective.

Military End-Use/End-User Expansion

- The expanded definitions of “military end-use” and “military end-user” are unclear and put unreasonable burden on the private sector.
- The national security objectives of the rule are undermined due to inconsistent outcomes.
- Only the USG has the information and resources necessary to identify parties of concern, so BIS should make the MEU List an exhaustive list of parties that the USG considers military end users.

Encryption Recommendations

- CompTIA appreciates the recent relaxations of certain reporting and classification request requirements
- The encryption provisions remain among the most complicated in the EAR and merit further improvements
 - The encryption provisions still require five types of reporting which can be streamlined further
 - Some controls on less sensitive technology are unnecessary
 - Language can be further simplified in specific categories

Licensing

- Current timeline for license approvals around different categories ranges from six months to a year.
- Removal of license exceptions further demonstrates the need for timely license issuance.
- Industry should have more insight into export licensing policies to help decrease delays in license issuance.

Industry Engagement

- The rulemaking process should be more transparent.
- Without industry input, proposed rules often have terminology that are too broad and confusing for industry to implement.
- BIS should expedite the review of TAC applications.

Questions?

Staff



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