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PERIODIC REPORT ON THE NATIONAL EMERGENCY CAUSED BY THE LAPSE OF THE EXPORT ADMINISTRATION ACT OF 1979 FOR AUGUST 19, 2000 TO NOVEMBER 13, 2000

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

THE FINAL REPORT ON THE NATIONAL EMERGENCY DECLARED BY EXECUTIVE ORDER 12924 OF AUGUST 19, 1994, TO DEAL WITH THE THREAT TO THE NATIONAL SECURITY, FOREIGN POLICY, AND ECONOMY OF THE UNITED STATES CAUSED BY THE LAPSE OF THE EXPORT ADMINISTRATION ACT OF 1979, PURSUANT TO 50 U.S.C. 1641(c)

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THE WHITE HOUSE,
Washington, February 1, 2001.

Hon. J. DENNIS HASTERT,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: As required by section 204(c) of the International Emergency Economic Powers Act (50 U.S.C. 1703(c)) and section 401(c) of the National Emergencies Act (50 U.S.C. 1641(c)), I transmit herewith the final report on the national emergency declared by Executive Order 12924 of August 19, 1994, to deal with the threat to the national security, foreign policy, and economy of the United States caused by the lapse of the Export Administration Act of 1979.

Sincerely,

GEORGE BUSH.

PRESIDENT'S PERIODIC REPORT ON THE NATIONAL EMERGENCY CAUSED BY THE LAPSE OF THE EXPORT ADMINISTRATION ACT OF 1979—FOR AUGUST 19, 2000 TO NOVEMBER 13, 2000

On August 19, 1994 former President Clinton issued Executive Order No. 12924, declaring a national emergency under the International Emergency Economic Powers Act (IEEPA) (50 U.S.C. 1701 *et seq.*) to address the threat to the national security, foreign policy, and economy of the United States caused by the lapse of the Export Administration Act of 1979, as amended (50 U.S.C. App. 2401 *et seq.*) (EAA) and the system of controls maintained under that Act. In Executive Order No. 12924, he continued in effect, to the extent permitted by law, the provisions of the Export Administration Act of 1979, as amended, the Export Administration Regulations (15 CFR 730 *et seq.*), and the delegations of authority set forth in Executive Order No. 12002 of July 7, 1977 (as amended by Executive Order No. 12755 of March 12, 1991), Executive Order No. 12214 of May 2, 1980, Executive Order No. 12735 of November 16, 1990 (subsequently revoked by Executive Order No. 12938 of November 14, 1994), and Executive Order No. 12851 of June 11, 1993. As required by the National Emergencies Act (50 U.S.C. 1622(d)), former President Clinton issued notices on August 15, 1995, August 14, 1996, August 13, 1997, August 13, 1998, August 10, 1999, and August 3, 2000, continuing the emergency declared in Executive Order No. 12924.

In 1996, then President Clinton issued two Executive Orders concerning the transfer of items from the United States Munitions List to the Commerce Control List. On October 12, 1996, he issued Executive Order No. 13020 (regarding hot-section technologies for commercial aircraft engines) and on November 15, 1996, then President Clinton issued Executive Order No. 13026 (regarding encryption products). On December 5, 1995, he issued Executive Order No. 12981 setting forth the application review process. On March 31, 1999, he issued Executive Order No. 13117 deleting the reference to Arms Control and Disarmament Agency (ACDA).

Then President Clinton issued Executive Order No. 12924 pursuant to the authority vested in him as President by the Constitution and laws of the United States, including, but not limited to, IEEPA. At that time, he also submitted a report to the Congress pursuant to section 204(b) of IEEPA (50 U.S.C. 1703(b)). Section 204 of IEEPA requires follow-up reports, with respect to actions or changes, to be submitted every six months. Additionally, section 401(c) of the National Emergencies Act (50 U.S.C. 1641(c)) requires that the President, within 90 days after the end of each six-month period following a declaration of a national emergency, report to the Congress on the total expenditures directly attributable to that declaration. To comply with these requirements, then President Clinton submitted combined activities and expenditure reports for

the six-month periods ending February 19, 1995, August 19, 1995, February 19, 1996, August 19, 1996, February 19, 1997, August 19, 1997, February 19, 1998, August 19, 1998, February 19, 1999, August 19, 1999, and February 19, 2000 and August 19, 2000.

On November 13, 2000, then President Clinton signed into law H.R. 5239 providing for the extension of the EAA until August 20, 2001 (P.L. 106–508).

The following report, submitted pursuant to section 204 of IEEPA and section 401(c) of the National Emergencies Act, provides information on the activities and expenditures during the final three-month period, from August 19, 2000 to November 13, 2000 of the national emergency former President Clinton declared in Executive Order No. 12924. Detailed information on export control activities is contained in the most recent Export Administration Annual Report for Fiscal year 2000 and the January 2001 Report on Foreign Policy Export Controls, required by section 14 and section 6(f) of the Export Administration Act, respectively.

Following the issuance of Executive Order No. 12924, the Department of Commerce continued to administer and enforce the system of export controls, including anti-boycott provisions, contained in the Export Administration Regulations (EAR). In administering these controls, the Department acted under a policy of conforming actions under Executive Orders No. 12924, 13020, 13026, 12981, and 13117 to the provisions of the Export Administration Act, insofar as appropriate.

The expenses incurred by the Federal Government in the three-month period from August 19, 2000 to November 13, 2000 that are directly attributable to the exercise of authorities conferred by the declaration of a national emergency with respect to export controls were largely centered in the Department of Commerce, Bureau of Export Administration (BXA). Expenditures by the Department of Commerce for the reporting period are anticipated to be $9,286,000, most of which represents program operating costs, wage and salary costs for Federal personnel, and overhead expenses.

Since the last report to the Congress, there have been several significant developments in the area of export controls:

A. MULTILATERAL DEVELOPMENTS

Wassenaar Arrangement. The Wassenaar Arrangement on Export Controls is a multilateral regime consisting of 33 member countries. Its purpose is to contribute to regional and international security and stability by promoting transparency and greater responsibility in international transfers of conventional arms and dual-use goods and technologies.

• The United States Government has participated in submissions of export data made by member countries in the regime since the November 1996 implementation of the Wassenaar dual-use export control list. The Wassenaar members make dual-use data submissions on a semi-annual basis in April and October.

• The Wassenaar Arrangement continues annual reviews of its control lists. In April and September 2000, BXA representatives attended Experts Group meetings to review the Wassenaar Arrangement's controls on conventional arms and dual-use goods and tech-

nologies. Nearly 70 proposals were discussed to modify and streamline Wassenaar's Dual-Use and Munitions Lists, approximately 30 of which were submitted by the United States. The majority of the proposals were in the areas of electronics, computers, sensors, and machine tools. Nearly all proposals discussed during the April meeting required additional study by member countries. During the September Experts Group meeting, agreement was reached on a number of proposals for liberalizations in the area of electronics. However, no agreement was reached on proposals regarding controls on microprocessors and computers. In an attempt to try to resolve the differences in control levels for computers and microprocessors, an extraordinary meeting was held in December.

• In May and October 2000, BXA representatives participated in the Arrangement's General Working Group meetings designed to increase the general information exchange regarding regions and projects of concern to the United States (e.g., Sudan, Ethiopia and Eritrea). The group discussed the specific information exchange on dual-use goods and technologies and the scope of dual-use notifications and procedures associated with cases requiring "extreme vigilance." The group agreed to adopt a "best practices" procedure for exercising extreme vigilance for Very Sensitive List items and to establish criteria for effective enforcement. Member countries are still studying U.S. proposals for expanding reporting of conventional arms exports, strengthening dual-use export notification procedures by establishing a denial consultation procedure, and implementing controls on man-portable defense systems (MANPADS). The United States is continuing to work with interested countries to bridge the gap between dual-use items and arms in order to increase transparency and reduce differences in licensing practices.

Missile Technology Control Regime (MTCR). The MTCR is a group of 32 countries that have agreed to coordinate their national export controls for the prevention of missile proliferation. Each member, under its own laws and practices, has committed to adhere to the MTCR Guidelines for export licensing policy for items found on the MTCR Equipment and Technology Annex.

• The MTCR held its annual Reinforced Point-of-Contact Meeting September 9–13 in Paris, France. The agenda was dominated by the proposed Global Action Plan (GAP) against missile proliferation, a proposal that would encourage MTCR members and nonmembers alike to agree to an international missile nonproliferation code of conduct.

• The MTCR Plenary and associated Technical Experts Meeting (TEM) was held October 9–13 in Helsinki, Finland. The outline of the Global Action Plan to limit missile proliferation was established at the Plenary. Discussions on the specifics of the GAP will continue in future MTCR sessions. At the TEM, while some progress was made, final agreement could not be reached on measures to modify control parameters on certain missile-related items, and differing views also remained on how to define missile range and payload parameters. Participants agreed to continue to meet on these issues early this year.

Nuclear Suppliers Group. The Nuclear Suppliers Group (NSG), composed of 38 member countries with the European Commission as a permanent observer, is a group of nations concerned with the

proliferation of nuclear weapons. The NSG has established guidelines to assist member nations in administering national nuclear export control programs. Controls are focused on certain categories of goods: nuclear material, equipment and technology unique to the nuclear industry, and so-called nuclear dual-use items that have both nuclear and non-nuclear applications.

• The NSG Implementation Working Group, the Transparency Working Group, and the Dual Use Regime met in Vienna, Austria the week of October 16.

The Implementation Working Group worked on a proposal to administratively combine the two branches of the NSG—the "trigger list" items under the jurisdiction of the Nuclear Regulatory Commission and the "dual-use" items under the jurisdiction of the Commerce Department. While combining the administrative activities of the NSG related to these two branches will provide less duplication of effort on the part of those countries seeking membership, it will have no effect on how the United States controls NSG items.

The Transparency Working Group made some progress in developing a proposal for the establishment of an Internet web site; the German Government, with the technical assistance of the European Community, will establish an official NSG web site in 2001.

The Dual Use Regime meeting addressed member concerns regarding the proposal by one member to supply nuclear fuel to power plant reactors in India. Thus far, NSG members have refrained from making such exports to India as a result of India's detonation of a nuclear device in May 1998. Members agreed to formally consider the proposal to supply nuclear fuel to India.

Australia Group. The Australia Group (AG) is a multilateral export control regime that seeks to impede the proliferation of chemical and biological weapons through the harmonization of export controls, an exchange of information on global proliferation activities, and outreach to nonmembers. The 32 member countries meet annually and communicate between sessions to review and refine the list of controlled chemicals, biological agents, and related equipment and technology.

• Turkey and Cyprus became the newest members of the Australia Group (AG) at the Plenary held in Paris, France, on October 2–5. The U.S. delegation took the opportunity offered by the plenary to present U.S. positions in support of (1) the strengthening of export controls on graphite composite chemical manufacturing equipment, centrifugal separators, and impermeable protective suits; and (2) the removal of controls on medical diagnostic, analytical and food testing kits. At the request of the AG, the United States also presented a paper on export controls on intangible technology for future discussion.

B. ENCRYPTION/HIGH PERFORMANCE COMPUTER POLICY

Encryption. During the period August 20 to November 13, 2000, BXA carried out a number of activities to implement revisions to the Clinton Administration's encryption policy. These activities included publishing new rules, meeting with industry representative and technical advisory committees, and working with interagency groups on emerging encryption policy initiatives.

• The Administration implemented significant updates to encryption export controls in January and October 2000. The policy continues a balanced approach by streamlining export controls while protecting critical national security interests. The most significant change in the October 19 rule is that a license is no longer required for exports of encryption items and technology to the European Union and several other major trading partners. The update is consistent with recent regulations adopted by the European Union; thus assuring continued competitiveness of U.S. industry in international markets. Other changes include streamlined export provisions for most mass-market products, beta test software, products that implement short-range wireless encryption technologies (e.g., Bluetooth), products that enable non-U.S.-sourced products to operate together and technology for standards development. Additionally, certain U.S.-origin encryption products incorporated into foreign products do not require a U.S. export license. Post-export reporting is no longer required for products exported by U.S.-owned subsidiaries overseas, or for generally available software pre-loaded on computers or handheld devices.

• The October update to encryption policy reflects the invaluable and ongoing dialogue between the Interagency Working group on Cryptography (IWG) and various industry, privacy advocates, and technical advisory groups. Through consultation with groups such as the President's Export Council Subcommittee on Encryption (PECSENC), Regulations and Procedures Technical Advisory Committee (RPTAC), Alliance for Network Security (ANS), Americans for Computer Privacy (ACP), and Computer Systems Policy Project (CSPP), the new rules take into account technology trends and market realities which, if not addressed as a matter of policy, would only serve to disadvantage U.S. industry and undermine the national interest.

• To support and explain U.S. encryption policy in the international arena, BXA participated in several Wassenaar Arrangement working group meetings to discuss U.S. policy and our proposal to release encryption software considered "in the public domain." Wassenaar members also discussed proposals to ease or lift key length restrictions for mass market products. BXA also held encryption export control policy discussions with other foreign delegations on a bilateral basis.

• BXA continued, during the reporting period, to educate exporters and the general public on the goals of the Clinton Administration's updated encryption policy, and advise the public on how to obtain export authorization through licensing and classification requests. BXA presented Information Technology workshops both domestically and internationally in Chicago, Illinois, Stockholm, Sweden and The Hague, Netherlands. Through regular meetings with U.S. companies and web site updates, BXA provides exporters with practical guidance concerning encryption export control policy and procedures.

High Performance Computers. During the reporting period, BXA engaged in various activities to implement the Clinton Administration's High Performance Computer (HPC) export control policy, including updating export controls on HPCs, studying alternative methods for controlling HPCs, meeting with industry counterparts

to assess their needs, and working on developing bilateral and multilateral relationships with certain countries to ensure appropriate safeguards are attached to the export of HPCs.

• On October 13, 2000, BXA published a rule in the Federal Register implementing the Clinton Administration's August 3 announcement updating the HPC export control policy. The rule raised the upper level for License Exception CTP for Computer Tier 2 countries from 33,000 to 45,000 Millions of Theoretical Operations Per Second (MTOPS), and for Computer Tier 3 countries, from 20,000 to 28,000 for both civil and military end users. This rule removed the distinction between civil and military end-users and end-uses in Computer Tier 3 countries. Additionally, Argentina was moved form Tier 2 to Tier 1.

• The October 13, 2000, rule also raised the National Defense Authorization Act (NDAA) notification and post shipment reporting levels for HPC exports to Computer Tier 3 countries from 12,500 to 28,000 MTOPS, effective February 26, 2001. Additionally, the rule moved Estonia from Tier 3 to Tier 2 effective December 28, 2000.

• The Information Security Technical Advisory Committee (ISTAC) continued to study alternative control parameters for HPCs. CTP-based control levels need to be continually updated in order to keep up with the rapid technological advances in the computer industry. The need for these significant adjustments calls into question the viability of the current approach for determining HPC control levels. For this reason, alternative control parameters that would provide the flexibility necessary to accommodate future advances in HPC and microprocessor technology are being explored.

• BXA participated in Wassenaar Arrangement working group meetings in September. BXA presented a proposal to change multilateral controls to match U.S. controls. BXA also engaged in bilateral negotiations with other HPC producing countries to ensure that appropriate safeguards and licensing mechanisms are in place to avoid exports or transfers to countries of concern and proliferation entities.

C. BILATERAL COOPERATION/TECHNICAL ASSISTANCE

As part of the Clinton Administration's effort to encourage other countries to strengthen their export control systems, the Department of Commerce and other agencies conducted a wide range of discussions with a number of foreign countries.

Hong Kong. Under the Hong Kong Policy Act of 1992, the United States Government will continue its export licensing treatment that was in effect before the People's Republic of China regained control of Hong Kong, as long as Hong Kong maintains an effective and autonomous export control program. BXA aggressively monitors the status of Hong Kong's post-reversion export control program to ensure that it continues to be effective and autonomous from Beijing. By openly and vigilantly observing Hong Kong's program, BXA supports Hong Kong's efforts to maintain the separation of it's export control system from that of the rest of China.

India. BXA officials concluded successful bilateral talks with the Indian Government in New Delhi during August 7–11, 2000. Dur-

ing the talks, the Indian Government indicated its interest in participating in several of the export control workshops that the United States Government proposed. The first of these programs, an export licensing workshop, was held on October 16–18, 2000, in Washington. The Indian delegation visited BXA licensing divisions and heard presentations by BXA attorneys, export licensing officials, export enforcement personnel, representatives of BXA industry advisory committees, and representatives form other agencies involved in dual-use licensing.

Asia. BXA officials attended the annual Asian Export Control Seminar in Tokyo in November 2000. Sponsored by Japan, the United States, the United Kingdom and Australia, the conference was attended by representatives of Asian governments. The purpose of the annual seminar is to provide information on export controls to Asian governments, some of which have just begun to develop comprehensive systems. BXA plans to participate in the next annual meeting in Tokyo in March 2001.

China. BXA hosted the first Sino-American export control seminar with China's Ministry of Foreign Trade and Economic Cooperation (MOFTEC) on October 26–27 in Shanghai, PRC. The seminar covered various legal and procedural aspects of the U.S. dual-use export control system. Participants included 180 Chinese and foreign business representatives based in China as well as approximately 20 Chinese Government officials. After the seminar, BXA held bilateral talks with Chinese officials on export control policies and procedures, including the schedule of future cooperative events and end-use visits. The Chinese Government agreed that bilateral exchanges have been fruitful and should continue in 2001.

South Korea. October 31, 2000, BXA officials participated in a seminar hosted by the U.S. Foreign Commercial Service and the American Chamber of Commerce in South Korea on export control policies and procedures. In addition to a general overview of recent changes and initiatives within BXA and the EAR, BXA officials spoke about the recent policy changes towards North Korea.

Israel. On September 17–21, 2000, BXA participated in a visit to Israel to review bilateral cooperation on export control issues. Members of the U.S. delegation met with senior officials from the Israeli Ministries of Defense and Industry and Trade, and with representatives from Israeli and U.S. defense and high-technology companies. BXA officials conducted a seminar on U.S. export control issues for Israeli industry. During the visit, the Israelis pledged to strengthen their own export control practices and to continue to adhere with the multilateral export control regimes.

Nonproliferation and Export Control International Cooperation. During the period August 20 through November 13, 2000, BXA's Office of Nonproliferation and Export Control International Cooperation (NEC) hosted, participated in, and/or coordinated seven technical exchanges on export controls, as well as a multilateral conference on export controls in Oxford, England, for 32 countries. These programs sought not only to familiarize the governments of Central and Eastern Europe, the Baltic and the Balkans, the Caucasus, Canada, Hong Kong, Japan, Kazakhstan, Uzbekistan, and Turkey with the major elements comprising an export control

system that meets international standards for effectiveness, but also to assist the governments in developing and strengthening their own national export control systems. These elements involve five functional areas: the legal and regulatory framework necessary for an effective export control system, licensing procedures and control lists, enforcement mechanisms, industry-government relations, and system administration and automation support. Programs conducted during this period also included special activities and other multilateral conferences that related to NEC objectives. These programs have contributed to a reduction of the proliferation threat from and through the participating countries by strengthening these countries' national export control systems.

D. REGULATORY ACTIONS: PUBLISHED AND PENDING

Crime control items. On September 13, 2000, BXA published a rule that expanded controls on exports of restraint devices, such as handcuffs, and discharge type arms, such as stun guns. BXA maintains export controls on these and other crime control items in support of U.S. foreign policy to promote the observance of human rights throughout the world. Prior to September 13, 2000, these items did not require a license for export or reexport to Australia, Japan, or New Zealand, or to NATO countries. A license is now required for all destinations, except Canada. This rule also modified BXA's license application review policy for crime control items to include consideration of whether there is civil disorder in the country or region to which crime control items are proposed to be exported.

Australia Group. On October 3, 2000, BXA published a rule that implemented several export control changes agreed upon during the October 1999 Australia Group consultations. The Australia Group (AG) is a multilateral forum in which 30 participating countries have agreed to maintain export controls on a list of chemicals, biological agents, and relevant equipment and technology that could be used in the production of chemical or biological weapons. The October 3, 2000, rule clarified the scope of controls that apply to ricin, saxitoxin, toxic gas monitoring systems, and cross-flow filtration equipment. The rule also authorized exports to most destinations, without a license, of certain medical products containing botulinum toxins and certain diagnostic and food testing kits that contain AG-controlled toxins. Finally, the rule implemented an AG agreement on how to deal with mixtures containing trace and unintended quantities of AG-controlled chemicals that are also identified as Schedule 1 chemicals under the Chemical Weapons Convention (CWC). Mixtures that contain less than 0.5% aggregate quantities of Schedule 1 chemicals as unavoidable by-products or impurities do not require a license, provided that the Schedule 1 chemicals have not been intentionally produced or added.

Serbia. On October 12, 2000, in the wake of Vojislav Kostunica's victory in the Serbian elections, the United States lifted certain economic sanctions on Serbia. Initially, this sanctions-easing initiative allowed U.S. commercial air carriers to fly in and out of Belgrade, and removed the ban on exports of petroleum and petroleum products to Serbia. In a concerted effort to continue targeted measures against Slobodan Milosevic and his close associates, however,

the U.S. action maintained sanctions against exports to two Serbian oil companies (Jugpetrol and NIS-Nafta) and the Serbian national airline (Jugoslovenski Aerotransport aka JAT).

In addition to the sanctions-easing actions (air travel and oil export bans lifted) related to the October 12 announcement, Commerce, Treasury and State worked to implement the removal of sanctions and return Serbia to the export control treatment it enjoyed prior to April 30, 1999. Pending publication of this rule, BXA changed its licensing policy on exports to Serbia from general denial to a case-by-case review.

High Performance Computers. On October 13, 2000, BXA published a rule implementing the August 3 White House announcement updating the HPC export control policy (see detailed discussion under section B. above).

Encryption. BXA published the Clinton Administration's second update of its encryption policy during 2000 on October 19, 2000 (see detailed discussion under section B. above).

E. EXPORT LICENSE INFORMATION

During the reporting period, BXA continued to receive many requests for export licensing information through the Freedom of Information Act and through discovery requests during enforcement proceedings. Under section 12(c) of the Export Administration Act, BXA continued to withhold from public disclosure information obtained for the purpose of consideration of, or concerning, export license applications, unless the release of such information was determined by the Under Secretary to be in the national interest, pursuant to the directive in Executive Order No. 12924 to carry out the provisions of the Export Administration Act, to the extent permitted by law, notwithstanding an adverse decision regarding BXA's authority to withhold such information.

F. EXPORT ENFORCEMENT

Export Enforcement continued, through its three offices, its programs of prevention of diversions, investigation and enforcement of the export control provisions of the Export Administration Regulations, and enforcement of the antiboycott provisions of the Export Administration Regulations.

Office of enforcement analysis

Preventive/Compliance Activities. The Office of Enforcement Analysis (OEA) prevention activities included designing a systematic plan to target and prioritize pre-license checks (PLCs) and post-shipment verifications (PSVs) conducted by representatives of U.S. diplomatic posts. The purpose of the plan is to ensure that the PLC and PSV programs, which are coordinated by BXA's Export Enforcement, reflect the full range of U.S. export control concerns and use available resources as effectively as possible.

PLCs validate information on export license applications including the reliability of end-users. In contrast, PSVs strengthen assurances that exporters, shippers, consignees, and end-users comply with the terms of export licenses and licensing conditions that are intended to deter diversions from approved end-users and end-uses of dual-use exports. The overall objective for conducting PLCs and

PSVs is to detect and prevent the illegal transfer of controlled U.S.-origin goods and technology.

Another major preventive enforcement activity of OEA is the compiling of information regarding parties of export control concern and maintaining these names on Export Enforcement's watch list. All of the parties included on this watch list are screened against names listed on export license applications received by BXA. OEA analysts review all applications in detail that include a match against a party on the watch list to assess diversion risks, identify potential violations, and determine the reliability of proposed end-users of controlled U.S.-origin commodities or technical data.

NDAA Activities. OEA has responsibility for implementing the High Performance Computer post-shipment verification and annual report requirements of the National Defense Authorization Act for FY1998. OEA tracks all post-shipment reporting on exports of HPCs over a set operating level to "Tier 3" counties, as defined by the NDAA, and oversees the post-shipment verifications performed on such exports. OEA has the responsibility for reporting the total number of HPCs exported and the number of NDAA HPC post-shipment verifications performed to Congress in an Annual Report.

Visa Review Program. During the reporting period, OEA continued restructuring its Visa Application Review Program to prevent unauthorized access to controlled technology or technical data by foreign nationals visiting the United States. The Office has developed new criteria and thresholds for evaluating visa applications for targeting purposes. OEA has narrowed its focus and concentrated on specific products most often used in weapons of mass destruction projects. OEA's evaluation and analysis of visa application cable traffic involves preventive enforcement efforts such as recommending denial of certain visas and the referral of enforcement leads to Office of Export Enforcement (OEE) field offices for possible case development. In some instances, OEE Special Agents uncovered possible visa fraud on the part of the foreign applicant. These findings were forwarded to OEA and submitted to the State Department's Visa Fraud Unit for further investigation and action during the reporting period.

Shipper's Export Declaration Review Program. OEA systematically reviews Shipper's Export Declarations (SEDs) filed by exporters. Using a computerized index of data fields, OEA produces a list of SEDs targeted for closer review. These reviews focus particularly on licensed and license exception shipments, shipments bound for destinations of concern, and shipments of strategic commodities of proliferation concerns. Through these reviews, OEA identifies SEDs that may indicate violations and refers them to OEE special agents for further enforcement actions.

Office of Export Enforcement

The Office of Export Enforcement opened 187 and closed 372 investigations during the reporting period.

Office of Antiboycott Compliance Activities

The Office of Antiboycott Compliance continued to supply the State Department with information on boycott requests received by U.S. persons. The State Department uses this information in its discussions with boycotting countries concerning ending the Arab boycott of Israel. The Office of Antiboycott Compliance opened four investigations during the reporting period.

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