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BUREAU OF INDUSTRY AND SECURITY

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Commerce Adds 37 PRC Entities to Entity List for Enabling PRC Quantum and Aerospace Programs, Aiding Russian Aggression in Ukraine

WASHINGTON, D.C. – Today, the U.S. Commerce Department’s Bureau of Industry and Security (BIS) added 37 entities to the Entity List under the Export Administration Regulations (EAR). This action reflects BIS’s commitment to safeguarding U.S. national security and foreign policy interests. Including today’s action, the Commerce Department has added 355 PRC entries to the Entity List – more than any prior Administration.

Among the new entities added to the Entity List, 22 institutes and firms were added for their participation in the People’s Republic of China’s (PRC) quantum technology advancements and for acquiring or attempting to acquire U.S.-origin items to enhance the PRC’s quantum capabilities. These activities have substantial military applications and pose a significant threat to U.S. national security. Additionally, some of these entities are linked to advancements in the PRC’s nuclear programs or have been involved in the shipment of controlled items to Russia following its invasion of Ukraine in February 2022.

Four entities were added for acquiring or attempting to acquire U.S.-origin items to be used by the PRC’s military for its unmanned aerial systems (UAS).

Eleven entities were added under the destination of PRC for their involvement in China's High Altitude Balloon program, which poses significant national security concerns. This builds on previous actions the Commerce Department took in February 2023 to target PRC aerospace programs, including airships, balloons and related materials.

“Today’s action is another decisive step in addressing challenges posed by the People’s Republic of China and its military modernization,” said **Under Secretary of Commerce for Industry and Security Alan F. Estevez**. “We must remain vigilant in our efforts to prevent entities such as these from accessing U.S. technologies that could be used in ways that harm our national security.”

“This measure is part of our ongoing efforts to ensure that international trade does not compromise our national security,” said **Assistant Secretary for Export Administration Thea D. Rozman Kendler**. “By controlling exports to these entities, we reinforce the integrity of our national security apparatus.”

Today’s Entity List action also reflects the efforts of the [Disruptive Technology Strike Force](#), which is co-led by BIS and the Department of Justice, to target illicit actors, strengthen supply

chains, and protect critical technological assets from being acquired or used by nation-state adversaries. The Strike Force leverages the export control enforcement and regulatory authorities of the U.S. Government to prevent and disrupt the acquisition of advanced technologies, such as quantum computing, for destabilizing military capabilities.

“Preventing Chinese companies from acquiring technologies that enable the People’s Republic of China’s quantum, drone, and high-altitude surveillance programs is critical to protecting U.S. national security,” said **Matthew S. Axelrod, Assistant Secretary for Export Enforcement**. “Adding companies to the Entity List is a key tool that the Disruptive Technology Strike Force leverages to prevent U.S. advanced technology from misappropriation.”

Additions to the Entity List are a strategic measure by the U.S. Government to control the export of sensitive technologies and mitigate potential threats arising from technological advancements and military enhancements by adversarial nations. This action underscores the proactive stance of the United States in maintaining national security and ensures that sensitive technologies do not fall into the wrong hands.

The text of the rule released today, which includes the list of entities, is available on the Federal Register’s website here ([link](#)). The effective date for the rule is effective upon public inspection.

Additional Background on the Entity List Process

These BIS actions were taken under the authority of the Export Control Reform Act of 2018 and its implementing regulations, the Export Administration Regulations (EAR).

The Entity List ([supplement no. 4 to part 744 of the EAR](#)) identifies entities for which there is reasonable cause to believe, based on specific and articulable facts, that the entities—including businesses, research institutions, government and private organizations, individuals, and other types of legal persons—have been involved, are involved, or pose a significant risk of being or becoming involved in activities contrary to the national security or foreign policy interests of the United States. Parties on the Entity List are subject to individual licensing requirements and policies supplemental to those found elsewhere in the EAR.

Entity List additions are determined by the interagency End-User Review Committee (ERC), comprised of the Departments of Commerce (Chair), Defense, State, Energy, and where appropriate, the Treasury. The ERC makes decisions regarding additions to, removals from, or other modifications to the Entity List. The ERC makes all decisions to add an entity to the Entity List by majority vote and makes all decisions to remove or modify an entity by unanimous vote.

Additional information on the Entity List is available on BIS’s website at:

<https://bis.doc.gov/index.php/policy-guidance/faqs>

For more information, visit bis.gov.