

any item subject to the EAR exported or reexported pursuant to a specific license issued by the Department of the Treasury or a Department of Commerce specific license or License Exception.

(2) *Other items.* (i) A license is required for the transfer within Iraq of any item subject to the EAR, if, at the time of the transfer, you know, have reason to know, or are informed by BIS that the item will be used in the design, development, production or use of weapons of mass destruction or the means of their delivery, as set forth in part 744 of the EAR.

(ii) A license is required for the transfer within Iraq to designated terrorists or terrorist organizations, as set forth in § 744.12, § 744.13, or § 744.14 of the EAR.

[69 FR 46077, July 30, 2004, as amended at 71 FR 20886, Apr. 24, 2006; 71 FR 51718, Aug. 31, 2006; 71 FR 67036, Nov. 20, 2006; 73 FR 57509, Oct. 3, 2008; 78 FR 22723, Apr. 16, 2013; 79 FR 32625, June 5, 2014; 85 FR 4177, Jan. 23, 2020]

§ 746.4 North Korea.

(a) *Licensing requirements.* As authorized by section 6 of the Export Administration Act of 1979, as amended, and consistent with United Nations Security Council Resolution 1718, a license is required to export or reexport any item subject to the EAR (see part 734 of the EAR) to the Democratic People's Republic of Korea (North Korea), except food and medicines classified as EAR99 (definitions in part 772 of the EAR). Portions of certain license exceptions, set forth in paragraph (c) of this section, may be available. Exporters should be aware that other provisions of the EAR, including parts 742 and 744, also apply to exports and reexports to North Korea.

(b) *Licensing policy.* Items requiring a license are subject to case-by-case review, except as follows:

(1) *Luxury goods.* Applications to export or reexport luxury goods, e.g., luxury automobiles; yachts; gems; jewelry; other fashion accessories; cosmetics; perfumes; furs; designer clothing; luxury watches; rugs and tapestries; electronic entertainment software and equipment; recreational sports equipment; tobacco; wine and other alcoholic beverages; musical in-

struments; art; and antiques and collectible items, including but not limited to rare coins and stamps are subject to a general policy of denial. For further information on luxury goods, see supplement no. 1 to part 746.

(2) Applications to export or reexport arms and related materiel are subject to a general policy of denial. In addition, applications to export or reexport items specified by UN documents S/2006/814, S/2006/815 and S/2006/853 and other items that the UN Security Council or the Sanctions Committee established pursuant to UN Security Council Resolution 1718 has determined could contribute to North Korea's nuclear-related, ballistic missile-related or other weapons of mass destruction-related programs are also subject to a general policy of denial.

(3) Applications to export or reexport items controlled for NP and MT reasons (except ECCN 7A103 items) are subject to a general policy of denial.

(4) Applications to export or reexport humanitarian items (e.g., blankets, basic footwear, heating oil, and other items meeting subsistence needs) intended for the benefit of the North Korean people; items in support of United Nations humanitarian efforts; and agricultural commodities or medical devices items that are determined by BIS, in consultation with the inter-agency license review community, not to be luxury goods are subject to a general policy of approval.

(5) Other items on the CCL. See Section 742.19(b) of the EAR.

(c) *License exceptions.* You may export or reexport without a license if your transaction meets all the applicable terms and conditions of any of the license exception subsections specified in this paragraph. To determine scope and eligibility requirements, you will need to refer to the sections or specific paragraphs of part 740 (License Exceptions). Read each license exception carefully, as the provisions available for countries subject to sanctions are generally narrow.

(1) TMP for items for use by the news media as set forth in § 740.9(a)(9) of the EAR.

(2) GOV for items for personal or official use by personnel and agencies of

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the U.S. Government, the International Atomic Energy Agency (IAEA), or the European Atomic Energy Community (Euratom) as set forth in § 740.11(a), (b)(2) of the EAR.

(3) GFT, except that GFT is not available to export or reexport luxury goods as described in this section to North Korea.

(4) TSU for operation technology and software for lawfully exported commodities as set forth in § 740.13(a) and sales technology as set forth in § 740.13(b) of the EAR.

(5) BAG for exports of items by individuals leaving the United States as personal baggage as set forth in § 740.14(a) through (d) of the EAR.

(6) AVS for civil aircraft as set forth in § 740.15(a)(4) of the EAR.

(d) The Secretary of State has designated North Korea as a country the government of which has repeatedly provided support for acts of international terrorism. For anti-terrorism controls, see Section 742.19 of the EAR.

(e) OFAC maintains controls on certain transactions involving persons subject to U.S. jurisdiction and North Korean entities or any specially designated North Korean national.

[72 FR 3725, Jan. 26, 2007, as amended at 72 FR 20223, Apr. 24, 2007; 79 FR 32625, June 5, 2014]

§ 746.5 Russian and Belarusian industry sector sanctions.

(a) *License requirements*—(1) *General prohibition.* (i) A license is required to export, reexport, or transfer (in-country) any item subject to the EAR listed in supplement no. 2 to this part and items specified in ECCNs 0A998, 1C992, 3A229, 3A231, 3A232, 6A991, 8A992, and 8D999 when you “know” that the item will be used directly or indirectly in exploration for, or production of, oil or gas in Russian deepwater (greater than 500 feet) or Arctic offshore locations or shale formations in Russia or Belarus, or are unable to determine whether the item will be used in such projects. Such items include, but are not limited to, drilling rigs, parts for horizontal drilling, drilling and completion equipment, subsea processing equipment, Arctic-capable marine equipment, wireline and down hole motors and equipment, drill pipe and casing, soft-

ware for hydraulic fracturing, high pressure pumps, seismic acquisition equipment, remotely operated vehicles, compressors, expanders, valves, and risers.

(ii) A license is required to export, reexport, or transfer (in-country) any item subject to the EAR listed in supplement no. 4 to this part to or within Russia or Belarus.

(iii) A license is required to export, reexport, or transfer (in-country) any item subject to the EAR listed in supplement no. 6 to this part to or within Russia or Belarus.

(iv) You should be aware that other provisions of the EAR, including parts 742 and 744 and § 746.8, also apply to exports, reexports, and transfers (in-country) to Russia or Belarus. License applications submitted to BIS under this section may include the phrase “§ 746.5(a)(1)(i)”, “§ 746.5(a)(1)(ii)”, or “§ 746.5(a)(1)(iii)” in Block 9 (Special Purpose) as described in supplement no. 1 to part 748 of the EAR.

(2) *Additional prohibition on those informed by BIS.* BIS may inform persons, either individually by specific notice or through amendment to the EAR, that a license is required for a specific export, reexport, or transfer (in-country) or for the export, reexport, or transfer (in-country) of specified items to a certain end-user or end-use, because there is an unacceptable risk of use in, or diversion to, the activities specified in paragraph (a)(1) of this section in Russia or Belarus. Specific notice is to be given only by, or at the direction of, the Deputy Assistant Secretary for Export Administration. When such notice is provided orally, it will be followed by a written notice within two working days signed by the Deputy Assistant Secretary for Export Administration. However, the absence of any such notification does not excuse persons from compliance with the license requirements of paragraph (a)(1) of this section.

(b) *Licensing policy.* (1) Applications for the export, reexport, or transfer (in-country) of any item pursuant to paragraph (a)(1)(i) of this section that requires a license for Russia or Belarus will be reviewed under a policy of denial when for use directly or indirectly for exploration or production from