§ 742.14 Significant items: hot section technology for the development, production or overhaul of commercial aircraft engines, components, and systems.

(a) License requirement. Licenses are required for all destinations, except Canada, for ECCNs having an “SI” under the “Reason for Control” paragraph. These items include hot section technology for the development, production or overhaul of commercial aircraft engines controlled under ECCN 9E003.a.1 through a.8, .h, .i and .j, and related controls.

(b) Licensing policy. Pursuant to section 6 of the Export Administration Act of 1979, as amended, foreign policy controls apply to technology required for the development, production or overhaul of commercial aircraft engines controlled by ECCN 9E003.a.1 through a.8, .h, .i and .j, and related controls. These controls supplement the national security controls that apply to these items. Applications for export and reexport to all destinations will be reviewed on a case-by-case basis to determine whether the export or reexport is consistent with U.S. national security and foreign policy interests. The following factors are among those that will be considered to determine what action will be taken on license applications:

1. The country of destination;
2. The ultimate end-user(s);
3. The technology involved;
4. The specific nature of the end-use(s); and
5. The types of assurance against unauthorized use or diversion that are given in a particular case.
§ 742.15 Encryption items.

Encryption items can be used to maintain the secrecy of information, and thereby may be used by persons abroad to harm U.S. national security, foreign policy and law enforcement interests. The United States has a critical interest in ensuring that important and sensitive information of the public and private sector is protected. Consistent with our international obligations as a member of the Wassenaar Arrangement, the United States has a responsibility to maintain control over the export and reexport of encryption items. As the President indicated in Executive Order 13026 and in his Memorandum of November 15, 1996, exports and reexports of encryption software, like exports and reexports of encryption hardware, are controlled because of this functional capacity to encrypt information, and not because of any informational or theoretical value that such software may reflect, contain, or represent, or that its export or reexport may convey to others abroad. For this reason, export controls on encryption software are distinguished from controls on other software regulated under the EAR.

(a) Licensing requirements and policy—

(1) Licensing requirements. A license is required to export or reexport encryption items (“EI”) classified under 5A002.a.1, .a.2, .a.5, .a.6, .a.9, and .b; 5D002.a., .c.1 or .d for equipment and “software” controlled for EI reasons in ECCNs 5A002 or 5D002; or 5E002 for “technology” for the “development,” “production,” or “use” of commodities or “software” controlled for EI reasons in ECCNs 5A002 or 5D002 to all destinations, except Canada. Refer to part 740 of the EAR for license exceptions that apply to certain encryption items, and to § 772.1 of the EAR for definitions of encryption items and terms. Most encryption items may be exported under the provisions of License Exception ENC set forth in §740.17 of the EAR. Before submitting a license application, please review License Exception ENC to determine whether this license exception is available for your item or transaction. For exports and reexports of encryption items that are not eligible for a license exception, exporters must submit an application to obtain authorization under a license or an Encryption Licensing Arrangement.

(b) Encryption registration required, with classification request or self-classification report, for mass market encryption commodities, software and components with encryption exceeding 64 bits. To be eligible for export and reexport under this paragraph (b), encryption commodities, software and components must qualify for mass market treatment under the criteria in