

DEPARTMENT OF COMMERCE

Bureau of Industry and Security

**Meeting With Interested Public on the Proposed Rule: Export Administration Regulations:
Establishment of License Exception Intra-Company Transfer (ICT)**

ACTION: Notice.

SUMMARY: The Bureau of Industry and Security (BIS) will hold a public meeting on October 27, 2008 for those companies, organizations, and individuals that have an interest in learning about the new license exception entitled “Intra-Company Transfer (ICT)” that would be established under the Export Administration Regulations (EAR) as presented in the proposed rule published in the **Federal Register** on October 3, 2008. U.S. Government officials will explain the amendments to the EAR proposed in the rule and answer questions from the public.

DATES: The meeting will be held on October 27, 2008 at 9:00 a.m.

ADDRESSES: The meeting will be held at the U.S. Department of Commerce, Herbert C. Hoover Building, Room 4830, 14th Street between Pennsylvania Avenue and Constitution Avenue, NW., Washington, DC.

FOR FURTHER INFORMATION CONTACT: For questions related to this notice, contact Yvette Springer, Office of Technology Evaluation; Telephone: 202-482-2813; e-mail: yspringer@bis.doc.gov. For questions related to the proposed rule setting forth the ICT license exception, contact Steven Emme, Regulatory Policy Division; Telephone: 202-482-2440; e-mail: semme@bis.doc.gov.

Status: This meeting will be open to the public. A limited number of seats will be available for the meeting. Reservations are not accepted. The meeting will be accessible via teleconference to 20 participants on a first come, first served basis. To join the meeting, submit inquiries to Yvette Springer at yspringer@bis.doc.gov no later than October 23, 2008.

SUPPLEMENTARY INFORMATION:

Background

On January 22, 2008, the President announced a package of directives to ensure that the export control policies and practices of the United States support the National Security Strategy of 2006, while facilitating the United States' continued international economic and technological leadership. In addition, the Deemed Export Advisory Committee (DEAC) recently undertook a comprehensive examination of the national security, technology, and competitiveness aspects of the deemed export rule and presented its findings to the Secretary of Commerce in December 2007. The DEAC concluded that the deemed export rule, "no longer effectively serves its intended purpose and should be replaced with an approach that better reflects the realities of

today's national security needs and global economy." Among its recommendations, the DEAC proposed that BIS create a category of "Trusted Entities" that voluntarily elect to qualify for streamlined treatment after meeting certain criteria. Further, the DEAC recommended that these "Trusted Entities" include subsidiaries located abroad so that individuals and ideas could move within the company structure without the need for separate deemed export licenses.

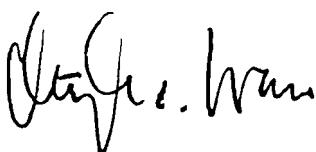
In response to the President's directives on U.S. export control reforms and the DEAC's recommendations on deemed export controls, BIS published a proposed rule that would create a license exception for intra-company transfers.

The proposed rule would amend the Export Administration Regulations (EAR) to establish a new license exception entitled "Intra-Company Transfer (ICT)." Pursuant to ICT, an approved parent company and its approved wholly-owned or controlled in fact entities to export, reexport, or transfer (in-country) many items on the Commerce Control List among themselves for internal company use. Prior authorization from BIS would be required to use the license exception, and certain terms and conditions would apply. The proposed rule describes the criteria pursuant to which entities would be eligible to use License Exception ICT and the procedure by which they must apply for ICT authorization.

The purpose of the public meeting is for U.S. Government officials to explain the amendments to the EAR proposed in the rule and answer questions from the public. This effort is intended to

assist the public submit helpful comments on the rule to BIS by the November 17, 2008 deadline.

DATED: *October 16, 2008*

A handwritten signature in black ink, appearing to read "Chris R. Wall". The signature is written in a cursive, somewhat stylized font.

Christopher R. Wall

Assistant Secretary

for Export Administration