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DEPARTMENT OF COMMERCE

Bureau of Export Administration

15 CFR Part 736

[Docket No. 980821223-8223-01]

RIN: 0694-AB74

Establishment of 24-month Validity Period for Certain Reexport  
Authorizations and Revocation of Other Authorizations

AGENCY: Bureau of Export Administration, Commerce.

ACTION: Final rule.

SUMMARY: The Bureau of Export Administration is amending the  
Export Administration Regulations (15 CFR parts 730-774) by  
issuing General Order No. 1 establishing a 24-month validity  
period for all reexport authorizations that do not contain any  
license validity period and revoking those that have been in  
effect for more than 24 months.

DATES: This rule is effective (DATE OF PUBLICATION).

ADDRESSES: Written comments on this rule should be sent to Hillary Hess, Director, Regulatory Policy Division, Bureau of Export Administration, Department of Commerce, P.O. Box 273, Washington, DC 20044.

FOR FURTHER INFORMATION CONTACT: Hillary Hess, Director, Regulatory Policy Division, Bureau of Export Administration, Telephone: (202) 482-2440.

SUPPLEMENTARY INFORMATION:

#### Background

On March 25, 1996 (61 FR 12714), the Bureau of Export Administration (BXA) issued completely revised Export Administration Regulations (EAR). Among other things, the new regulations established a general rule that all licenses for export or reexport would be limited to a 24-month validity period and established procedures for seeking extensions (§750.7(g)).

The general practice before June 15, 1996, under the previous regulations, was to issue reexport authorizations for most countries without a set validity period. Since requests for

reexport authorizations specified the items to be reexported, the parties to the transaction, and the dollar value involved, the reexport authorizations were available for as long as was necessary to complete the transaction(s) in question. In addition, a number of reexport authorizations issued after June 15, 1996, did not include a specific validity period.

BXA is issuing this general order to bring any outstanding reexport authorizations which were issued without validity periods in line with the general 24-month validity period established in the new regulations.

This order revokes all outstanding reexport authorizations issued with no validity period before the 24-month period preceding [DATE OF PUBLICATION] to a country that has been designated by the Secretary of State as a country that has repeatedly provided support for acts of international terrorism, effective [DATE OF PUBLICATION]. Designated terrorist-supporting countries currently are Cuba, Iran, Iraq, Libya, North Korea, Sudan, and Syria. All other outstanding reexport authorizations issued with no validity period within the 24-months preceding [DATE OF PUBLICATION] will be revoked [60 DAYS FROM DATE OF PUBLICATION]. Reexport authorizations issued with no validity period within 24-months preceding [DATE OF PUBLICATION] will expire 24-months from the date of issuance of the reexport authorization or [60 DAYS

FROM DATE OF PUBLICATION], which ever is longer. Extensions of any such reexport authorizations may be requested prior to the effective date of this action in accordance with the procedures set forth in §750.7(g). Should BXA provide specific notice to a reexporter of an earlier revision, suspension, or revocation date for such reexport authorization, then the information in the specific notice from BXA shall be controlling.

The term "authorization" as used in this rule encompasses the range of reexport authorizations granted by BXA, which includes licenses, individual letters, and other types of notifications.

The Export Administration Act (EAA) expired on August 20, 1994, the President invoked the International Emergency Economic Powers Act and continued in effect the EAR and, to the extent permitted by law, the provisions of the EAA in Executive Order 12924 of August 19, 1994, as extended by the President's notices of August 15, 1995 (60 FR 42767), August 14, 1996 (61 FR 42527), August 13, 1997 (62 FR 43629) and August 13, 1998 (63 FR 44121).

#### Saving Clause

Shipments of items under reexport authorizations revoked as a result of this regulatory action that were on dock for loading, on lighter, laden aboard an exporting carrier, or en route aboard

carrier to a port of export pursuant to actual orders for export before (DATE OF PUBLICATION) may be exported in accordance with the terms of the previous reexport authorization provisions up to and including (2 WEEKS AFTER DATE OF PUBLICATION). Any such items not actually exported before midnight (2 WEEKS AFTER DATE OF PUBLICATION), require a new license in accordance with this regulation.

#### Rulemaking Requirements

1. This interim rule has been determined to be not significant for purposes of E.O. 12866.

2. Notwithstanding any other provision of law, no person is required to respond to nor be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a current valid OMB Control Number. This rule involves collection of information requirements subject to the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.). This collection has been approved by the Office of Management and Budget under control number 0694-0088.

3. This rule does not contain policies with Federalism implications sufficient to warrant preparation of a Federalism assessment under Executive Order 12612.

4. The provisions of the Administrative Procedure Act (5 U.S.C. 553) requiring notice of proposed rulemaking, the opportunity for public participation, and a delay in effective date, are inapplicable because this regulation involves a military and foreign affairs function of the United States (Sec. 5 U.S.C. 553(a)(1)). Further, no other law requires that a notice of proposed rulemaking and an opportunity for public comment be given for this interim rule. Because a notice of proposed rulemaking and an opportunity for public comment are not required to be given for this rule under 5 U.S.C. 553 or by any other law, the analytical requirements of the Regulatory Flexibility Act (5 U.S.C. 601 et seq.) are not applicable.

List of Subjects in 15 CFR Part 736

Exports, Foreign Trade.

Accordingly, part 736 of the Export Administration Regulations (15 CFR parts 730-799) are amended as follows:

PART 736 - [AMENDED]

1. The authority citation for part 736 is revised to read as follows:

Authority: 50 U.S.C. app. 2401 et seq., 1701 et seq.; E.O. 12924, 59 FR 43437, 3 CFR, 1994 Comp., p. 917; E.O. 13026, 61 FR 58767, 3 CFR, 1996 Comp., p. 228 (1997); Notice of August 15, 1995, 3 CFR, 1995 Comp. 501 (1996); Notice of August 14, 1996, 61 FR 42527, 3 CFR 1996 Comp., p. 298 (1997); Notice of August 13, 1997 (62 FR 43629, August 15, 1997); and Notice of August 13, 1998 (62 FR 44121, August 17, 1998).

2. Supplement No. 1 to part 736 is revised to read as follows:

SUPPLEMENT NO. 1 TO PART 736 - GENERAL ORDERS

**GENERAL ORDER NO. 1 of [DATE OF PUBLICATION]; Establishing a 24-month validity period on reexport authorizations issued without a validity period and revoking those exceeding that period .**

(a) Reexport authorizations issued within 24-months of the General Order . All reexport authorizations issued with no validity period within the 24-months preceding [DATE OF PUBLICATION] shall be deemed to have an expiration date which

shall be the date 24-months from the date of issuance of the reexport authorization or [60 DAYS FROM THE DATE OF PUBLICATION], whichever is longer.

(b) Reexport authorizations issued before the 24-month period preceding the General Order. For reexport authorizations issued with no validity period before the 24-month period preceding [DATE OF PUBLICATION]:

(1) Effective [DATE OF PUBLICATION], all such outstanding reexport authorizations for terrorist-supporting countries (see parts 742 and 746 of the EAR) are revoked.

(2) Effective [60 DAYS AFTER DATE OF PUBLICATION], all other such outstanding reexport authorizations are revoked.

(c) Extensions. If necessary, you may request extensions of such authorizations according to procedures set forth in §750.7(g) of the EAR.

(d) Specific Notice from BXA. If you have received, or should you receive, specific notice from BXA with regard to a reexport authorization covered by this General Order, informing you of a revocation, suspension, or revision (including validity period)



of any such reexport authorization, then the terms of that specific notice will be controlling.

(e) Definition of "authorization". The term "authorization" as used in this General Order encompasses the range of reexport authorizations granted by BXA, which includes licenses, individual letters, and other types of notifications.

DATED:

R. Roger Majak  
Assistant Secretary  
for Export Administration

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