FOR IMMEDIATE RELEASE August 25, 2022

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BUREAU OF INDUSTRY AND SECURITY

Office of Congressional and Public Affairs OCPA@bis.doc.gov

Six Months into Russian Invasion, Commerce Actions Making a Difference in Support of Ukrainian People

Washington, D.C.—Since the start of Russia's unjustified and horrific assault on Ukraine on February 24, 2022, the U.S. Department of Commerce, through its Bureau of Industry and Security (BIS) has taken a leading role in the Biden Administration's comprehensive response in support of Ukraine by restricting trade in commodities, software, and technologies that have military and civilian uses.

"Russia unleashed what it thought would be a quick and decisive assault on Ukraine six months ago. The resolve of the Ukrainian people to remain free and defend their homeland has foiled that plan. The United States is unwavering in our support for Ukraine, and we will continue to work with our allies and partners to help Ukraine remain a democratic, independent, and sovereign nation," said Under Secretary of Commerce for Industry and Security Alan Estevez. "The Commerce Department has worked tirelessly to do our part to support Ukraine and hold Russia accountable. The impact of our export controls will only continue to bite harder the longer Russia sustains its aggression."

"No nation should have to commemorate its independence while actively fighting to keep it. Unfortunately, that is precisely what the Ukrainian people are doing today," said Assistant Secretary of Commerce for Export Administration Thea D. Rozman Kendler. "Vladimir Putin badly misjudged the Ukrainian people's resolve to remain free and independent, as well as the unity of the international community in the face of his war of choice. I'm proud of the work of Commerce and BIS in concert with our 37 allies and partners to support Ukraine."

"The heartbreaking stories and images we've seen from Ukraine over the past half year remind us that the values we cherish—peace, democracy, the rule of law, human rights—are not guaranteed unless we're willing to stand up to preserve them," said Assistant Secretary of Commerce for Export Enforcement Matthew S. Axelrod. "The export controls we've put in place with our allies and partners are powerful, but we also know that Vladimir Putin will seek every avenue he can to subvert, divert, and circumvent those controls—and we won't let him succeed."

The export controls put in place since the start of Russia's invasion on February 24 are already being felt by the Russian regime, and its substantial enabler Belarus. The impact of U.S. and international restrictions on the defense, aerospace, maritime, energy production, and technology sectors, and luxury goods will continue to increase over time as Russia's military is unable to obtain what it needs to repair and replace a wide range of military equipment and weapons, and Russia's government seeks to generate additional revenue to finance the war.

Specifically, since the start of Russia's invasion of Ukraine, BIS has:

- Issued over a dozen regulations imposing expansive export controls resulting in a decrease of 97 percent by value of U.S. exports of items—including high tech, industrial, and luxury goods—subject to new controls to Russia and Belarus (February 24-August 12, 2022 compared to same time period in 2021).
- Built a coalition of 37 allies and partners that have implemented substantially similar controls including: Australia, Canada, the 27 member states of the European Union (EU), Iceland, Japan, the Republic of Korea, Liechtenstein, New Zealand, Norway, Switzerland, and the United Kingdom.
- Expedited license approvals cumulatively valued at over \$1 billion in items to support Ukraine's defense including firearms, ammunition, night vision goggles, and protective equipment such as ballistic helmets, body armor, and other items subject to Commerce's jurisdiction.
- Prevented over 100 shipments to Russia and Belarus.
- Detained or seized 244 shipments, totaling more than \$93 million.
- Added 335 total parties to the Entity List for supporting Russia's military, including 8 for seeking to supply Russia's military after implementation of new controls ("backfilling").
- Taken joint actions with the U.S. Department of Justice against Russian oligarchs Roman Abramovich and Andrei Skoch.
- Issued 9 Temporary Denial Orders (TDOs) against some of Russia and Belarus's largest commercial and cargo airlines.
- Issued the first joint alert with the Department of the Treasury's FinCEN urging financial institutions to conduct additional due diligence and outlining potential red flags and historical transshipment points for Russian diversion of U.S. technologies and other items.
- Publicly released and maintained a list of commercial and private aircraft operating in likely violation of U.S export control laws.

Additional information on the actions taken in response to Russia's invasion is available at: https://bis.doc.gov/index.php/policy-guidance/country-guidance/russia-belarus

Some independent analysis of the impact of actions taken by the U.S. government and private sector firms, including the impact of export controls, to date are available at:

https://www.piie.com/blogs/realtime-economic-issues-watch/export-controls-against-russia-are-working-help-china and https://som.yale.edu/story/2022/over-1000-companies-have-curtailed-operations-russia-some-remain

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