

BIS targets alleged human rights violations by expanding Entity List with addition of 28 Chinese parties

11 October 2019

On 7 October 2019 the U.S. Department of Commerce's Bureau of Industry and Security (BIS) [expanded the Entity List](#), restricting certain transactions with 28 Chinese entities. These 28 Chinese entities include government agencies in the Xinjiang Uighur Autonomous Region (XUAR), as well as a number of companies involved in artificial intelligence research and surveillance technology. The designations and restrictions explained below took effect on 9 October 2019.

Both U.S. and non-U.S. companies doing business with these entities, as well as universities or other organizations engaged in research and development activities, need to carefully consider the impact of these designations on any ongoing activities with these entities.

BIS designated the Chinese parties after determining that a number of the entities have been "implicated in human rights violations and abuses in the implementation of China's campaign of repression, mass arbitrary detention, and high-technology surveillance against Uighurs, Kazakhs, and other members of Muslim minority groups in the XUAR." The full list of entities with their Chinese names is set forth below. Notably, this action is an example of BIS using the Entity List to expressly target entities for engaging in human rights abuses.

On 8 October the State Department also [announced](#) that, in conjunction with BIS' designation of these entities, it was imposing visa restrictions "on Chinese government and Communist Party officials who are believed to be responsible for, or complicit in, the detention or abuse of Uighurs, Kazakhs, or other members of Muslim minority groups in Xinjiang, China," as well as family members of such officials. This action complements the State Department's recent [issuance of guidance](#) regarding the export of hardware, software, and technology with surveillance capabilities.

Export restrictions

For the 28 entities, BIS is imposing a license requirement for all items subject to the Export Administration Regulations (EAR) and a license review policy of case-by-case review for items controlled under Export Control Classification Numbers (ECCNs) 1A004.c, 1A004.d, 1A995, 1A999.a, 1D003, 2A983, 2D983, and 2E983.

In addition, a policy of case-by-case review also applies to items designated as EAR99 that are described in the Note to ECCN 1A995, which includes items for protection against chemical or biological agents that are consumer goods, packaged for retail sale or personal use, or medical products, such as latex exam gloves, latex surgical gloves, liquid disinfectant soap, disposable surgical drapes, surgical gowns, surgical foot covers, and surgical masks.

For all other items subject to the EAR, BIS imposed a license review policy of a presumption of denial.

Although the license requirements imposed by the Entity List do not automatically extend to legally distinct entities such as parents, subsidiaries, and sister companies of designated entities, companies nonetheless need to carefully assess any such transactions to confirm that such legally distinct entities are not acting as an agent, front, or shell company for the listed entity. [BIS guidance](#) makes clear that dealings with such related entities can carry significant compliance risks for exporters.

In particular, companies transacting with affiliates of newly designated parties need to pay close attention to the often complex corporate structure of Chinese entities, and perform due diligence to understand the relationships between these entities before proceeding with a contemplated transaction.

Designated entities

Set forth below is the full list of the 28 designated entities:

Government agencies/public institutions

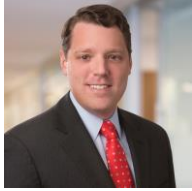
1. Aksu District Public Security Bureau, including one alias (Aqsu District Public Security Bureau); 阿克苏市公安局.
2. Altay Municipality Public Security Bureau; 阿勒泰市公安局.
3. Bayingolin Mongolian Autonomous Prefecture Public Security Bureau; 巴音郭楞蒙古自治州公安局.
4. Boertala Mongolian Autonomous Prefecture Public Security Bureau, including one alias (Bortala Mongolian Autonomous Prefecture Public Security Bureau); 博尔塔拉蒙古自治州公安局.
5. Changji Hui Autonomous Prefecture Public Security Bureau; 昌吉回族自治州公安局.
6. Hami Municipality Public Security Bureau, including two aliases (Kumul Municipality Public Security Bureau; and Qumul Municipality Public Security Bureau); 哈密市公安局.
7. Hetian Prefecture Public Security Bureau; 和田州公安局.
8. Kashgar Prefecture Public Security Bureau; 喀什地区公安局.
9. Kelamayi Municipality Public Security Bureau; 克拉玛依市公安局.
10. Kezilesu Kyrgyz Autonomous Prefecture Public Security Bureau, including one alias (Kizilsu Autonomous Prefecture Public Security Bureau); 克孜勒苏吉尔吉斯自治州公安局.
11. Shihezi Municipality Public Security Bureau; 石河子市公安局.
12. Tacheng Prefecture Public Security Bureau; 塔城市公安局.
13. Tumushuke Municipal Public Security Bureau, including one alias (Tumxuk Municipal Public Security Bureau); 图木舒克市公安局.

14. Turfan Municipality Public Security Bureau, including one alias (Turpan Municipality Public Security Bureau); 吐鲁番市公安局.
15. Urumqi Municipal Public Security Bureau; 乌鲁木齐市公安局.
16. Wujiaqu Municipality Public Security Bureau; 吴家渠市公安局.
17. Xinjiang Police College; 新疆警察学院.
18. Xinjiang Production and Construction Corps (XPCC) Public Security Bureau; 新疆生产建设兵团公安局.
19. Xinjiang Uighur Autonomous Region (XUAR) People's Government Public Security Bureau; 新疆维吾尔自治区公安厅.
20. Yili Kazakh Autonomous Prefecture Public Security Bureau, including one alias (Ili Kazakh Autonomous Prefecture Public Security Bureau); 伊犁哈萨克自治州公安局.

Companies

1. Dahua Technology; 浙江大华技术.
2. Hikvision; 海康威视.
3. IFLYTEK; 科大讯飞.
4. Megvii Technology; 北京旷视科技有限公司.
5. Sense Time; 商汤科技.
6. Xiamen Meiya Pico Information Co. Ltd.; 厦门市美亚柏科信息股份有限公司.
7. Yitu Technologies; 依图科技.
8. Yixin Science and Technology Co. Ltd., including four aliases (Yixin Technology; Yuxin Technology; Yuxin Science and Technology; and Ecguard). 颐信科技有限公司.

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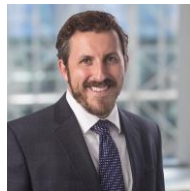
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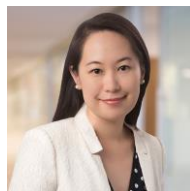
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