

The Trump Administration has added eight Chinese entities and 36 of their subsidiaries to the US Department of Commerce, Bureau of Industry Security's Entity List. Per the [final rule](#) published in the *Federal Register* on August 2, 2018, "[t]he entities that are being added to the Entity List have been determined by the U.S. Government to be acting contrary to the national security or foreign policy interests of the United States." The rule is effective as of August 1, 2018.

## What This Means

The Entity List to which the Chinese entities have been added is Supplement No. 4 to Part 744 of the Export Administration Regulations (EAR). Accordingly, a license is required to export, re-export or transfer (in-country) any item subject to the EAR to these organizations. License exceptions are not available and license applications will be reviewed on a case by case basis with a presumption of denial. ([15 CFR § 744.11\(a\), License requirement, availability of license exceptions, and license application review policy.](#))

## Why This Matters

The impact on the Chinese companies added to the Entity List is that they will not be able to obtain items that are subject to the EAR. This includes items exported from the US and US-origin items, but it also includes non-US items if they contain more than a de minimis amount of US controlled content or are the direct product of US-origin controlled technology or software.

There is a process to petition BIS to have a company removed from the Entity List and our team is able to assist companies that desire to make the case that they should be removed or that are willing to implement internal controls that BIS deems satisfactory to demonstrate compliance with their handling of items subject to the EAR.

## Who Was Targeted

The following Chinese entities were added to the Entity List.<sup>1</sup>

**China Aerospace Science and Industry Corporation Second Academy**, a.k.a., the following eight aliases, and 13 subordinate institutions:

- China Changfeng Mechanics and Electronics Technology Academy
- China Chang Feng Mechano-Electronic Engineering Academy
- CASIC Second Academy
- China Chang Feng Mechano-Electronic Engineering Company
- CASIC Academy of Defense Technology

- Second Research Academy of CASIC
- Changfeng Electromechanical Technology Design Institute
- China Chang Feng Mechanics and Electronics Technology Academy

### Subordinate Institutions:

- Second Design Department, a.k.a., the following two aliases:
  - Beijing Institute of Electronics Systems Engineering
  - Second Planning Department
- 23rd Research Institute, a.k.a., the following two aliases:
  - Beijing Institute of Radio Measurement
  - BIRM
- 25th Research Institute, a.k.a., the following one alias:
  - Equipment
- 201 Research Institute, a.k.a., the following one alias:
  - Aerospace Science and Technology Defense Technology Research and Experimental Center
- 203rd Research Institute, a.k.a., the following two aliases:
  - Beijing Radio Measurement and Testing Institute
  - Beijing Institute of Radio Metrology and Measurement
- 204th Research Institute, a.k.a., the following two aliases:
  - Beijing Institute of Computer Applications and Simulation Technology
  - 706th Research Institute
- 206th Research Institute, a.k.a., the following two aliases:
  - Beijing Institute of Mechanical Equipment
  - Beijing Institute of Machinery and Equipment
- 207th Research Institute, a.k.a., the following three aliases:
  - Beijing Guangda Optoelectronics
  - Beijing Institute of Environmental Features
  - Beijing Institute of Environmental Characteristics
- 208th Research Institute, a.k.a., the following one alias:
  - Beijing Electronic Document Service Center
- 210th Research Institute, a.k.a., the following one alias:
  - Xian Changfeng Electromechanical Institute

<sup>1</sup> Federal Register, Vol. 83, No. 148, Rules and Regulations, August 1, 2018.

- 283 Factory, a.k.a., the following one alias:
  - Beijing Xinfeng Machinery Factory
- 284 Factory, a.k.a., the following two aliases:
  - Beijing Changfeng Machinery Factory
  - Beijing Changfeng Xinlian Project Management
- 699 Factory, a.k.a., the following one alias:
  - Beijing Xinli Machinery Factory

**China Electronics Technology Group Corporation 13th Research Institute (CETC 13)**, a.k.a., the following six aliases, and 12 subordinate institutions:

- Hebei Semiconductor Research Institute
- HSRI
- Hebei Institute of Semiconductors
- Hebei Semiconductor Institute
- Hebei Semiconductor
- CETC Research Institute 13

**Subordinate Institutions:**

- Bowei Integrated Circuits, a.k.a., the following three aliases:
  - Hebei Bowei Integrat
  - Hebei Bowel Technology
  - Shijuang Bowei
- Envoltek, a.k.a., the following one alias:
  - Hebei Envoltek Electronics
- Hebei Sinopack Electronics, a.k.a., the following one alias:
  - Hebei Sinapack Elec
- Hebei Brightway International
- Hebei Medicines Health
- Hebei Poshing Electronics, a.k.a., the following three aliases:
  - Hebei Poshin Electronics
  - Hebei Poshing Elec.
  - Hubei PoshingElectronics
- Hebei Puxing Electronic
- Micro Electronic Technology, a.k.a., the following three aliases:
  - Micro Electronic Technology Development Application Corp
  - METDA
  - METDAC
- Shijiazhuang Development Zone Maiteda Microelectronics Technology Development and Application Corporation
- MT Microsystems
- North China Integrated Circuit Corporation
- Tonghui Electronics, a.k.a., the following one alias:
  - Tonghui Electronics Technology

**China Electronics Technology Group Corporation 14th Research Institute (CETC 14)**, a.k.a., the following seven aliases, and two subordinate institutions:

- Nanjing Research Institute of Electronics Technology
- NRIET
- Nanjing Electronics Technology Institute
- Ministry of Information Industry Electronics
- No 14 Research Institute
- Research Institute 14
- CETC Research Institute 14

**Subordinate Institutions:**

- Nanjing SunSea Industry Corporation
- Nanjing Institute of Radio Technology

**China Electronics Technology Group Corporation 38th Research Institute (CETC 38)**, a.k.a., the following seven aliases, and seven subordinate institutions:

- Hefei Institute of Electronic Engineering
- Southwest China Research Institute of Radar Technology
- East China Research Institute of Electronic Engineering
- ECRIEE
- No 38 Research Institute
- Research Institute 38
- CETC Research Institute 38

**Subordinate Institutions:**

- Anhui Sun-Create Electronics
- Anhui Bowei Chang An Electronics
- ECU Electronic Industrial
- Hefei ECU–TAMURA Electric
- Anhui Bowei Guangcheng Information Technology
- Anhui Bowei Ruida Electronics Technology
- Brainware Terahertz

**China Electronics Technology Group Corporation 55th Research Institute (CETC 55)**, a.k.a., the following four aliases, and two subordinate institutions:

- Nanjing Electronic Devices Institute
- CETC Research Institute 55
- NEDI
- NEDTEK

**Subordinate Institutions:**

- Nanjing Guosheng Electronics
- Nanjing Guobo Electronic

**China Tech Hi Industry Import and Export Corporation**, a.k.a., the following two aliases:

- CTHC
- Tianhang Industry Import and Export Company

**China Volant Industry**, a.k.a., the following two aliases:

- Volinco
- China Huateng Industry

**Hebei Far East Communication System Engineering**, a.k.a., the following two aliases:

- Hebei Far East Comm.
- HBFEC

Please contact us with any question on the specific licensing requirements imposed by the Entity List, petition process for removal from the Entity List and any other general questions on the background and purpose of the Entity List.

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## About Us

Our export controls and sanctions lawyers have the ability to provide advice on the shifting regulatory framework on both sides of the Atlantic. We have extensive experience in advising and representing a wide range of companies and financial intuitions in Europe, the US and other jurisdictions on export control and sanctions from a multijurisdictional perspective. Our team is part of our overall International Trade Practice, providing a “one-stop shop” solution to global trade compliance through rapid, professional and tailored advice and compliance tools to fit your business needs and processes. If you have any questions relating to export controls and sanctions, please contact a member of our EU or US team listed herein, or email [InternationalTradeCompliance@squirepb.com](mailto:InternationalTradeCompliance@squirepb.com) for assistance.

### Resources to Strengthen Compliance

We encourage you to visit our blog, [The Trade Practitioner](#), where you will find additional updates and information on export controls, sanctions and other international trade topics. In addition, organizations engaged in the trade of items specially designed for military or space applications are encouraged to download our complimentary [ITAR Practitioner’s Handbook](#), which covers the International Traffic in Arms Regulations (ITAR) and the US Department of Commerce “600 Series.”