

# EIB World Trade Headlines

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June 1, 2023 - Volume 18, Issue 11



## Census Webinar: DECCS Registration 101 Refresher – June 15th 2pm (EDT)

Please join the U.S. Department of State, Directorate of Defense Trade Controls' (DDTC) IT Modernization Team and Registration and Compliance Analysis Team for a 101 refresher of the Defense Export Control and Compliance System (DECCS) Registration application and an overview of upcoming updates. The webinar will take place **on June 15th from 2:00-3:00pm (EDT)** and will be hosted by the U.S. Census Bureau, Census Academy. The webinar will cover a general Registration application overview, as well as a deep dive into key Registration topics and functionality. We will also cover upcoming updates that users can expect to the Registration application. Please share this invite with new users of DECCS in your organization as well as those who would like a refresher on Registration.

The core topics of discussion are as follows:

- Why Register with DDTC?
- General DECCS Registration Functionality
- New Registrations
- Renewing Registrations and Lapsed Registrations
- Registration Amendments
- Upcoming Updates including Registration Renewal Fee Functionality

## **Registration**

## **Register Here**

Note: Space is limited, be sure to register early

As always, we will leave time at the end to respond to questions and feedback from the audience. We look forward to the opportunity to share the latest news from DDTC!

https://www.pmddtc.state.gov/ddtc\_public?id=ddtc\_public\_portal\_news\_and\_events

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## **URI, Flinders University formalise AUKUS partnership**

The University of Rhode Island (URI) and Flinders University have formalised a partnership that will bolster Australia's efforts to produce the skilled workforce needed to deliver on the AUKUS security pact.

The agreement includes a phased approach to build Australia's undersea capability through the acquisition of conventionally armed, nuclear-powered submarines.

"The <u>University of Rhode Island</u> is known for its global engagement and its enduring legacy of service to the state, nation, and world," said URI president Professor Marc Parlange.

"Our researchers are committed to addressing the most pressing issues facing our global community. This research partnership with Flinders University will advance our strategic priorities to collaborate globally; create connecting points for communities, companies, and government agencies; and drive innovation that has a meaningful impact on society." The agreement, signed by Professor Parlange and <u>Flinders University</u> president and vice chancellor Professor Colin Stirling, positions URI as the United States' university leader in support of AUKUS and opens the door for collaborative research and education programs, information sharing, relationship building with government and industry, as well as the potential for joint events and workshops—all intended to drive innovation in support of AUKUS.

"The AUKUS nuclear-powered submarine program is an unparalleled advanced manufacturing opportunity that will be Australia's biggest defence investment," said Professor Stirling.

"Flinders University is internationally recognised as a leader in advanced manufacturing capability at our innovation campus at Tonsley in Adelaide, South Australia—home to the world's first fully integrated Factory of the Future and Technical College.

"Our historic partnership with the University of Rhode Island complements our strengths in modern manufacturing and brings some of the world's best nuclear education and research programs to Australia."

"Flinders looks forward to working with the University of Rhode Island and our UK partner, the University of Manchester, to create a nuclear research and education network that supports our nations," Professor Stirling added.

The agreement between the two universities is the culmination of a twoday visit during which representatives from Flinders toured URI's Kingston and Narragansett Bay campuses and met with URI faculty members and researchers, as well as representatives from the U.S. Navy, and URI partners at MITRE and MIT's Lincoln Laboratory, to discuss upcoming opportunities for collaboration.

"This is a big part of continuing to make sure the AUKUS agreement has a legacy that endures. If you build the research base and the student workforce flowing in from all countries, it will become self-sustaining. By building that relationship and that workforce exchange now, at the early research stage, we can ensure we have the technology development base to support those submarines over their lifetime, into the next century," said Jason Gomez, chief technology officer, Naval Undersea Warfare Center Division Newport.

"Newport has a long history working with the University of Rhode Island and with Australia, so to be able to expand our research base to universities in Australia is a benefit for the whole community." (\*Continued On The Next Column) Jay Lustig, multi-domain business operations manager at MITRE, added, "MITRE has made a commitment to Australia and has opened a new facility there.

"We have a longstanding relationship with the University of Rhode Island and are looking forward to building one with Flinders, so seeing this relationship between the two universities re-cemented is really fabulous.

"We look forward to working together with the entire coalition to strengthen the industrial base both here and in Australia and to expand capabilities into the future."

URI is known globally for its strength in oceanography and ocean engineering, which includes notable defence-focused university-industry partnerships and a collaboration with the U.S. Navy.

It is home to 401 Tech Bridge, an economic development program that connects manufacturers, small businesses, research and development entities, trade organisations and state and defence agencies to collaborate in the development of new advanced materials, technologies, and products.

URI is also home to the National Institute for Undersea Vehicle Technologies, a university-industry partnership in collaboration with the University of Connecticut and the U.S. Navy to advance the capabilities of the next generation U.S. undersea fleet through innovative workforce training and by accelerating the research, development, and transition of key enabling technologies. In addition, URI hosts the Rhode Island Nuclear Science Center and the University's Bay Campus is home to one of only 25 university-based nuclear reactors in the United States.

Flinders University is a leading international university in Australia with a record of excellence and innovation in teaching and research, supporting a long history of collaboration with defence and industry. Its noted capability in the defence sphere spans maritime engineering, digital engineering, mechanical engineering, nanotechnology, robotics, cyber defense and electronic warfare, and reskilling.

As the Southern Hemisphere's hub in a global innovation ecosystem, Flinders University is home to the Factory of the Future advanced manufacturing research and test facility developed in collaboration with BAE Systems Maritime Australia and the South Australian and Australian governments.

The memorandum of understanding coincides with an agreement between Flinders and the University of Manchester, the lead university in the UK's Nuclear Technology Education Consortium, which will deliver its nuclear master's and doctoral-level research training in South Australia to build capacity to meet industry needs.

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## EEOC Releases New Resource on Artificial Intelligence and Title VII

Outlines Considerations for Incorporating Automated Systems into Employment Decisions

WASHINGTON – Today the Equal Employment Opportunity Commission (EEOC) released a technical assistance document, "<u>Assessing Adverse Impact in</u> <u>Software, Algorithms, and Artificial Intelligence Used in Employment Selection</u> <u>Procedures Under Title VII of the Civil Rights Act of 1964</u>," which is focused on preventing discrimination against job seekers and workers. The document explains the application of key established aspects of Title VII of the Civil Rights Act (Title VII) to an employer's use of automated systems, including those that incorporate artificial intelligence (AI). The EEOC is the primary federal agency responsible for enforcing Title VII, which prohibits discrimination based on race, color, national origin, religion, or sex (including pregnancy, sexual orientation, and gender identity).

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Employers increasingly use automated systems, including those with AI, to help them with a wide range of employment matters, such as selecting new employees, monitoring performance, and determining pay or promotions. Without proper safeguards, their use may run the risk of violating existing civil rights laws.

"As employers increasingly turn to AI and other automated systems, they must ensure that the use of these technologies aligns with the civil rights laws and our national values of fairness, justice and equality," said EEOC Chair Charlotte A. Burrows. "This new technical assistance document will aid employers and tech developers as they design and adopt new technologies."

The EEOC's new technical assistance document discusses adverse impact, a key civil rights concept, to help employers prevent the use of AI from leading to discrimination in the workplace. This document builds on previous EEOC releases of technical assistance on AI and the Americans with Disabilities Act and a joint agency pledge. It also answers questions employers and tech developers may have about how Title VII applies to use of automated systems in employment decisions and assists employers in evaluating whether such systems may have an adverse or disparate impact on a basis prohibited by Title VII.

"I encourage employers to conduct an ongoing self-analysis to determine whether they are using technology in a way that could result in discrimination," said Burrows. "This technical assistance resource is another step in helping employers and vendors understand how civil rights laws apply to automated systems used in employment."

The EEOC's technical assistance document is <u>part</u> of its <u>Artificial Intelligence</u> <u>and Algorithmic Fairness Initiative</u>, which works to ensure that software including AI—used in hiring and other employment decisions complies with the federal civil rights laws that the EEOC enforces.

The EEOC advances opportunity in the workplace by enforcing federal laws prohibiting employment discrimination. More information about the EEOC is available at <u>www.eeoc.gov</u>. Stay connected with the latest EEOC news by subscribing to our <u>email updates</u>.

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## Commerce Secretary Gina Raimondo Kicks Off First Meeting of the U.S.-EU TTC Talent for Growth Task Force May 17, 2023

Today, Secretary Gina Raimondo, European Commission (EC) Executive Vice-President Margrethe Vestager, and EC Commissioner Nicolas Schmit launched the first meeting of the U.S.-EU Trade and Technology Council (TTC) Talent for Growth Task Force, comprised of government and private sector leaders focused on ensuring millions of workers in both the U.S. and Europe are equipped with the training and skills they need to thrive in an economy transformed by technology.

One of President Biden's top priorities is to ensure America's workers can access the good jobs created by this Administration's historic investments in manufacturing, semiconductors, and clean energy. These investments need complimentary talent development systems, and the Task Force was created to help catalyze businesses, labor, and organizations that support training to act to build lifelong training for our working-age populations.

During this inaugural Take Force meeting, Secretary Raimondo challenged the Task Force Members to be ambitious. "We want you in the EU to learn from us, and we want to learn from you. We need to take the best of the training programs and apprenticeships where you excel and other areas where we excel, to come together and take action." Executive Vice-President Margarethe Vestager echoed the EC's commitment to the goals of the Task Force. "While digital technology offers vast opportunities for individuals and businesses, it's important that these opportunities are realized in a fair and inclusive way. The Talent for Growth Task Force will combine experiences from both sides of the Atlantic and promote the development of the talent and skills needed to achieve it."

The Task Force is Co-Chaired by Zoë Baird, Senior Counselor to Secretary Gina Raimondo for Technology and Economic Growth, and Stefan Olsson, Deputy Director General, EC Directorate-General for Employment, Social Affairs, and Inclusion, and will engage through its members with interested communities. For more information about the Task Force, please email tgtf@doc.gov.

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## Fact Sheet: U.S.-EU Trade and Technology Council (TTC) Talent for Growth Task Force Introduction

ICT Supply Chain Workforce Development FOR IMMEDIATE RELEASE Monday, December 5, 2022 Office of Public Affairs

To ensure inclusive economic growth that benefits our people and to maintain our collective leadership in existing and emerging technologies, the TTC will announce the establishment of the Talent for Growth Task Force at its meeting on December 5. The U.S.-EU TTC is committed to collaborating to build middle-income careers for millions of workers in both the U.S. and EU.

The U.S. and EU share the goal of increasing our competitiveness so all our workers and companies can succeed in the global economy. Our economies will lead in this century if we create systems that recognize the talent we have and provide millions of workers with the skills needed to continue to power our growth, which is built on everchanging technological innovation. These technologies include evolving technologies like semiconductors, AI, robotics, 3D printing, and quantum computing. Technology has enormous promise to create millions of new jobs, solve previously intractable problems, and create economic growth. The U.S. and the EU need workers trained in the skills for the jobs affected by these technologies.

Both the U.S. and the EU have stepped up our investments in technology and workforce development. These investments will create the economic conditions that will develop workforces with much needed skills, benefit our people, and spur the next wave of economic growth.

Together, we can learn from each other and draw on each other's strengths as we invest in the talent of our people.

#### **Talent for Growth Task Force**

The TTC Talent for Growth Task Force will bring together government and private sector leaders from business, labor, and organizations that provide training, building on existing initiatives on both sides of the Atlantic. The goal of the Task Force is to exchange best practices, and to serve as a catalyst for innovative skills approaches.

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We have a collective objective to develop systems of training for our working-age populations and means of recognizing the talent of all our people. The Talent for Growth Task Force will advise the TTC on the actions needed to achieve this. Members will work with and encourage their respective communities to: learn from each other, share taxonomies and tools and inspire innovation on training programs; engage the public on the rewarding careers in technology sectors, including a focus on underrepresented communities; exchanges on training programs that meet the changing demands of the market to build a skilled workforce that fosters growth and uninterrupted supply chains, and to provide small- and medium-sized businesses access to talent pools to foster competition; and help generate middle-income jobs to create a more resilient and equitable middle class.

Goals of the Talent for Growth Task Force

The strategy and work plan of the Task Force will be developed by its members. Initial expectations are that there will be collaborations to:

Share best practices, policies, tools, and data for talent development through skills training.

- Create opportunities across sectors to share best practices, including strategies for collaboration, taxonomies, and tools.
- Exchange on effective policies that contribute to the reskilling and upskilling of the workforce.
- Examine the means of data and tool sharing to identify candidates for roles, needed training, effectiveness of training, and job placement.
- Share best practices and use cases on how technology (XR, AI) can help to provide more personalized and immersive learning and training experience.
- Share information on funding models.

Concrete output: Document implementable models and ideas for the U.S. and EU on best practices for skills training and upskilling for jobs affected by technology.

Showcase training opportunities between the U.S. and the EU.

- Draw on successful training programs such as apprenticeships that are used by multinational companies in other countries in which they operate.
- Promote a shared understanding on specific skills needs that could inspire training programs in American and European companies.
- Explore models to pair private technology skills-training (like boot camps) with government programs.
- Identify and promote easy-to-adopt talent development programs for small- and medium-sized businesses.

Concrete output: Document implementable models and ideas for the U.S. and EU on expanding training opportunities for the U.S. and the EU workforce. Encourage businesses and labor, as well as educators and non-profits, to act on the Task Force's findings.

Communicate the benefits of participating in careers in the technology sector.

- Identify barriers to knowledge about in-demand technology jobs, and barriers for women and people, notably young people, from underrepresented communities to consider these jobs.
- Use social media and digital platforms to showcase the exciting promise of these jobs and training opportunities.

Concrete output: Document implementable models and ideas to communicate the benefits and access to jobs in technology to target audiences, including underrepresented communities. Encourage businesses and labor as well as educators and non-profits to act on the Task Force's findings to help promote the awareness and benefits of these jobs and all sectors to use their networks to amplify the messages tied to market needs.

#### **Formation and Milestones**

Secretary Raimondo and Executive Vice-President Vestager will announce the Task Force on December 5 at the Washington, D.C. meeting.

Early 2023: Four leaders from Europe and four from the U.S. -- one each from government, business, labor, and organizations that support training -- and additional participants will be appointed in early 2023. It is anticipated that they will serve for an initial term of 12 months.

The Task Force will make many announcements of programs during its tenure that builds awareness of talent as a key part of our collective technological competitiveness.

Six months milestone: The Task Force will report to the TTC co-chairs on the initial recommendations made by members and their communities, aiming for several announcements of recommendations and ideas. In addition, it will present a preliminary strategy for the work of the Task Force.

One year milestone: The Task Force will produce a short report that highlights its achievements and progress on its objectives.

## United States Imposes Additional Sanctions and Export Controls on Russia in Coordination with International Partners

## 05/19/2023 12:51 PM EDT

## Antony J. Blinken, Secretary of State

In coordination with the G7, Australia, and other partners, the United States is imposing new sanctions today on Russia for its illegal war in Ukraine. Today's actions implement new commitments made at the G7 Leaders' Summit and demonstrate our shared resolve to hold Russia accountable for its mounting atrocities in Ukraine. These sanctions also reinforce the commitment the United States and its partners have made to taking action against those who aid the Kremlin in Ukraine by circumventing our sanctions and export control measures.

As part of these actions, the Department of State is imposing sanctions on or identifying as blocked property over 200 entities, individuals, vessels, and aircraft. Today's actions include designations of targets across Russia's defense and related materiel, technology, and metals and mining sectors. Our actions also include the designation of entities and individuals involved in expanding Russia's future energy production and capacity. And we are continuing to target entities and individuals that have engaged in the systematic and unlawful deportation of Ukraine's children and the theft and transportation of stolen grain from Ukraine.

Today's actions also include designations of an international network of entities engaged in the procurement of components for the Russia-based entity responsible for the manufacture of the Orlan drone, which Russian forces are currently employing in their illegal war against Ukraine, and the Russia-installed puppet authorities in parts of Ukraine's territory.

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We are taking these steps in coordination with further sanctions being imposed by the Department of the Treasury today and additional export control measures announced by the Department of Commerce. The United States will continue to stand with Ukraine for as long as it takes.

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The Department of the Treasury is imposing sanctions on over 120 entities and individuals, including dozens of third-country actors connected to sanctions evasion activities. Treasury also is issuing a new determination identifying the architecture, engineering, construction, manufacturing, and transportation sectors of the Russian Federation economy pursuant to Executive Order (E.O.) 14024, which authorizes sanctions to be imposed on any person determined to operate or to have operated in any of those sectors. Additionally, Treasury is issuing a determination pursuant to E.O. 14071, prohibiting the exportation, reexportation, sale, or supply, directly or indirectly, from the United States, or by a United States person, wherever located, of architecture services or engineering services to any person located in the Russian Federation, in alignment with G7 partners. The Department of Commerce is issuing two rules to expand the territorial reach and categories covered by its U.S. export control measures and add 71 entities to the Entity List to prevent Russia from accessing goods key to the battlefield. Commerce is also issuing a joint alert with the Treasury Department's Financial Crimes Enforcement Network (FinCEN) to urge continued vigilance by U.S. financial institutions against potential Russian export control violations. For more information on today's actions, please see the G7 Leaders' Statement on Ukraine, the Department of State's fact sheet, the Department of the Treasury's press release, and the Department of Commerce press release.

FOR IMMEDIATE RELEASE May 19, 2023 www.bis.doc.gov

## BUREAU OF INDUSTRY AND SECURITY Office of Congressional and Public Affairs OCPA@bis.doc.gov

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Commerce Expands and Aligns Restrictions with Allies and Partners and Adds 71 Entities to Entity List in Latest Response to Russia's Invasion of Ukraine

Restrictions Announced Today Coordinated Closely with International Partners and Demonstrate Steadfast Commitment to Ukraine

WASHINGTON, D.C. – Today, the Department of Commerce's Bureau of Industry and Security (BIS) released two rules that continue efforts to impose powerful and coordinated restrictions on Russia for its ongoing full-scale invasion of Ukraine by expanding controls to additional items in alignment with international partners and allies, and adding 71 entities to the Entity List, primarily for supporting Russia's military and defense sectors. BIS also released its second joint alert with Treasury's Financial Crimes Enforcement Network (FinCEN) urging continued vigilance by U.S. financial institutions against potential Russian export control evasion. "Putin's continued war of aggression has been hampered by the strong, coordinated action of the United States and our partners and allies as he and his lieutenants have expressed numerous times over the past year," said Deputy Secretary of Commerce Don Graves, "We will continue to stand strong with the people of Ukraine against this aggression, and will continue to align our efforts to cut off the Russian defense industrial base, as well as entities that seek to support it, as long as it takes."

"The export controls imposed by the Global Export Control Coalition will continue to bite harder and harder the longer Putin persists in his unjust aggression against Ukraine," said Under Secretary of Commerce for Industry and Security Alan F. Estevez, "We will continue to impose costs on the Kremlin for continuing this war both by further restricting their access to additional items, as well as through aggressive enforcement in concert with our allies and partners."

"Over the past year, the sweeping export controls imposed against Russia by the Global Export Control Coalition have degraded Russia's ability to repair, replenish, and reconstitute the advanced weapons and platforms it needs to sustain its war machine," said Assistant Secretary of Commerce for Export Administration Thea D. Rozman Kendler, "The steadfast support and coordination of our Global Export Control Coalition partners has been—and remains—essential to supporting Ukraine's efforts."

"Export Enforcement is aggressively prioritizing enforcement of controls on items that the U.S., EU, UK, and Japan have identified as contributing to Russian weapons systems such as missiles and drones," said Assistant Secretary for Export Enforcement Matthew S. Axelrod. "Where our investigations and end-use check program identify evasion activity by companies in third countries, we will use all of our authorities, including the Entity List, to shut it down."

## RULE SUMMARIES AND TEXT

The brief summaries and links to the text of the rules released on the Federal Register's website are below. The effective date for all of today's rules is May 19, 2023.

"Implementation of Additional Sanctions Against Russia and Belarus Under the Export Administration Regulations (EAR) and Refinements to Existing Controls"

#### **Rule Summary:**

Today's first rule builds on the substantial controls already put in place by the United States and its allies and partners on a variety of inputs for Russia's industrial and commercial, chemical and biological, and other sectors that can support Russia's defense industrial base and/or be diverted to such uses through Belarus.

The rule does this by making the existing Russian and Belarusian Industry Sector Sanctions stronger, more effective, and easier to understand and comply with by adding license requirements for additional items, as outlined in the Export Administration Regulations (EAR), to align U.S. controls further with controls implemented by U.S. partners and allies. The rule makes four major changes:

The rule adds the remaining HTS-6 Codes under three entire harmonized tariff system chapters (Chapters 84, 85, and 90; now over 2,000 total entries) to the industrial and commercial controls listed in Supplement No. 4 to Part 746 of the EAR so that every HTS-6 Code under these three chapters is now controlled. The items added in today's rule include a variety of electronics, instruments, and advanced fibers for the reinforcement of composite materials, including carbon fibers. This comprehensive approach seeks to further cut off Russia's access to any items of potential military application within these chapters and deny Russia additional resources it needs to continue waging war, while also simplifying the compliance decisions for persons trading in these items as all items in these chapters now require a license.

The rule also adds certain additional chemicals to Supplement No. 6 to part 746 of the EAR, which consists of discrete chemicals, biologics, fentanyl and its precursors, and related equipment designated EAR99 that may be useful for Russia's industrial capability or may be diverted from Belarus to Russia for these activities of concern.

The rule expands the list of foreign-produced items in Supplement No. 7 to part 746 of the EAR that require a license when destined to Russia, Belarus, and Iran to make the EAR's controls stronger, more effective, and easier to understand and further limit Iran's ability to support Russia's military aggression against Ukraine by providing unmanned aerial vehicles or UAVs. This addition builds on the rule issued on February 24, 2023, that created Supplement No. 7 which identifies a number of priority items of concern and that is being used to advance counter-evasion efforts.

Expanding the destination scope of the Russia/Belarus Foreign-Direct Product (FDP) Rule, as well as other conforming changes. The rule applies the Russia/Belarus FDP Rule to the temporarily occupied Crimea region of Ukraine, thereby making it more difficult for items to be procured for Russia's use in Crimea in support of its ongoing military aggression in Ukraine.

Rule Text Available here: https://www.federalregister.gov/publicinspection/2023-10774/additional-sanctions-against-russia-andbelarus-under-the-export-administration-regulations-and

"Addition of Entities to the Entity List"

## **Rule Summary:**

This rule that adds sixty-nine entities in Russia and one entity each in Armenia and Kyrgyzstan to the Entity List.

The sixty-nine Russian entities are added to the Entity List for providing support to Russia's military and defense sector. These entities are also receiving "footnote 3" designations as Russian or Belarusian 'military end users,' and will be subjected to the restrictions imposed under the Russia/Belarus-Military End User FDP Rule, which represent some of the most severe restrictions available under the EAR.

One Armenian entity and one Kyrgyz entity are added to the Entity List for preventing the successful accomplishment of end-use checks and posing a risk of diversion of items subject to the EAR to Russia.

Rule Text (with Full List of Entities) Available here: <u>https://www.federalregister.gov/public-inspection/2023-</u> 10684/addition-of-entities-to-the-entity-list

## **BIS-FinCEN Alert:**

The supplemental alert issued today builds on FinCEN and BIS's first joint alert, issued in June 2022, and provides financial institutions additional information with respect to new BIS export control restrictions relating to Russia. The alert also reinforces ongoing U.S. Government engagements and initiatives designed to further constrain and prevent Russia from accessing needed technology and goods to supply and replenish its military and defense industrial base. It details evasion typologies and identifies additional transactional and behavioral red flags to assist financial institutions. Link to today's alert is here:

https://www.bis.doc.gov/index.php/documents/enforcement/3272-fincen-and-bis-joint-alert-final-508c/file

Additional Background:

Since Russia's full-scale invasion began in February 2022, BIS has taken numerous regulatory and enforcement actions in coordination with our international allies and partners, as well as our interagency colleagues, to apply stringent export controls intended to degrade Russia's defense industrial base and ability to sustain its war machine, as well as to facilitate additional support for Ukraine's resistance.

Additional information on these actions is available on BIS's Russia-Belarus Resources page at:

https://www.bis.doc.gov/index.php/policy-guidance/country-guidance/russia-belarus

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 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 export, reexport, and transfer (in country) licensing requirements and license application review 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 http://www.bis.doc.gov.

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## Suspect in Discord leaks to remain in jail pending trial, judge says

Airman Jack Teixeira's hearing follows weeks of back and forth over his possible release on bond

## By Stephanie Morales and <u>Devlin Barrett</u>

Updated May 19, 2023 at 4:29 p.m. EDT | Published May 19, 2023 at 3:43 p.m. EDT

WORCESTER, Mass. — An Air National Guard member charged with leaking classified material online must remain behind bars while he awaits trial, a federal magistrate ruled Friday, siding with prosecutors who argued he was an attractive target for foreign governments trying to learn more national security secrets.

U.S. magistrate judge David Hennessy's decision follows weeks of backand-forth between prosecutors and lawyers for 21-year-old Jack Teixeira over whether it was safe to release him while he awaits trial. The judge ruled shortly after Teixeira, wearing an orange jumpsuit and closely cropped hair, arrived in court Friday afternoon.

"Who did he put at risk?" the judge asked. "You could make a list as long as a phone book."

Hennessy said the defendant was a "severe risk" to obstruct justice, and seemed to have an unhealthy fixation with weapons — two factors he said he couldn't ignore.

The judge said there was nothing wrong or unhealthy about liking guns, but there "appears to be an unhealthy fascination" with weapons based on Teixeira's writing. The judge also expressed concerns about what he called Teixeira's "lack of integrity."

"Given the publicity of this case, foreign governments know that the defendant was disloyal to the United States and that he is facing a long jail sentence," the judge said. "None of those things are speculative or exaggerated."

Hennessy said he was sympathetic to Teixeira's relatives, calling them a "good family," and noting that his mother, father and stepfather have attended every court proceeding, which was unusual for criminal cases.

In a court filing earlier this week, prosecutors offered new allegations in the case, saying Teixeira appears to have shared sensitive secrets with foreign nationals and had raised concern among his co-workers in the months before he was charged with mishandling and disseminating national security information.

Teixeira was arrested in April after FBI agents traced back to him a collection of classified material posted in an online chat group. Authorities say he worked as an IT professional at <u>a military base in Massachusetts's Cape Cod</u>, and abused his top secret clearance — illegally sharing U.S. intelligence assessments and other sensitive information with others on Discord, a social media platform popular with video game players.

One of the groups where he shared classified information had upward of 150 users, officials said, and among the members "are a number of individuals who represented that they resided in other countries" and whose accounts trace back to foreign internet addresses.

Teixeira's "willful transmission of classified information over an extended period to more than 150 users worldwide" undermines his lawyer's claims that he never meant for the information to be shared widely, prosecutors wrote.

The filing also shows that Teixeira was repeatedly written up by colleagues for apparently not following rules for the use of classified systems. A Sept. 15 Air Force memorandum included in the newly released court materials notes that Teixeira "had been observed taking notes on classified intelligence information" inside a room specifically designed to handle sensitive classified material.

Teixeira, the Air Force memo says, was instructed "to no longer take notes in any form on classified intelligence information." About a month later, a memo noted that Teixeira "was potentially ignoring the cease-and-desist order" given to him in September. He was instructed to stop "any deep dives into classified intelligence information and focus on his job," that memo said.

Then in January, a member of his unit observed Teixeira "viewing content that was not related to his primary duty and was related to the intelligence field." That memo also noted that Teixeira "had been previously notified to focus on his own career duties and to not seek out intelligence products."

Teixeira's lawyer countered in court papers that prosecutors have wrongly compared his conduct to previous high-profile security breaches, when the case is more similar to lesser-known leak investigations in which defendants were released on bond.

The prosecution filing also recounts online chats in which Teixeira appears to both brag about his sharing of classified information and understand the potential legal consequences of such actions.

"Knowing what happens more than pretty much anyone is cool," the airman allegedly wrote in a chat dated mid-November. When another user suggested he write a blog about the information, Teixeira replied, "making a blog would be the equivalent of what chelsea manning did," referring to a <u>major classified leak case</u> in 2010.

A member of the Massachusetts Air National Guard, Teixeira has been charged with two counts: retention and transmission of national defense information and willful retention of classified documents. He faces up to 25 years in prison. As the investigation proceeds, he could face additional charges.

Hennessy, the judge, pushed back on suggestions from Teixeira's attorney, who claimed his client only meant to share the information with a <u>small</u> group of online friends, not the wider world.

"The defendant put top-secret information on the internet, and your argument is that he had no idea that it would go anywhere beyond the server," Hennessy said at a hearing last month. "I find it a little incredible that the defendant could not foresee that possibility."

Prosecutors warned in an earlier court filing that Teixeira has done "immense" damage to U.S. national security, and is still capable of causing extraordinary harm. "Detention is necessary to ensure that the Defendant does not continue on his destructive and damaging path," they wrote.

In their filings, prosecutors have said Teixeira exhibited disturbing behavior five years ago while a high school student, and was suspended after a classmate overheard him talking about weapons, "including Molotov cocktails, guns at the school, and racial threats."

More recently, according to prosecutors, Teixeira posted comments online about conducting a mass shooting, including in November when he wrote in a social media post that if he had his way, he would "kill a ... [expletive] ton of people," which he said would be "culling the weak minded." In previous court filings, prosecutors also shared photos of what they characterized as an "arsenal" of weapons found in his home.

Teixeira's lawyer has said the talk of an arsenal was overheated — because the guns in court images that had been thought to be in his room are not real weapons, but airsoft guns that shoot small plastic pellets. The firearms in Teixeira's house are locked away in a cabinet, according to Kelley.

Prosecutors say there also is evidence that, as the leak investigation progressed, Teixeira may have destroyed evidence of his crimes and told others not to talk to authorities. Earlier this month, Teixeira allegedly told an online friend: "If anyone comes looking, don't tell them" anything, and encouraged that person to "delete all messages."

Teixeira's attorneys have pushed back against those claims, saying Teixeira was peacefully reading a Bible when agents came to arrest him, and that prosecutors' notions of the risks to national security are far-fetched and fanciful.

The prosecution, Teixeira's lawyer Allen Franco wrote in a court filing last month, has engaged in "hyperbolic judgments and provides little more than speculation that a foreign adversary will seduce Mr. Teixeira and orchestrate his clandestine escape from the United States. This argument is illusory. The government has presented no articulable facts to support these assertions."

## The Fifth Special Session of the Conference of the States Parties to Review Operation of the Chemical Weapons Convention

05/20/2023 08:15 AM EDT

#### Office of the Spokesperson

Upon the completion of the Fifth Review Conference of the Chemical Weapons Convention, the United States reiterates its unwavering commitment to achieving a world free of chemical weapons. We commend the constructive efforts of a wide range of States Parties and their commitment to seeking a consensual outcome. We regret that the Russian Federation repeatedly obstructed these efforts to negotiate in good faith throughout the process and prevented consensus on a final outcome document despite the majority of the issues receiving broad support. More than 70 delegations, including the United States, joined a statement pledging to advance a positive agenda for the Organization for the Prohibition of Chemical Weapons (OPCW).

We express our deepest appreciation for the leadership of Ambassador Lauri Kuusing for the yearlong preparation of the Fifth Review Conference, as well as the work of the Chair of the Committee of the Whole, Ambassador José Antonio Zabalgoitia, and the Chair of the Review Conference, Ambassador Henk Cor van der Kwast. The United States remains determined to advance the work of the OPCW and contribute to the capacity of States Parties to counter the threat of chemical weapons while holding those accountable, including Syria and Russia, for their possession and use of chemical weapons.

## Over 1,500 Political Prisoners in Belarus

05/20/2023 09:21 AM EDT

## The Secretary of State

On the eve of the Day of Solidarity with Belarusian Political Prisoners, we condemn the Lukashenka regime in Belarus for unjustly holding over 1,500 political prisoners.

These men and women have been arrested and incarcerated for exercising their human rights and fundamental freedoms in pursuit of Belarusian democracy, for protesting a fraudulent election, or for opposing Russia's war against Ukraine. Many of their trials were held behind closed doors, shielded from public scrutiny or accountability. Their families, friends, coworkers, and others live every day with the thought of their loved ones suffering in jail. Recently, Belarusian authorities have resorted to shutting off any contact with the outside world for political prisoners like Viktar Babaryka, Syarhey Tsikhanouski, Mikalai Statkevich, Maria Kalesnikava, Maksim Znak, Ales Bialiatski, and Ihar Losik. For many, their families and legal representatives have been unable for several months to communicate with them or to confirm where they are being held. Sadly, most political prisoners' names are not well known.

The United States stands with the people of Belarus as they seek a future based on the rule of law, respect for human rights, and an accountable, democratically elected government. We reiterate our strong desire to see the immediate and unconditional release of all political prisoners held by the Lukashenka regime, and we call on Belarus to meet its international legal obligations, as well as its commitments as a participating State of the Organization for Security and Cooperation in Europe to respect human rights and fundamental freedoms.

The United States is committed to promoting accountability for perpetrators of human rights violations in Belarus and to raising the costs associated with their abuses, including by imposing visa restrictions and sanctions.

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## Additional U.S. Security Assistance for Ukraine 05/21/2023 04:18 AM EDT

Antony J. Blinken, Secretary of State

President Biden and President Zelensky met today at the G7 meeting in Hiroshima, Japan to reaffirm that that the United States will continue to stand with our Ukrainian partners as they defend themselves from Russia's war of aggression.

Pursuant to a delegation of authority from President Biden, I am authorizing our 38th drawdown of U.S. arms and equipment for Ukraine.

This security assistance package includes additional ammunition for High Mobility Artillery Rocket Systems, artillery ammunition, anti-tank weapons, armored medical treatment vehicles, trucks and trailers to transport heavy equipment, spare parts and other field equipment essential to strengthening Ukraine's defenders on the battlefield.

Russia could end its war today. Until Russia does, the United States and our allies and partners will stand united with Ukraine, for as long as it takes.

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## **Road to Ruin**

Insights, analysis and must reads from CNN's Fareed Zakaria and the Global Public Square team, compiled by Global Briefing editor Chris Good - May 23, 2023

What will happen if Congress doesn't raise America's federal borrowing limit in time? Two recent explainers paint a grim picture.

(\*Continued On The Following Page)

As President Joe Biden negotiates with House Speaker Kevin McCarthy, amid GOP resistance to already-legislated levels of spending, the Treasury suggests the US could begin defaulting on debts by June 1. At the Financial Times last week, Kate Duguid and Colby Smith detailed a no-win choice between defaulting on bond payments (which could send markets tumbling, especially for "(r)iskier assets such as US stocks and corporate bonds," and prompt a downgrade to US credit) and declining to make other payments "such as social security and Medicare disbursements or government and military salaries."

The Economist foreshadows Fed intervention and ponders the difference between a short default (with Congress raising the limit soon after a crisis begins) and а more damaging longer one.

"However this works out, America would already be in the throes of extreme fiscal austerity," the magazine writes. "The government would be unable to borrow more money, meaning it would have to cut spending by the gap between current tax revenues and expenditures—an overnight reduction of roughly 25%, according to analysts at the Brookings Institution, a think-tank. Moody's Analytics, a research outfit, estimates that in the immediate aftermath of a default, America's economy would shrink by nearly 1% and its unemployment rate would rise from 3.4% to 5%, putting about 1.5m people out of work. ... America would have violated the trust that the world has long placed in it. Questions about alternatives to the dollar and to the American financial system would gain urgency. Faith, once destroyed, cannot easily be restored."

Washington has put on this debt-limit circus several times since 2011, and each crisis is more exhausting to get worked up about. The Economist notes a reason this time could be different: America's "politicians are even more fractious than they were during past standoffs."

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'Everything is at stake' in debt limit standoff, Raimondo says "If we want to lead in the world, we need credibility," the US Commerce Secretary said on the Rhode Island Report podcast. "And defaulting - China will see that, and it's a sign of weakness."

By Edward Fitzpatrick Globe Staff, Updated May 23, 2023, 9:24 p.m.

US Secretary of Commerce Gina M. Raimondo testifies before the Senate Appropriations Committee on May 16, 2023, in Washington, D.C.Win McNamee/Getty

PROVIDENCE — On the Rhode Island Report podcast, US Commerce Secretary Gina M. Raimondo weighed in on the high-stakes standoff over raising the nation's \$31.4-trillion debt limit, saying, "Everything is at stake."

President Joe Biden and Republican House Speaker Kevin McCarthy have been trying to reach a deal as the nation heads toward an economically catastrophic default — as soon as June 1, according to the latest Treasury Department estimate — unless Congress votes to raise the debt limit. While the two leaders remained far apart on Tuesday, there have been glimmers of optimism.

"We have to get it done," Raimondo said. "I'm proud of the president and the way he's leaning into it. The economy is at stake. People's jobs are at stake. Providing critical public services are at stake."

The economy is doing well and unemployment is low, she told Globe Rhode Island's Ed Fitzpatrick and Rhode Island PBS' Jim Hummel. "But it's fragile," she said. "Supply chains are still a little bit challenged. Inflation is still a challenge. We don't need this right now."

(\*Continued On The Following Column)

Chief executives at major US companies frequently raise concerns about a potential default, Raimondo said. "It is the first thing they bring up with me, which is to say: 'Hey, please, we have to do everything we can. Don't let the United States default. It would just crush this economy.' "

Raimondo, a Democratic former Rhode Island governor and state treasurer who became US commerce secretary in March 2022, said the debt ceiling standoff is not helping the nation's ability to compete with China.

"The United States needs to be strong, needs to be a global leader," she said. "And in order to do that, we need to have a fully functioning government. We need to be able to have people have confidence and faith in the full faith and credit of the U.S. We need to pay our bills."

Raimondo said the question is not whether to spend more money. "This is about paying the bills for money that's already been spent by Democrats and Republicans," she said. "So if we want to lead in the world, we need credibility. And defaulting - China will see that, and it's a sign of weakness."

On the podcast, Raimondo also talked about the recent loss of her mother, Josephine Piro Raimondo, Tiktok, our relationship with China, and the honorary doctorate that she will receive from Brown University on Sunday, May 28.

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## Man Convicted Of Torture And Exporting Weapons Parts And Related Services To Iraq

Monday, May 22, 2023 For Immediate Release U.S. Attorney's Office, Middle District of Pennsylvania

HARRISBURG – A federal jury convicted a Pennsylvania man on May 19 for numerous crimes, including the torture of an Estonian citizen in 2015 in the Kurdistan region of Iraq, in connection with the operation of an illegal weapons manufacturing plant in Kurdistan.

According to court documents and evidence presented at trial, Ross Roggio, 54, of Stroudsburg, arranged for Kurdish soldiers to abduct and detain the victim at a Kurdish military compound where Roggio suffocated the victim with a belt, threatened to cut off one of his fingers, and directed Kurdish soldiers to repeatedly beat, tase, choke, and otherwise physically and mentally abuse the victim over a 39-day period. The victim was employed at a weapons factory that Roggio was developing in the Kurdistan region of Irag that was intended to manufacture M4 automatic rifles and Glock 9mm pistols.

In connection with the weapons factory project, which included Roggio providing training to foreign persons in the operation, assembly, and manufacturing of the M4 automatic rifle, Roggio also illegally exported firearm parts that were controlled for export by the Departments of State and Commerce.

"Roggio brutally tortured another human being to prevent interference with his illegal activities," said Assistant Attorney General Kenneth A. Polite, Jr. of the Justice Department's Criminal Division. "Thanks to the courage of the victim and other witnesses, the hard work of U.S. law enforcement, and the assistance of Estonian authorities, he will now be held accountable for his cruelty."

"Today's guilty verdict demonstrates that Roggio's brutal acts of directing and participating in the torture of an employee over the course of 39 days by Kurdish soldiers could not avoid justice," said U.S. Attorney Gerard M. Karam for the Middle District of Pennsylvania. "We thank all the prosecutors and law enforcement agents who worked tirelessly to address these acts that occurred in Iraq." 9

"Today's milestone conviction is the result of the extraordinary courage of the victim, who came forward after the defendant inflicted unspeakable pain on him for more than a month," said Assistant Director Luis Quesada of the FBI's Criminal Investigative Division. "Torture is among the most heinous crimes the FBI investigates, and together with our partners at the Human Rights Violators and War Crimes Center, we will relentlessly pursue justice."

"U.S. Immigration and Customs Enforcement is firmly dedicated to pursuing those who commit human rights violations, like Roggio, to ensure perpetrators face justice for their atrocities," said Deputy Director and Senior Official Performing the Duties of the Director Tae D. Johnson of ICE. "Our investigators will continue to work tirelessly with government partners so these horrendous acts do not go without consequence."

"The illegal export of firearms parts and tools from the United States often goes hand in hand with other criminal activities, such as the charge of torture on which the jury voted to convict the defendant," said Special Agent in Charge Jonathan Carson of the Department of Commerce's Bureau of Industry and Security (BIS), Office of Export Enforcement, New York Field Office. "I commend our law enforcement colleagues for their dedication to bringing justice in this case."

Roggio was convicted of torture, conspiracy to commit torture, conspiring to commit an offense against the United States, exporting weapons parts and services to Iraq without the approval of the U.S. Department of State, exporting weapons tools to Iraq without the approval of the U.S. Department of Commerce, smuggling goods, wire fraud, and money laundering. He is scheduled to be sentenced on Aug. 23 and faces a maximum sentence of life in prison. A federal district court judge will determine any sentence after considering the U.S. Sentencing Guidelines and other statutory factors.

Roggio is the second defendant to be convicted of torture since the federal torture statute went into effect in 1994.

The FBI and HSI investigated the torture and were joined in investigating the export control violations related to the firearms manufacturing equipment by the Department of Commerce's BIS Office of Export Enforcement.

Trial Attorney Patrick Jasperse of the Criminal Division's Human Rights and Special Prosecutions Section, Trial Attorney Scott A. Claffee of the National Security Division's Counterintelligence and Export Control Section, and Assistant U.S. Attorney Todd K. Hinkley for the Middle District of Pennsylvania are prosecuting the case. The Estonian Internal Security Service, the Justice Department's Office of International Affairs, and the Pennsylvania State Police also provided valuable assistance.

Members of the public who have information about human rights violators in the United States are urged to contact U.S. law enforcement through the FBI tip line at 1-800-CALL-FBI or the HSI tip line at 1-866-DHS-2-ICE, or complete the FBI online tip form or the ICE online tip form.

## U.S. Department of State Concludes Settlement Resolving Export Violations by VTA Telecom Corporation

## 05/31/2023 04:36 PM EDT

Office of the Spokesperson

The U.S. Department of State has concluded an administrative settlement with VTA Telecom Corporation, to resolve six violations of the Arms Export Control Act (AECA), 22 U.S.C. § 2751 et seq., and the International Traffic in Arms Regulations (ITAR), 22 C.F.R. Parts 120-130. The Department of State and VTA Telecom Corporation reached this settlement following an extensive compliance review by the Office of Defense Trade Controls Compliance in the Department's Bureau of Political-Military Affairs.

The administrative settlement between the Department of State and VTA Telecom Corporation concluded pursuant to ITAR § 128.11, addresses unauthorized exports and attempted exports of ITAR-controlled defense articles, including hobby rocket motors, video trackers, including related technical data, and a gas turbine engine controlled under U.S. Munitions List Categories IV(d)(7), IV(h), IV(h)(11), XII(a), and XIX(c) to Vietnam, a proscribed country for exports and temporary imports of defense articles and defense services, by 22 CFR § 126.1 at the time of the violations.

The settlement demonstrates the Department's role in furthering world peace and the security and foreign policy of the United States by controlling the export of defense articles. The settlement also highlights the importance of exporting defense articles only pursuant to appropriate authorization from the Department.

Under the terms of the Consent Agreement, VTA Telecom Corporation will be administratively debarred and thereby prohibited from participating directly or indirectly in any activities subject to the ITAR for three years.

The Consent Agreement and related documents will be available for public inspection in the <u>Public Reading Room of the Department of State</u> and on the <u>Penalties and Oversights Agreements</u> section of the Directorate of Defense Trade Controls' website.

For additional information, please contact the Bureau of Political-Military Affairs Office of Congressional and Public Affairs at pm-cpa@state.gov.

## Wagner says it is leaving Bakhmut, posing challenge for Russia

By Ivan Nechepurenko and Marc Santora New York Times, Updated May 25, 2023, 7:58 p.m.

Days after declaring victory in Bakhmut, the Wagner private military company said Thursday that it was turning the Ukrainian city over to the Russian army, which must now try to hold on to it without the help of the brutal mercenary force on which it has grown dependent.

Wagner's leader, Yevgeny Prigozhin, suggested that Russia's regular soldiers can expect no more help from the group — at least, not in Bakhmut. In a three-minute video, Prigozhin is shown visiting what he says are Wagner positions in the city and telling his fighters to hand them over to Russian troops.

"Leave them soap, but take away your toothbrushes," he says.

A Wagner withdrawal could open a new phase of the monthslong struggle for Bakhmut, testing whether the Russian army can hold the hard-won ground against Ukrainian forces that have advanced on the city's outskirts and are preparing to launch a broader counteroffensive.

"Now the Russian General Staff will have to find enough reserves to fill the resulting gap," Dmitri Kuznets, a military analyst for Meduza, a Russian news website, said in response to written questions. "This is in addition to fending off the Ukrainian offensive, which will also require a significant number of reserves."

Ukraine has conceded that despite the firepower it devoted to hold Bakhmut, where tens of thousands are believed to have died, Russia now controls nearly the entire city. It says its forces are shifting their focus to make it difficult for Russia to hold Bakhmut or to move deeper into eastern Ukraine.

On Thursday, a deputy Ukrainian defense minister, Hanna Maliar, said that Ukrainian troops controlled an area just southwest of Bakhmut and that they were trying to make further gains on the outskirts.

"In the Bakhmut direction, the enemy is trying to stop our advance on the flanks with artillery fire," Maliar said. "Now the enemy is pulling up additional units to the flanks for reinforcement."

Regular Russian army units have replaced Wagner fighters in Bakhmut's suburbs, she said, while Wagner forces remained inside the city.

The repositioning around the city came as Russia and Ukraine engaged in dueling drone battles Thursday.

Ukraine's military said that it shot down dozens of Russian drones aimed at targets across the country before dawn, while Russian officials said they had thwarted an attack by Ukrainian aerial and maritime drones taking aim at the home of the Russian Black Sea Fleet in Sevastopol, Crimea.

Even as its forces have reinforced a maze of fortified defensive positions across hundreds of miles of farmland, fields, and river banks in recent weeks, Moscow has also stepped up aerial bombardments to try to disrupt Ukrainian military preparations for a counteroffensive, according to Ukrainian officials and military analysts.

Ukraine has spent weeks targeting key Russian command and control centers, rail lines, airfields, and other military installations across occupied territories with the apparent aim of limiting Moscow's ability to move troops and equipment quickly and effectively.

(\*Continued On The Following Column)

Mykhailo Podolyak, a senior adviser to President Volodymyr Zelensky, said Thursday that recent military actions were all part of the Ukrainian counteroffensive, which he said would not be marked by a "single event." There are "dozens of different actions," Podolyak said in a post on Twitter, aimed at destroying the "occupation forces in different directions, which have already been taking place yesterday, are taking place today, and will continue tomorrow."

"Intensive destruction of enemy logistics is also a counteroffensive," he said. Vadym Skibitsky, Ukraine's deputy intelligence chief, said that disrupting Russian military movement in Crimea was essential to the Ukrainian campaign.

"Their reinforcements and the redeployment of troops, the supply of ammunition and equipment in the occupied territories all go through Crimea," he told German publication Welt in an interview published Thursday.

Crimea holds enormous symbolic and military value for the government of President Vladimir Putin, who seized the peninsula in 2014 and has described it as a centerpiece of what he sees as Russia's national restoration.

On Thursday, the Kremlin-installed governor of Crimea said that multiple Ukrainian drone attacks had been thwarted across the territory. And the Russian-appointed governor of the Crimean port of Sevastopol said that two aerial drones had been shot down with small arms and that several maritime drones had been disabled using electronic warfare tools that jammed their signals.

The claims could not be independently verified.

The capture of Bakhmut has given Moscow a rare and very costly victory and made clear how reliant it has become on the Wagner forces and their outspoken leader, who has been scathingly critical of the Russian military.

For many supporters of Russia's invasion of Ukraine, the Wagner group, with its harsh discipline and agile decision-making, has become a model for what the Russian army, plagued by cumbersome bureaucracy, should look like.

In recent days, buoyed by victory in Bakhmut, Prigozhin has become still more outspoken, warning Russian elites that they face the prospect of a popular uprising if they do not put the country on a real wartime footing.

But for all the infighting, Wagner and the Russian army are also dependent on each other. While Prigozhin has some of the best assault troops fighting on the Russian side, the defense ministry holds vastly larger weapons supplies — much to Prigozhin's recent frustration.

While the Russian military leadership might prefer not to rely on Wagner for help again, said Kuznets, Moscow's lack of sufficient troops makes the mercenaries' eventual redeployment in Ukraine "inevitable."

In Bakhmut on Thursday, Prigozhin signaled that Wagner's pullout would take several days.

"We will get rest and get ready," he said in the latest video. "And then we will receive a new task

## FACT SHEET: The 2023 G7 Summit in Hiroshima, Japan

Since President Biden took office, revitalizing our alliances and partnerships and reestablishing America's leadership around the world has been one of his top priorities. The G7 Summit in Hiroshima showed that the G7 are more united than ever: united on Ukraine, united on China, united on economic security, united on building the clean energy economies of the future, united on nuclear disarmament, and united on fighting poverty and responding to global challenges like the climate crisis around the world. (\*Continued On The Following Page

## **United on Ukraine**

G7 Leaders set forth a powerful statement of unity strength and commitment in our response to Russia's war of aggression. Leaders announced a set of concrete actions to intensify the G7's diplomatic, financial, humanitarian and security support for Ukraine, to increase the costs to Russia and those supporting its war efforts, and to continue to counter the negative impacts of Russia's war on the rest of the world, particularly on the most vulnerable people.

- New sanctions and export controls. G7 Leaders announced new steps to economically isolate Russia and weaken its ability to wage its war. They announced new efforts to further disrupt Russia's ability to source inputs for its war; close evasion loopholes; further reduce reliance on Russian energy and limit its future extractive capacity; and squeeze Russia's access to the international financial system. G7 leaders also reaffirmed their commitment to keep Russia's sovereign assets immobilized until Russia pays for the damage it has caused. To implement these commitments, the Departments of Treasury, State, and Commerce rolled out new sanctions packages including by expanding our broad restrictions, cutting off over 70 companies from Russia and other countries from receiving U.S. exports, and sanctioning upwards of 300 individuals, entities, vessels, and aircraft, including actors across the globe.
- Discussing peace with a broad range of partners. The G7 leaders met with the leaders of Ukraine, Australia, Brazil, the Cook Islands, Comoros, India, Indonesia, Republic of Korea, and Vietnam to discuss international peace and security. The leaders issued an Action Plan on Food Security that notes, "Especially in light of its impact on food security and the humanitarian situation around the world, we support a just and durable peace based on respect for international law, principles of the UN charter and territorial integrity and sovereignty."

## **United on China**

G7 Leaders affirmed that G7 countries are not decoupling from China or turning inwards. At the same time, G7 Leaders recognized the need to respond to concerns and to stand up for our core values.

Economic security issues. The G7 will push for a level playing field for their workers and companies and seek to address the challenges posed by China's non-market policies and practices and foster resilience to economic coercion. They recognized the necessity of protecting certain advanced technologies that could be used to threaten our national security.

Indo-pacific. Leaders reaffirmed the importance of peace and stability across the Taiwan Strait and called for a peaceful resolution of cross-Strait issues. They highlighted that there is no change in the basic positions of the G7 members on Taiwan. They registered their serious concerned about the situation in the East and South China Seas and reaffirmed their strong opposition to any unilateral attempts to change the status quo by force or coercion.

 Core values. G7 Leaders voiced concerns about the human rights situation in China, and called on China not to conduct interference activities or undermine the integrity of our democratic institutions.

United on Economic Resilience and Economic Security

G7 Leaders took steps to enhance strategic coordination on economic resilience and economic security by strengthening supply chains, reducing vulnerabilities and countering malign practices that exploit and reinforce them.

- Protecting critical and emerging technologies. President Biden has taken action in the United States to protect certain dual use technologies from falling into the hands of strategic rivals. In Hiroshima, G7 Leaders affirmed that this is a common interest across G7 countries. To this end, the Leaders further recognized that addressing risks from outbound investment could be important to complement existing tools of targeted controls on exports and inbound investments.
- Launching the G7 Coordination Platform on Economic Coercion. G7 Leaders launched the Coordination Platform on Economic Coercion to increase collective assessment, preparedness, deterrence and response to economic coercion.

#### United on Building the Clean Energy Economies of the Future

At home, President Biden has delivered on an ambitious clean energy agenda that is centered around bold public investment and working with partners to build secure and resilient supply chains. In Hiroshima, G7 Leaders outlined the way that G7 partners are working to meet the moment in achieving the goals of the Paris Agreement, to build secure and resilient supply chains, and to ensure strong industrial bases across G7 countries.

• Maximizing the impact of incentives. Thanks to the Inflation Reduction Act, this was the first G7 Summit where the President of the United States could unambiguously say that the United States is on a path to meet our Paris Climate commitments. G7 Leaders recognized that achieving the goals of the Paris Agreement urgently requires significant new incentives, industrial policies, and public as well as private investments. Leaders committed to work together to ensure regulations and investments will make clean energy technologies more affordable for all nations and help drive a global, just energy transition for workers and communities that will leave no one behind.

## United on an Affirmative and Ambitious Development Agenda

President Biden has championed an affirmative and ambitious agenda to support developing countries, including through reaffirming our support for the 2030 Agenda for Sustainable Development and working to create fiscal space for increased domestic investments in key development priorities. In Hiroshima, G7 Leaders emphasized the need to unlock investments and policy reforms to accelerate progress toward the Sustainable Development Goals (SDG), including by investing in more resilient food and health systems, and by addressing the effects of climate change.

- Tackling rising levels of debt. G7 Leaders highlighted their concern that serious challenges to debt sustainability are undermining the progress towards the Sustainable Development Goals. They reiterated the urgency of addressing debt vulnerabilities in lowand middle-income countries and their full support of the G20's effort to improve the implementation of the Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative (DSSI) in a predictable, timely, orderly and coordinated manner, providing clarity to participants.
- Promoting the evolution of the multilateral development banks (MDBs). G7 Leaders noted their strong support for the efforts underway by multilateral development banks to review and transform their business models to better address global challenges such as climate change, pandemics, fragility and conflict, which are integral to achieving poverty reduction and shared prosperity. They encouraged MDBs to expedite this ongoing work. They looked to further progress on the World Bank's evolution agenda toward the 2023 WBG and IMF Annual Meetings and beyond.

#### (\*Continued On The Following Page)

- Reversing the first global decline in life expectancy in nearly a century. G7 leaders committed to work with global partners to restore access to essential health services to better than pre-pandemic levels by the end of 2025, and to strengthen primary health care delivery, including by investing in health workers, in order to accelerate progress toward universal health coverage. The United States is providing approximately \$10 billion in global health program funding with Fiscal Year (FY) 2022 funds, much of which supports essential health services, including addressing HIV/AIDS, TB and malaria, expanding access to water and sanitation, and supporting maternal and child health. One year ago, the President also launched the Global Health Worker Initiative, which aims to address the global shortage of health workers.
- Investing in health security with U.S. contribution of \$250 Million to the Pandemic Fund. The President announced that the United States plans to provide a \$250 million contribution in Fiscal Year 2023 appropriations, subject to Congressional notification, to the Pandemic Fund to demonstrate the United States' ongoing commitment to strengthening global health security around the world. This planned investment in the Pandemic Fund will continue to serve as a catalyst for additional contributions from other donors. The United States is committed to providing greater investments in health security to help break the cycle of panic and neglect in the wake of health emergencies.
- Announcing the Hiroshima Action Statement for Resilient Global Food Security with partner countries to address needs today and into the future. G7 Leaders reaffirmed their continued commitment to address global food insecurity and the need to build more resilient, sustainable, and inclusive food systems. G7 leaders have exceeded the \$14 billion commitment announced at the 2022 G7 Elmau Summit, mobilizing \$14.9 billion for food security. The United States remains the global leader on food security. Since the beginning of 2022, the United States has provided over \$13.5 billion in acute and medium to long term assistance for food security.

## Showing Tangible Progress at the PGII One-Year Mark

One year after G7 Leaders announced PGII as the G7's collective infrastructure initiative, G7 Leaders demonstrated that PGII is making concrete progress.

- Collaborating with partners. During the Summit, G7 Leaders were joined by leaders of [Australia, Brazil, Comoros, Cook Islands, India, Indonesia, Vietnam, the Republic of Korea, and the World Bank]. They were also joined by private sector executives of Citi, Global Infrastructure Partners, Japan Foreign Trade Council, and Nokia to reaffirm their commitment to opening a serious, sustainable channel for unlocking public and private capital for these projects in the developing world.
- Launching new projects. To date, the United States has mobilized \$30 billion through grants, federal financing, and leveraging private sector investments towards PGII. President Biden announced new projects and highlighted the impact of several projects announced since PGII's launch at the 2022 G7 Summit.

 Announcing a PGII Investor Forum. The President announced that the United States will seek to launch an annual Investor Forum to enable the United States Government to more comprehensively de-risk capital, play a matchmaking role between investors and opportunities that advance PGII, and hear feedback on how it can continue to refine the PGII model to maximize its effectiveness.

## **United on Nuclear Disarmament**

G7 Leaders expressed their commitment to achieving a world without nuclear weapons with undiminished security for all, through a realistic, pragmatic, and responsible approach.

Announcing the G7 Leaders' Hiroshima Vision on Nuclear Disarmament. G7 Leaders reaffirmed the importance of disarmament and non-proliferation efforts to create a more stable and safer world. They reaffirmed the Treaty on the Non-Proliferation of Nuclear Weapons as the cornerstone of the global nuclear non-proliferation regime, and as the foundation for the pursuit of nuclear disarmament and the peaceful uses of nuclear energy. They condemned Russia's irresponsible nuclear rhetoric and expressed concern about China's opaque build-up of its nuclear arsenal. They noted that a world without nuclear weapons cannot be achieved without nuclear non-proliferation, expressing concern specifically with regard to North Korea and Iran.



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## **MISSION STATEMENT:**

Given the geopolitical state of affairs with China, Russia, and Crimea, the Occupied territories of UKRAINE, Donetsk and Luhansk Oblast, embargoed countries and other specific threatening end users and entities, located in the United States and around the globe;

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