

- Sec. (b) Decision of Secretary.
- (c) Factors to be considered.
- 2409. Procedures for processing export license applications; other inquiries.
  - (a) Primary responsibility of Secretary.
  - (b) Initial screening.
  - (c) Action on certain applications.
  - (d) Referral to other departments and agencies.
  - (e) Action by other departments and agencies.
  - (f) Action by Secretary.
  - (g) Special procedures for Secretary of Defense.
  - (h) Multilateral controls.
  - (i) Records.
  - (j) Appeal and court action.
  - (k) Changes in requirements for applications.
  - (l) Other inquiries.
  - (m) Small business assistance.
  - (n) Reports on license applications.
  - (o) Exports to members of Coordinating Committee.
- 2410. Violations.
  - (a) In general.
  - (b) Willful violations.
  - (c) Civil penalties; administrative sanctions.
  - (d) Payment of penalties.
  - (e) Refunds.
  - (f) Actions for recovery of penalties.
  - (g) Forfeiture of property interest and proceeds.
  - (h) Prior convictions.
  - (i) Other authorities.
- 2410a. Multilateral export control violations.
  - (a) Determination by the President.
  - (b) Sanctions.
  - (c) Exceptions.
  - (d) Exclusion.
  - (e) Definitions.
  - (f) Subsequent modifications of sanctions.
  - (g) Reports to Congress.
  - (h) Discretionary imposition of sanctions.
  - (i) Compensation for diversion of militarily critical technologies to controlled countries.
  - (j) Other actions by the President.
  - (k) Damages for certain violations.
  - (l) Definition.
- 2410b. Missile proliferation control violations.
  - (a) Violations by United States persons.
  - (b) Transfers of missile equipment or technology by foreign persons.
  - (c) Definitions.
- 2410c. Chemical and biological weapons proliferation sanctions.
  - (a) Imposition of sanctions.
  - (b) Consultations with and actions by foreign government of jurisdiction.
  - (c) Sanctions.
  - (d) Termination of sanctions.
  - (e) Waiver.
  - (f) Definition of foreign person.
- 2411. Enforcement.
  - (a) General authority.
  - (b) Immunity.
  - (c) Confidentiality.
  - (d) Reporting requirements.
  - (e) Simplification of regulations.
- 2411a. Omitted.
- 2412. Administrative procedure and judicial review.
  - (a) Exemption.
  - (b) Public participation.
  - (c) Procedures relating to civil penalties and sanctions.

- Sec. (d) Imposition of temporary denial orders.
- (e) Appeals from license denials.
- 2413. Annual report.
  - (a) Contents.
  - (b) Report on certain export controls.
  - (c) Report on negotiations.
  - (d) Report on exports to controlled countries.
  - (e) Report on domestic economic impact of exports to controlled countries.
  - (f) Annual report of the President.
- 2414. Administrative and regulatory authority.
  - (a) Under Secretary of Commerce.
  - (b) Issuance of regulations.
  - (c) Amendments to regulations.
- 2415. Definitions.
- 2416. Effect on other Acts.
  - (a) In general.
  - (b) Coordination of controls.
  - (c) Civil aircraft equipment.
  - (d) Nonproliferation controls.
  - (e) Termination of other authority.
  - (f) Agricultural Act of 1970.
- 2417. Authorization of appropriations.
  - (a) Requirement of authorizing legislation.
  - (b) Authorization.
- 2418. Effective date.
- 2419. Termination date.
- 2420. Savings provision.
  - (a) In general.
  - (b) Administrative proceedings.

ACT REFERRED TO IN OTHER SECTIONS

This Act is referred to in title 7 sections 1736y, 4001, 5671; title 10 sections 130, 7430; title 15 section 4605; title 16 section 620j; title 22 sections 2304, 2778, 2778a, 2779a, 2780, 2798, 3281, 5472, 5603, 6004, 6445, 7203; title 30 section 185; title 42 section 6212.

§ 2401. Congressional findings

The Congress makes the following findings:

(1) The ability of United States citizens to engage in international commerce is a fundamental concern of United States policy.

(2) Exports contribute significantly to the economic well-being of the United States and the stability of the world economy by increasing employment and production in the United States, and by earning foreign exchange, thereby contributing favorably to the trade balance. The restriction of exports from the United States can have serious adverse effects on the balance of payments and on domestic employment, particularly when restrictions applied by the United States are more extensive than those imposed by other countries.

(3) It is important for the national interest of the United States that both the private sector and the Federal Government place a high priority on exports, consistent with the economic, security, and foreign policy objectives of the United States.

(4) The availability of certain materials at home and abroad varies so that the quantity and composition of United States exports and their distribution among importing countries may affect the welfare of the domestic economy and may have an important bearing upon fulfillment of the foreign policy of the United States.

(5) Exports of goods or technology without regard to whether they make a significant

contribution to the military potential of individual countries or combinations of countries may adversely affect the national security of the United States.

(6) Uncertainty of export control policy can inhibit the efforts of United States business and work to the detriment of the overall attempt to improve the trade balance of the United States.

(7) Unreasonable restrictions on access to world supplies can cause worldwide political and economic instability, interfere with free international trade, and retard the growth and development of nations.

(8) It is important that the administration of export controls imposed for national security purposes give special emphasis to the need to control exports of technology (and goods which contribute significantly to the transfer of such technology) which could make a significant contribution to the military potential of any country or combination of countries which would be detrimental to the national security of the United States.

(9) Minimization of restrictions on exports of agricultural commodities and products is of critical importance to the maintenance of a sound agricultural sector, to a positive contribution to the balance of payments, to reducing the level of Federal expenditures for agricultural support programs, and to United States cooperation in efforts to eliminate malnutrition and world hunger.

(10) It is important that the administration of export controls imposed for foreign policy purposes give special emphasis to the need to control exports of goods and substances hazardous to the public health and the environment which are banned or severely restricted for use in the United States, and which, if exported, could affect the international reputation of the United States as a responsible trading partner.

(11) Availability to controlled countries of goods and technology from foreign sources is a fundamental concern of the United States and should be eliminated through negotiations and other appropriate means whenever possible.

(12) Excessive dependence of the United States, its allies, or countries sharing common strategic objectives with the United States, on energy and other critical resources from potential adversaries can be harmful to the mutual and individual security of all those countries.

(Pub. L. 96-72, §2, Sept. 29, 1979, 93 Stat. 503; Pub. L. 99-64, title I, §102, July 12, 1985, 99 Stat. 120; Pub. L. 103-199, title II, §201(a), Dec. 17, 1993, 107 Stat. 2320.)

#### PRIOR PROVISIONS

A prior section 2401, Pub. L. 91-184, §2, Dec. 30, 1969, 83 Stat. 841; Pub. L. 92-412, title I, §102, Aug. 29, 1972, 86 Stat. 644; Pub. L. 93-500, §4(a), Oct. 29, 1974, 88 Stat. 1553, setting forth findings of Congress with respect to the Export Administration Act of 1969, expired on Sept. 30, 1979.

#### AMENDMENTS

1993—Pars. (11) to (13). Pub. L. 103-199 redesignated pars. (12) and (13) as (11) and (12), respectively, and

struck out former par. (11) which read as follows: “The acquisition of national security sensitive goods and technology by the Soviet Union and other countries the actions or policies of which run counter to the national security interests of the United States, has led to the significant enhancement of Soviet bloc military-industrial capabilities. This enhancement poses a threat to the security of the United States, its allies, and other friendly nations, and places additional demands on the defense budget of the United States.”

1985—Par. (2). Pub. L. 99-64, §102(1), substituted “by earning foreign exchange, thereby contributing favorably to the trade balance” for “by strengthening the trade balance and the value of the United States dollar, thereby reducing inflation”.

Par. (3). Pub. L. 99-64, §102(2), substituted “consistent with the economic, security, and foreign policy objectives of the United States” for “which would strengthen the Nation’s economy”.

Par. (6). Pub. L. 99-64, §102(3), amended par. (6) generally, substituting “inhibit the efforts of United States business and work” for “curtail the efforts of American business”.

Par. (9). Pub. L. 99-64, §102(4), substituted “a positive contribution to the balance of payments” for “achievement of a positive balance of payments”.

Pars. (10) to (13). Pub. L. 99-64, §102(5), added pars. (10) to (13).

#### SHORT TITLE OF 1988 AMENDMENT

Pub. L. 100-418, title II, §2441, Aug. 23, 1988, 102 Stat. 1364, provided that: “This part [part II (§§2441-2447) of subtitle D of title II of Pub. L. 100-418, enacting section 2410a of this Appendix, amending sections 2404 and 2413 of this Appendix and section 1864 of Title 19, Customs Duties, and enacting provisions set out as notes under section 2410a of this Appendix] may be cited as the ‘Multilateral Export Control Enhancement Amendments Act.’”

#### SHORT TITLE OF 1985 AMENDMENT

Section 1 of Pub. L. 99-64 provided that: “Titles I and II of this Act [enacting sections 4051 to 4053 of Title 15, Commerce and Trade, section 1864 of Title 19, Customs Duties, and section 466c of Title 46, Appendix, Shipping, amending this section and sections 2402, 2403, 2404 to 2406, 2409 to 2411, 2412 to 2417, and 2419 of this Appendix, sections 5314 and 5315 of Title 5, Government Organization and Employees, sections 2304 and 2778 of Title 22, Foreign Relations and Intercourse, and section 185 of Title 30, Mineral Lands and Mining, and enacting provisions set out as notes under sections 2404, 2405, and 2414 of this Appendix and section 5314 of Title 5] may be cited as the ‘Export Administration Amendments Act of 1985.’”

#### SHORT TITLE OF 1981 AMENDMENT

Pub. L. 97-145, §1, Dec. 29, 1981, 95 Stat. 1727, provided: “That this Act [amending sections 2405, 2410, 2411, and 2417 of this Appendix and enacting provisions set out as notes under sections 2405, 2410, and 2417 of this Appendix] may be cited as the ‘Export Administration Amendments Act of 1981.’”

#### SHORT TITLE

Section 1 of Pub. L. 96-72 provided that: “This Act [enacting this section and sections 2402 to 2420 of this Appendix, amending section 1732 of Title 7, Agriculture, sections 2778 and 3108 of Title 22, Foreign Relations and Intercourse, section 993 of Title 26, Internal Revenue Code, and sections 6212 and 6274 of Title 42, The Public Health and Welfare, and enacting provisions set out as notes under sections 2406 and 2409 of this Appendix and section 3108 of Title 22] may be cited as the ‘Export Administration Act of 1979.’”

#### EXECUTIVE ORDER NO. 11753

Ex. Ord. No. 11753, Dec. 20, 1973, 38 F.R. 34983, which established the President’s Export Council, was re-

voked by section 1-402 of Ex. Ord. No. 12131, May 4, 1979, 44 F.R. 26842, set out below.

EX. ORD. NO. 12131. PRESIDENT'S EXPORT COUNCIL

Ex. Ord. No. 12131, May 4, 1979, 44 F.R. 26841, as amended by Ex. Ord. No. 12551, Feb. 21, 1986, 21 F.R. 6509; Ex. Ord. No. 12991, Mar. 6, 1996, 61 F.R. 9587; Ex. Ord. No. 13138, § 5, Sept. 30, 1999, 64 F.R. 53880, provided:

By the authority vested in me as President by the Constitution and statutes of the United States of America, and in order to expand the membership of the President's Export Council, in accord with the provisions of the Federal Advisory Committee Act (5 U.S.C. App.), it is hereby ordered as follows:

1-1. ESTABLISHMENT AND MEMBERSHIP

1-101. There is established the President's Export Council.

1-102. The membership of the Council shall be as follows:

(a) The heads of the following Executive agencies or their representatives:

- (1) Department of State.
- (2) Department of the Treasury.
- (3) Department of Agriculture.
- (4) Department of Commerce.
- (5) Department of Labor.
- (6) Office of the Special Representative for Trade Negotiations.

- (7) Export-Import Bank of the United States.
- (8) Small Business Administration.
- (9) Department of Energy.

(b) Five members of the United States Senate, designated by the President of the Senate, and five members of the United States House of Representatives, designated by the Speaker of the House, to serve for a two-year term.

(c) Not to exceed 28 citizens appointed by the President. These individuals shall be selected from those who are not full-time Federal officers or employees. They shall include representatives of business and industry, agriculture, and labor.

1-103. The President shall designate a Chairman and a Vice Chairman from among the members appointed by the President.

1-104. The Secretary of Commerce, with the concurrence of the Chairman, shall appoint an Executive Director.

1-2. FUNCTIONS

1-201. The Council shall serve as a national advisory body on matters relating to United States export trade, including advice on the implementation of the President's National Export Policy, which was announced on September 26, 1978. It shall, through the Secretary of Commerce, report to the President on its activities and on its recommendations for expanding United States exports.

1-202. The Council should survey and evaluate the export expansion activities of the communities represented by the membership. It should identify and examine specific problems which business, industrial, and agricultural practices may cause for export trade, and examine the needs of business, industry, and agriculture to expand their efforts. The Council should recommend specific solutions to these problems and needs.

1-203. The Council may act as liaison among the communities represented by the membership; and, may provide a forum for those communities on current and emerging problems and issues in the field of export expansion. The Council should encourage the business, industrial, and agricultural communities to enter new foreign markets and to expand existing export programs.

1-204. The Council shall provide advice on Federal plans and actions that affect export expansion policies which have an impact on those communities represented by the membership.

1-205. The Council may establish, with the concurrence of the Secretary of Commerce, an executive com-

mittee and such other subordinate committees it considers necessary for the performance of its functions. The Chairman of a subordinate committee shall be designated, with the concurrence of the Secretary of Commerce, by the Chairman of the Council from among the membership of the Council. Members of subordinate committees shall be appointed by the Secretary of Commerce.

1-3. ADMINISTRATIVE PROVISIONS

1-301. The Secretary of Commerce shall, to the extent permitted by law, provide the Council, including its executive and subordinate committees, with administrative and staff services, support and facilities as may be necessary for the effective performance of its functions.

1-302. Each member of the Council, including its executive and subordinate committees, who is not otherwise paid a salary by the Federal Government, shall receive no compensation from the United States by virtue of their service on the Council, but all members may receive the transportation and travel expenses, including per diem in lieu of subsistence, authorized by law (5 U.S.C. 5702 and 5703).

1-4. GENERAL PROVISIONS

1-401. Notwithstanding the provisions of any other Executive order, the functions of the President under the Federal Advisory Committee Act (5 U.S.C. App.), except that of reporting annually to the Congress, which are applicable to the Council, shall be performed by the Secretary of Commerce in accordance with guidelines and procedures established by the Administrator of General Services.

1-402. Executive Order No. 11753 is revoked; however, nothing in this Order shall be deemed to require new charters for the Council, including its executive and subordinate committees, which were current immediately prior to the issuance of this Order.

1-403. The Council shall terminate on December 31, 1980, unless sooner extended.

EXTENSION OF TERM OF PRESIDENT'S EXPORT COUNCIL

Term of the President's Export Council extended until Dec. 31, 1982, see section 1-101(f) of Ex. Ord. No. 12258, Dec. 31, 1980, 46 F.R. 1251, formerly set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5, Government Organization and Employees.

Term of the President's Export Council extended until Sept. 30, 1984, see Ex. Ord. No. 12399, Dec. 31, 1982, 48 F.R. 379, formerly set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5.

Term of the President's Export Council extended until Sept. 30, 1985, see Ex. Ord. No. 12489, Sept. 28, 1984, 49 F.R. 38927, formerly set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5.

Term of the President's Export Council extended until Sept. 30, 1987, see Ex. Ord. No. 12534, Sept. 30, 1985, 50 F.R. 40319, formerly set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5.

Term of the President's Export Council extended until Sept. 30, 1989, see Ex. Ord. No. 12610, Sept. 30, 1987, 52 F.R. 36901, formerly set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5.

Term of the President's Export Council extended until Sept. 30, 1991, see Ex. Ord. No. 12692, Sept. 29, 1989, 54 F.R. 40627, formerly set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5.

Term of the President's Export Council extended until Sept. 30, 1993, see Ex. Ord. No. 12774, Sept. 27, 1991, 56 F.R. 49835, formerly set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5.

Term of the President's Export Council extended until Sept. 30, 1995, see Ex. Ord. No. 12869, Sept. 30, 1993,

58 F.R. 51751, formerly set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5.

Term of the President's Export Council extended until Sept. 30, 1997, see Ex. Ord. No. 12974, Sept. 29, 1995, 60 F.R. 51875, formerly set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5.

Term of the President's Export Council extended until Sept. 30, 1999, see Ex. Ord. No. 13062, §1(m), Sept. 29, 1997, 62 F.R. 51755, formerly set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5.

Term of the President's Export Council extended until Sept. 30, 2001, see Ex. Ord. No. 13138, Sept. 30, 1999, 64 F.R. 53879, set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5.

#### § 2402. Congressional declaration of policy

The Congress makes the following declarations:

(1) It is the policy of the United States to minimize uncertainties in export control policy and to encourage trade with all countries with which the United States has diplomatic or trading relations, except those countries with which such trade has been determined by the President to be against the national interest.

(2) It is the policy of the United States to use export controls only after full consideration of the impact on the economy of the United States and only to the extent necessary—

(A) to restrict the export of goods and technology which would make a significant contribution to the military potential of any other country or combination of countries which would prove detrimental to the national security of the United States;

(B) to restrict the export of goods and technology where necessary to further significantly the foreign policy of the United States or to fulfill its declared international obligations; and

(C) to restrict the export of goods where necessary to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of foreign demand.

(3) It is the policy of the United States (A) to apply any necessary controls to the maximum extent possible in cooperation with all nations, and (B) to encourage observance of a uniform export control policy by all nations with which the United States has defense treaty commitments or common strategic objectives.

(4) It is the policy of the United States to use its economic resources and trade potential to further the sound growth and stability of its economy as well as to further its national security and foreign policy objectives.

(5) It is the policy of the United States—

(A) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States or against any United States person;

(B) to encourage and, in specified cases, require United States persons engaged in the

export of goods or technology or other information to refuse to take actions, including furnishing information or entering into or implementing agreements, which have the effect of furthering or supporting the restrictive trade practices or boycotts fostered or imposed by any foreign country against a country friendly to the United States or against any United States person; and

(C) to foster international cooperation and the development of international rules and institutions to assure reasonable access to world supplies.

(6) It is the policy of the United States that the desirability of subjecting, or continuing to subject, particular goods or technology or other information to United States export controls should be subjected to review by and consultation with representatives of appropriate United States Government agencies and private industry.

(7) It is the policy of the United States to use export controls, including license fees, to secure the removal by foreign countries of restrictions on access to supplies where such restrictions have or may have a serious domestic inflationary impact, have caused or may cause a serious domestic shortage, or have been imposed for purposes of influencing the foreign policy of the United States. In effecting this policy, the President shall make reasonable and prompt efforts to secure the removal or reduction of such restrictions, policies, or actions through international cooperation and agreement before imposing export controls. No action taken in fulfillment of the policy set forth in this paragraph shall apply to the export of medicine or medical supplies.

(8) It is the policy of the United States to use export controls to encourage other countries to take immediate steps to prevent the use of their territories or resources to aid, encourage, or give sanctuary to those persons involved in directing, supporting, or participating in acts of international terrorism. To achieve this objective, the President shall make reasonable and prompt efforts to secure the removal or reduction of such assistance to international terrorists through international cooperation and agreement before imposing export controls.

(9) It is the policy of the United States to cooperate with other countries with which the United States has defense treaty commitments or common strategic objectives in restricting the export of goods and technology which would make a significant contribution to the military potential of any country or combination of countries which would prove detrimental to the security of the United States and of those countries with which the United States has defense treaty commitments or common strategic objectives, and to encourage other friendly countries to cooperate in restricting the sale of goods and technology that can harm the security of the United States.

(10) It is the policy of the United States that export trade by United States citizens be given a high priority and not be controlled except when such controls (A) are necessary to