EIB World Trade Headlines

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Statement on Steps to Protect Domestic Technology and Intellectual Property from China's Discriminatory and Burdensome Trade Practices.

Foreign Policy - Issued on: May 29, 2018

On March 22, 2018, the President signed a memorandum announcing that the United States would take multiple steps to protect domestic technology and intellectual property from certain discriminatory and burdensome trade practices by China. These actions were announced following a report of the Office of the U.S. Trade Representative regarding China's practices with respect to technology transfer, intellectual property, and innovation. In accordance with the March 22 memorandum, the President has been updated on the progress of the announced actions as follows:

• To protect our national security, the United States will implement specific investment restrictions and enhanced export controls for Chinese persons and entities related to the acquisition of industrially significant technology. The proposed investment restrictions and enhanced export controls will be announced by June 30, 2018, and they will be implemented shortly thereafter.

• The United States will continue to pursue litigation at the World Trade Organization for violations of the Agreement on Trade-Related Aspects of Intellectual Property Rights based on China's discriminatory practices for licensing intellectual property. The United States filed the case regarding these violations on March 23, 2018.

• Under Section 301 of the Trade Act of 1974, the United States will impose a 25 percent tariff on $50 billion of goods imported from China containing industrially significant technology, including those related to the "Made in China 2025" program. The final list of covered imports will be announced by June 15, 2018, and tariffs will be imposed on those imports shortly thereafter.

In addition, the United States will continue efforts to protect domestic technology and intellectual property, stop noneconomic transfers of industrially significant technology and intellectual property to China, and enhance access to the Chinese market. Likewise, the United States will request that China remove all of its many trade barriers, including non-monetary trade barriers, which make it both difficult and unfair to do business there. The United States will request that tariffs and taxes between the two countries be reciprocal in nature and value. Discussions with China will continue on these topics, and the United States looks forward to resolving long-standing structural issues and expanding our exports by eliminating China's severe import restrictions.

NEWSLETTER NOTES

China to buy 'significantly' more U.S. goods and services in bid to ease trade tensions, a statement by both countries says

The U.S. and China announced Saturday that two days of "constructive" talks between American and Chinese officials in Washington had led to an agreement for China to buy more goods and services — including "meaningful increases in United States agriculture and energy exports — as the two countries work to defuse a brewing trade war.

The announcement comes after National Economic Council Director Larry Kudlow said Friday that China had agreed to purchase at least $200 billion in more goods and services, which could help reduce the $375 billion trade deficit with China that has drawn President Trump's ire. China had not confirmed that number, and Saturday's statement did not reference a specific dollar amount.

Trump cancels summit with North Korean leader Kim Jong Un

"I feel it is inappropriate, at this time, to have this long-planned meeting," President Trump wrote to Kim in a letter released by the White House.

The summit had been planned for June 12 in Singapore.

U.S. China Diplo With Brain Injury Heard 'Abnormal' Sounds

Havana all over again? A U.S. government employee in China is said to have a mild traumatic brain injury after experiencing "subtle and vague, but abnormal, sensations of sound and pressure," causing the State Department to urge U.S. citizens in China to report any "symptoms or medical problems" they notice while in the country. The employee works at the U.S. consulate in the southeastern city of Guangzhou, CBS News reports. "The U.S. government is taking these reports seriously and has informed its official staff in China of this event," according to a State Department statement. "We do not currently know what caused the reported symptoms and we are not aware of any similar situations in China, either inside or outside of the diplomatic community." The symptoms are reminiscent of the mysterious "health attacks" on U.S. and Canadian diplomatic staff in Cuba, which have stumped doctors and left the staffers with hearing loss and brain damage.

Deep in the Desert, Iran Quietly Advances Missile Technology

When an explosion nearly razed Iran's long-range missile research facility in 2011 — and killed the military scientist who ran it — many Western intelligence analysts viewed it as devastating to Tehran's technological ambitions.

Since then, there has been little indication of Iranian work on a missile that could reach significantly beyond the Middle East, and Iranian leaders have said they do not intend to build one.

So, this spring, when a team of California-based weapons researchers reviewed new Iranian state TV programs glorifying the military scientist, they expected a history lesson with, at most, new details on a long-dormant program.

Instead, they stumbled on a series of clues that led them to a startling conclusion: Shortly before his death, the scientist, Gen. Hassan Tehrani Moghaddam, oversaw the development of a secret, second facility in the remote Iranian desert that, they say, is operating to this day.

For weeks, the researchers picked through satellite photos of the facility. They found, they say, that work on the site now appears to focus on advanced rocket engines and rocket fuel, and is often conducted under cover of night.

It is possible that the facility is developing only medium-range missiles, which Iran already possesses, or perhaps an unusually sophisticated space program.

But an analysis of structures and ground markings at the facility strongly suggests, though does not prove, that it is developing the technology for long-range missiles, the researchers say.

Such a program would not violate the international deal intended to prevent Iran from developing a nuclear weapon, or any other formal agreement. Still, if completed, it could threaten Europe and potentially the United States. And if Iran is found to be conducting long-range missile work, that would increase tensions between Tehran and the United States.

Five outside experts who independently reviewed the findings agreed that there was compelling evidence that Iran is developing long-range missile technology.

"The investigation highlights some potentially disturbing developments," said Michael Elleman, a missile expert at the International Institute for Strategic Studies who reviewed the material. The evidence was circumstantial, he said, but it could show preliminary steps "for developing an ICBM five to 10 years down the road, should Tehran wish to do so."

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Asked about the conclusions drawn by the weapons researchers, Alireza Miryousefi, the press officer at Iran's United Nations mission, said in emailed statement that "we do not comment on military matters."

The Shahrud Facility

The researchers, based at the nonpartisan Middlebury Institute of International Studies at Monterey, Calif., came across the Iranian facility shortly after a young research fellow, Fabian Hinz, proposed studying a flurry of recent Iranian state media material on General Moghaddam. He wanted to see if it contained clues as to how far Iran's missile program had progressed before the general's death.

But offhand comments from General Moghaddam's colleagues and family members in the Iranian media seemed to imply that his work had quietly continued, the researchers say.

Mr. Hinz also found a big hint as to where the work was taking place. In a 2017 post by an Iranian journalists association, he saw an undated photo of General Moghaddam alongside a top lieutenant and a box marked "Shahrud."

That name caught Mr. Hinz's attention.

Shahrud, named for a town 40 kilometers away, was the site of a single missile test-launch in 2013. It had been considered dormant ever since and, when viewed by satellite, appeared disused.

Was there more than met the eye?

Poring over years of satellite imagery, the researchers noticed something: The number of buildings, they say, had slowly increased over time.

They also spotted a detail that would stand out only to an obsessive follower of General Moghaddam's career: The buildings were painted a striking aquamarine.

General Moghaddam, known as eccentric and strong willed, had ordered his first facility, the one that was destroyed, painted that color. Now the same color appeared 300 miles away on a cluster of nondescript buildings in the desert.

On its own, this proved little, but it led the researchers to look more closely. Once they did, they saw more than just suspicious paint.

Ground Scars

Many military technologies can be developed, at least in early stages, indoors. Ballistics labs, wind tunnels and enrichment facilities can be hidden in buildings or underground.

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Missiles are an exception. Their engines must be fitted into stands and test-fired — hazardous work that is typically done outdoors. And engine tests, when conducted in desert landscapes like those around Shahrud, can burn ground scars, shaped like candle flames, into the terrain.

The researchers, piecing through satellite photos of the area around Shahrud, found, in a crater a few kilometers away, what they say were two telltale ground scars. They were larger than those at General Moghaddam's publicly known facility.

The scars were recent. One appeared in 2016, the other in June 2017.

The researchers scrutinized the test stands. Such structures typically weigh between four and six times the thrust of the engine being tested. And they are concrete, allowing their weight to be inferred from their dimensions.

The researchers say Shahrud's 2017 test used a stand estimated to be 370 tons, suggesting the engine powered between 62 and 93 tons of thrust — enough for an intercontinental ballistic missile. Two as-yet-unused test stands are even larger.

Hidden Activity

There were other hints. Shahrud appears to house three pits of the sort used for casting or curing rocket components, the researchers say. One pit, at 5.5 meters in diameter, is far larger than those used for Iran's medium-range missiles.

The researchers confirmed that the facility remains active by using a new type of satellite imagery known as synthetic-aperture radar. By firing radio waves and measuring their echo, the satellite reveals greater detail than a photograph. Because of how it stores data, it can track minute changes between two sets of images, such as dirt kicked up by someone walking between buildings.

"We can see human traffic, human activity that isn't visible on your traditional satellite," said David Schmerler, one of the California-based researchers. "They've been driving all over the crater where the engine tests are done."

And there appeared to be heavy vehicle traffic in and out of a tunnel leading underground, suggesting that Shahrud sits atop a large subterranean structure, the researchers say, though they could not say what it is for.

The researchers were especially struck by the fuel — or, more precisely, they say, the fact that there was none to be seen. No storage tanks, fuel trucks or fueling stations. This underscored suspicions that Shahrud is building engines that burn solid fuel, they say.

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Solid fuel is far more difficult and dangerous to develop than the liquid kind. While it is also used in civilian programs like spaceflight, its military applications are considerable.

Liquid-fueled missiles must be fueled right before launch, which requires time and access to special fueling facilities, making them easier for enemy forces to find and destroy. But solid-fueled missiles can be hidden in remote locations and fired at a moment's notice.
Unanswered Questions

"We've stumbled onto this program that was much closer to being done than we'd realized," said Jeffrey Lewis, who leads the California-based team that uncovered the facility.

But closer to completing what, precisely?

Perhaps only a more advanced version of Iran's existing medium-range missiles. Still, this would not explain why the structures appear sized for larger missiles or why the work is conducted in such secrecy.
Another explanation could be rockets designed to fire into space — though this is not necessarily benign. Countries will often develop space-launch rockets as a kind of test model for intercontinental ballistic missiles. North Korea and India both started their ICBM programs this way.

Mr. Lewis estimated that Shahrud's casting or curing pits could produce three rockets per year — not enough for an arsenal, but the right amount for a space-launch program. This could develop the technical know-how for an ICBM without one actually being built.

A Revolutionary Guards officer named Majid Musavi, who is thought to be Mr. Moghaddam's successor, seemed to suggest as much in his only known interview. A space program, Mr. Musavi said in 2014, allowed the scientists to continue their work while complying with orders from Iranian leaders not to produce missiles over 2,000 kilometers in range.

Still, Shahrud's focus on solid-fuel engines suggests that any space program there is intended for missile technology, said David Wright, a missile expert at the Union of Concerned Scientists.

"If the goal is to launch satellites, it makes more sense to use liquid-fuel rockets," he said. Solid fuel brings few upsides for civilian use, he said, but is "a convenient way to also develop the technology for a solid ICBM."

It is difficult to assess whether Iran would develop this technology as a precaution in case tensions spike with the United States, as leverage for future negotiations or as experimental testing for missiles that are still years away.

Hedging Bets

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Work at the facility is most likely intended as "a hedge" should the nuclear agreement collapse, said Dina Esfandiary, an Iran expert at the Center for Strategic and International Studies. The country does not appear to be sprinting toward a long-range missile, but preparing the ground in case Iranian leaders should one day deem that necessary.
"It keeps the option open," Ms. Esfandiary said.

Mr. Lewis concluded that the program is holding deliberately short of a functional long-range missile. But if President Trump succeeds in tearing up the agreement, or if Tehran feels threatened, Mr. Lewis warned, Shahrud suggests that Iran could acquire a long-range missile more quickly than has been previously known.

"Like we did with North Korea, we are underestimating how capable they are," he said, referring to North Korea's surprisingly rapid development of an ICBM.

"The Iranians are choosing to restrain themselves for political reasons," Mr. Lewis said, "and if we tell them to go to hell, we're not going to like what they do."

For How Long'?

In July 2017, a Revolutionary Guards officer named Amir Ali Hajizadeh, in comments to military families, complained that "certain gentlemen" in the government were holding back work on a space-launch rocket that, though "ready for launch," was being "put into storage because of fear of America."

"This is unacceptable for us," Mr. Hajizadeh said. "For how long do we have to humiliate ourselves?"

With Mr. Trump's exit from the nuclear agreement, hard-liners like Mr. Hajizadeh may be better positioned to push for resuming this work, Ms. Esfandiary said. "The situation has changed, because there's no cap on their missile work and they have proof that the West doesn't uphold its commitments," she said.

North Korea nuclear test tunnels at Punggye-ri 'destroyed'

North Korea appears to have blown up tunnels at its only nuclear test site, in a move to reduce regional tensions.

Foreign reporters at the Punggye-ri site in the north-east said they witnessed a huge blast. Pyongyang later said the site had been dismantled.

The move by the North is seen as part of a diplomatic rapprochement with South Korea and the US.

But scientists believe it partially collapsed after the last test in September 2017, rendering it unusable.

Independent inspectors were not allowed to witness the process of the dismantling of the Punggye-ri site in the mountainous region of the country, and some worry it could be easily reversible, the BBC's Laura Bicker reports.

It comes ahead of a planned summit between US President Donald Trump and North Korean leader Kim Jong-un in Singapore on 12 June.

However, in recent days both countries have said the meeting could be delayed or even called off, amid sharp verbal exchanges between US and North Korean officials.

What happened on Thursday?

Three tunnels were collapsed in a series of explosions in front of about 20 handpicked international journalists.

Two blasts were reportedly carried out in the morning, and four in the afternoon.

Tom Cheshire of Sky News was among the journalists present. He said the doors to the tunnels were "theatrically rigged" with "wires everywhere".

"We hiked up into the mountains and watched the detonation from about 500 metres [550 yards] away," he said.

"They counted it down: three, two, one. There was a huge explosion, you could feel it. Dust came at you, the heat came at you. It was extremely loud."

North Korea's Nuclear Weapons Institute later said in a statement that the dismantling of the site "was done in such a way as to make all the tunnels of the test ground collapse by explosion and completely close the tunnel entrances", NK News website says.

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"It has been confirmed that there were neither leakage of radioactive materials nor any adverse impact on the surrounding ecological environment."

The South Korean government welcomed the news.

"[We] expect it to serve as a chance for complete denuclearisation going forward," Foreign Affairs Ministry spokesman Noh Kyu-duk was quoted as saying by Yonhap news agency.

What do we know about the site?

North Korea has conducted six nuclear tests since 2006 in a system of tunnels dug below Mount Mantap.

It is thought to have been the North's main nuclear facility and until now the only active nuclear testing site in the world.
It is located about 370km (230 miles) north-east of Pyongyang.

Test devices are buried deep at the end of the tunnels, which end in a hook.

The tunnel gets backfilled to prevent radioactive leakage and then the device is detonated.

What would it take for North Korea to truly denuclearise?

Pyongyang's reported dismantling of the site is seen by analysts as a welcome first step.

But it could indicate that it believes its nuclear programme has made sufficient progress and full testing is no longer needed, Catherine Dill from the Middlebury Institute of International Studies (MIIS) says.

She says North Korea's nuclear weapons programme also goes far beyond the existence of one site.

The Comprehensive Nuclear Test Ban Treaty Organisation (CTBTO) could have confirmed that the test site was no longer capable of conducting nuclear tests - but experts from the UN-backed monitoring group were not invited to Thursday's dismantling of Punggye-ri.

Satellite imagery will be used by governments and independent experts to monitor for activity, new buildings and equipment, which might indicate that North Korea plans to resume testing.

Satellite imagery may not help if North Korea clandestinely opens a new nuclear test site, Ms Dill says, as it has many other mountains that could be used.

But if that were the case, it would be unable to hide any new underground tests, as the resulting seismic tremors would be detected.

RUSSIAN BUK DOWNED MH17 in 2014

The missile that downed a Malaysia Airlines flight over eastern Ukraine in 2014 belonged to a Russian brigade, international investigators say.

For the first time, the Dutch-led team said the missile had come from a unit based in western Russia.

All 298 people on board the Boeing 777 died when it broke apart in mid-air flying from Amsterdam to Kuala Lumpur.

It was hit by a missile fired from rebel-held territory in Ukraine. Russia says none of its weapons was used.

But on Thursday Wilbert Paulissen, a Dutch official from the Joint Investigation Team (JIT), told reporters: "All the vehicles in a convoy carrying the missile were part of the Russian armed forces."

He restated the JIT's conclusion that the plane had been destroyed by a Russian-made Buk missile, adding that it had been supplied by the country's 53rd anti-aircraft brigade in Kursk.

At a news conference in the Dutch city of Utrecht, the investigators also showed social media pictures which they said traced the route the missile convoy had taken to reach eastern Ukraine.

What happened to MH17?

The incident occurred at the height of the conflict between government troops and pro-Russian separatists.

The plane left Amsterdam's Schiphol Airport on 17 July 2014 and was due to arrive at Kuala Lumpur in Malaysia on the following day.

The plane lost contact with air traffic control about 50km (30 miles) from the Russia-Ukraine border.

It crashed in the Donetsk area, in territory controlled by pro-Russian separatists.

Footage was later released by the Ukrainian government suggesting that a Buk missile had been brought in from Russia on the day of the crash, and then taken back across the border the next day.

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What has been said about the incident?

In October 2015 the Dutch Safety Board concluded that the plane had indeed been hit by a Buk missile.

In September 2016, the JIT - which includes officials from the Netherlands, Australia, Belgium, Malaysia and Ukraine - reached a similar conclusion in a preliminary report.

It said it had "irrefutable evidence" that the missile had been brought in from Russian territory and fired from a field controlled by pro-Russian fighters.

The investigators simulated various trajectories of the warhead. They showed it had exploded metres above the aeroplane's nose, showering the aircraft with fragments.

Russia has repeatedly denied that its forces were involved. Commenting on the 2016 JIT report, Kremlin spokesman Dmitry Peskov told the BBC: "We cannot accept as final truth of what they say. I bet you haven't seen any proof."

DOE Concentrates on Solar Energy

The US Department of Energy (DOE) has announced a $72 million project to further the development of concentrated solar power (CSP). The goal is to build an integrated test facility that can use concentrated solar energy to heat a working fluid to greater than 700°C and deliver it to a steam turbine system to produce electricity. Current commercial CSP systems work in the 300°C to 550°C range. Increasing the temperature to 700°C promises greater efficiency in thermally driven solar power systems.

Most people are familiar with the rooftop, photovoltaic (PV) solar power systems that are becoming popular around the country. The large black glass and aluminum rectangle structures of a PV collector contain hundreds of crystalline silicon solar cells. They produce electricity when exposed to light. But that's not the only way to produce electrical power from sunlight.

Light beams can be concentrated by refraction through a lens (a magnifying glass), or through curved mirrors, to produce extremely high temperatures. Commercial scale CSP facilities like the recently completed Noor I power plant in the Sahara Desert in Morocco use 500,000 crescent-shaped mirrors that track the sun across the sky. Noor I can produce up to 160 megawatts while operating at almost 400°C. Similarly, Ivanpah, the world's largest CSP facility—located near the California and Nevada border—has 300,000 mirrors that concentrate the sun's energy onto three 459-foot-high towers. Power production from the 3,500-acre Ivanpah site is rated at 377 megawatts with operating temperatures as high as 565°C.

CSP has the potential for higher efficiencies than the 25% a commercial PV solar cell can produce. "Compared to PV, a much larger percentage of the solar energy that's collected is actually converted to heat (about 90%)," said Avi Shultz, Acting Program Manager for the Concentrating Solar Power team at the Solar Energy Technologies Office (SETO) of the DOE, in an interview with Design News. "But one of the biggest loss mechanisms is the turbine thermal-to-electric conversion efficiency. Current plants operating steam cycles at 565°C have net thermal-to-electric efficiencies of approximately 41%. By going to these higher temperatures, we're hoping to enable approximately 50% net power cycle efficiency," he added.

The problem with operating a CSP plant at higher temperatures comes in the transfer of the heat energy from the collection point to the steam system that generates the electricity. Current CSP systems use molten nitrate salts to transfer the heat. But at temperatures higher than 565°C, these salts become chemically unstable and can no longer be used.

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The DOE development project's goal is to find a new method or material that will allow higher temperature CSP operation. "What we are really looking at in this program is the entire thermal transport systems from the solar receiver—where the fluid is heated up—to the thermal energy storage, to the heat exchanger, where the heat is transferred from that heat transfer media to the fluid that is used in the power cycle," Shultz told Design News.

THE SPACE INDUSTRY

The space industry is emerging as one of the most lucrative market globally. The global space industry, is valued at US$ 365 billion in 2018, is projected grow at a CAGR of 5.6%, to value US$ 558 billion by 2026. Demand for nano-satellites and re-usable launch vehicle systems is anticipated to be driven by the massive investment made by countries like US, China, Russia and the European Union in the development of next generation satellite systems and the large scale procurement of such systems by countries like Saudi Arabia, India, Japan and South Korea. The United States is the largest spender in the domain with China, European Union, India, Russia, Japan and South Korea anticipated accounting for the bulk of spending.

Federal Register Notices

Myth: Transferring control of firearms from State to Commerce will result in deregulation of U.S. firearms exports, increasing numbers of U.S.-manufactured small arms around the world, and contributing to conflicts in places such as Africa or Central America or those involving gangs and non-state actors.

Fact: The transfer of certain firearms to the control of the Department of Commerce does not deregulate the export of firearms. All firearms moved from the jurisdiction of the Department of State to the jurisdiction of the Department of Commerce will continue to require U.S. Government authorization. The U.S. Government is not considering removing the export authorization requirements for any firearms regardless of which agency has licensing jurisdiction or the proposed destination.

Myth: Transferring control to Commerce will remove the requirement of U.S. Government authorization for firearms to many countries under License Exemption Strategic Trade Authorization (STA).

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Fact: The Commerce License Exception Strategic Trade Authorization (STA) may not be used for the firearms and shotguns that transition from the U.S. Munitions List (USML). Only long barreled shotguns that were previously controlled by Commerce may be exported using License Exception Strategic Trade Authorization.

- Additionally, the receivers, detachable magazines, and other significant parts and components of these formerly USML firearms, such as the barrels, cylinders, barrel extensions, mounting blocks (trunnions), bolts, bolt carriers, operating rods, gas pistons, trigger housings, triggers, hammers, sears, disconnectors, pistol grips that contain fire control "parts" or "components," and buttstocks that contain fire control "parts" or "components" are similarly ineligible for export under license exception Strategic Trade Authorization.

Myth: Even after this change, small U.S. gunsmiths will continue to be burdened by registration and requirement fees.

Fact: Most gunsmiths are not required to register as manufacturers under the International Traffic in Arms Regulations (ITAR) today. Commerce does not have a registration requirement for manufacturers and exporters of the items under its jurisdiction. Therefore, small gunsmiths who do not manufacture, export, or broker the automatic weapons and other sensitive items that remain on the USML will no longer need to determine if they are required to register under the ITAR, but they may still be required to comply with Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) licensing requirements.

- This reform will help to clarify what is controlled on which list, ending jurisdictional confusion and making it easier for exporters, especially small businesses, to comply with U.S. export controls.

- For those items moved from the U.S. Munitions List (USML) to the Commerce Control List (CCL), the export licensing requirements and process implemented by the Department of Commerce will be calibrated both to the sensitivity of the item and the proposed destination.

- As a result, foreign manufacturers will enjoy a greater opportunity to source from small U.S. companies. This is good for: U.S. manufacturing, the defense industrial base, security of supply to the U.S. military, and interoperability with allies, to name but a few benefits.

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- As part of the recent reforms to our export control system, the end-user screening lists maintained by State, Commerce, and the Treasury have all been compiled into a single list in one place: www.export.gov/ecr/eg_main_023148.asp. This single list has almost 8,000 line items. As a result, those companies that cannot afford to hire a screening service or read Federal Register notices every day can self-screen their sales orders to make sure they do not inadvertently send their products to a prohibited recipient. In 2013, the average number of monthly downloads of the consolidated list was 34,000. Upgrades made in November 2014, including a new "fuzzy logic" search tool added in mid-2015 that helps find listed entities without knowing the exact spelling, are resulting in hundreds of thousands of screens per day.

- A single application form is in development. When deployed, this form will enable exporters to apply for licenses from any participating export control agency from the same starting point.

Myth: The transfer of items from State Department export control to Commerce Department export control will also change items that are controlled for permanent import.

Fact: The State and Commerce Department export control changes do not alter permanent import controls.

- The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) administers permanent import controls for Arms Export Control Act defense articles on the U.S. Munitions Import List.

- The transfer of items to the Commerce Department for export control does not change ATF permanent import controls.

Myth: The licensing of U.S. arms by the Commerce Department will lead to less regulation, resulting in U.S.-origin items being more widely available for use in human rights abuses.

Fact: The movement of certain firearms to the Commerce Department will allow for more tailored export controls of items.

- The U.S. Government will continue its longstanding end-use monitoring efforts, including vetting of potential end-users, to help prevent human rights abuses. The U.S. Government is not removing the requirements of export authorization for firearms or ammunition.

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- The Department of Defense and the Department of State will remain active in the process of determining how an item is controlled and reviewing export license applications for national security and foreign policy reasons, including the prevention of human rights abuses.

Myth: The Commerce Department has a lack of subject matter experts in firearms licensing and control, making it a poor choice to control small arms exports.

Fact: The Commerce Department has been licensing shotguns and shotgun ammunition for decades. The Commerce Department has investigated and disrupted numerous diversion rings and will bring that expertise to bear on small arms.

Myth: U.S. Immigration and Customs Enforcement (ICE) Homeland Security Investigations (HSI) will lose the authority and jurisdiction to investigate the illegal export of those items being transferred (firearms, firearms parts, and ammunition) when this transition occurs.

Fact: This transfer does not affect ICE HSI's authority or jurisdiction in any way. ICE HSI will continue to enforce the regulations governing the export of firearms, firearms parts, and ammunition.

For further information, please contact the Bureau of Political-Military Affairs, Office of Congressional and Public Affairs at http://PM-CPA@state.govand follow us on Twitter @StateDeptPM.

FLYHT Aerospace Solutions application is first to be certified for Inmarsat's SB-S platform

Inmarsat (LSE: ISAT), the world's leading provider of global mobile satellite communications, announced today that FLYHT Aerospace Solutions (TSX.V:FLY) (OTCQX:FLYLF), a leader in real-time aircraft intelligence and cockpit solutions, is the first partner for its recently-launched Aviation Certified Application Provider (CAP) Programme.

The Aviation CAP Programme provides a catalogue of connected safety and operations applications. By testing, optimising and certifying third-party applications and services for use on Inmarsat's SB-S platform, airlines can focus on the benefits of digitisation without having to worry about integration risks. SB-S entered commercial service last month as the first and only global aviation broadband solution for operations and safety communications, providing airlines worldwide with unparalleled, secure visibility into their operations.

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FLYHT's Automated Flight Information Reporting System (AFIRS TM) received CAP accreditation from Inmarsat after successfully demonstrating that it could stream large amounts of flight data in real-time from an aircraft to the ground, using SB-S

This enables advanced predictive maintenance and quality assurance programmes to boost operational efficiency. In addition, FLYHT's UpTime™ Cloud user interface provides operators with greater situational awareness of their aircraft through an Aircraft Situational Display and paves the way for future cloud-based flight recorder data recovery.

By using AFIRS over SB-S, airlines can benefit from real-time aircraft diagnostics and performance monitoring to reduce turnaround times, and receive vital information to support critical decision-making when aircraft diversions must be considered.

It also provides airlines with an alternative means of accessing and utilising flight data traditionally recorded by physical devices aboard the aircraft in the form of Flight Data Recorders (FDR) and Quick Access Recorders (QAR). Sending this data to the ground in real-time allows data to be stored in a secure facility and location (Black Box in the Cloud), where it can be accessed immediately in case of an incident. This opens up a very simple and cost-effective way to comply with the International Civil Aviation Organization (ICAO)'s imminent new safety requirements on flight recorder data recovery.

John Broughton, Vice President of Safety and Operational Services at Inmarsat Aviation, said: "Our Aviation Certified Application Provider Programme has been launched to provide airlines with cutting-edge technologies and assure the highest levels of safety in the skies. It is open to established application providers and developers and involves a two-step certification process to ensure out-of-the-box compatibility and performance.

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"The official certification of FLYHT's software, as the first application on the SB-S platform, signals a new era of cooperation between Inmarsat and FLYHT. Aircraft flying with SB-S will now be able to take full advantage of AFIRS's services, enabling new capabilities such as Black Box in the Cloud. Partnerships like this are another example of how Inmarsat will be using the SB-S platform to deliver additional value to our aviation customers."

Tom Schmutz, FLYHT's Chief Executive Officer, said: "The CAP Programme certification is another opportunity for FLYHT's continued expansion and application of our technology. We appreciate partnerships with industry-leading organisations like Inmarsat, who, like us, are eager to provide innovative solutions to airlines through increased connectivity."

SB-S is in commercial operation with Hawaiian Airlines and is in in-flight evaluations with United Airlines and Shenzhen Airlines. It has also been selected by Airbus as a Light Cockpit Satcom (LCS) solution on its A320 and A330 families.

The platform is available through a global network of leading distribution partners including Rockwell Collins, SITAONAIR, and China Transport Telecommunication Information Group Company Limited (CTTIC) / Aviation Data Communication Corporation (ADCC) in China. A range of terminal equipment is available from Cobham SATCOM and Honeywell.

For more information on SB-S, please visit the Inmarsat website and download the whitepapers on SB-S and Complete Connected Aircraft and Black Box in the Cloud .

Source: FLYHT Aerospace Solutions Ltd.
Date: May 24, 2018

Training

Interested to learn about the latest updates to the Export Administration Regulations? Register today for BIS seminars in Washington State, Texas, and South Carolina before these programs fill up! Details below.

- Complying with U.S. Export Controls – 2 Days

June 6-7, 2018
Seattle, WA
Registration: $500 for TDA Seattle members/$550 for non-members

- Complying with U.S. Export Controls – 2 Days

June 12-13, 2018
Houston, TX
Registration: $575

*(*Continued On The Following Column)*

- Technology and Software Controls – 1 Day

June 14, 2018
Houston, TX
Registration: $300

* If you are interested in attending both the Complying with U.S. Export Controls and Technology Controls Seminar in Houston, TX, the combined registration fee is $845.

- Complying with U.S. Export Controls – 2 Day

July 10-11, 2018
North Charleston, SC
Registration: $425 before June 10th/$455 after

"Complying with U.S. Export Controls" is a two-day program led by BIS's professional counseling staff and provides an in-depth examination of the Export Administration Regulations (EAR). The program will cover the information exporters need to know to comply with U.S. export control requirements under these regulations. We will focus on what items and activities are subject to the EAR; steps to take to determine the export licensing requirements for your item, how to determine your export control classification number (ECCN), when you can export or reexport without applying for a license, export clearance procedures and record keeping requirements, and real life examples in applying this information. Presenters will conduct a number of "hands-on" exercises that will prepare you to apply the regulations to your own company's export activities.

"Technology and Software Controls" is a one-day program that will offer a comprehensive look at how to comply with the U.S. export and reexport controls relating to technology and software. Discussion will focus on the regulatory requirements relating to technology and software, including what is considered an export or reexport of technology or software; the kinds of technology and software subject to the EAR; how to determine the Export Control Classification Number; license exceptions; and the unique application requirements of technology and software. Recommended prerequisite: Essentials of Export Controls or Complying with U.S. Export Controls or equivalent experience.

For additional details about the BIS seminars, please visit the BIS Current Seminar Schedule page at: https://www.bis.doc.gov/index.php/compliance-a-training/current-seminar-schedule

For general information about the BIS Seminar Program, please contact the Outreach and Educational Services Division at OESDSeminar@bis.doc.gov or (202) 482-6031, (949) 660-0144, or (408) 998-8806.

Web Notice: The Directorate of Defense Trade Controls (DDTC) is currently in the process of modernizing its IT systems. During this time period, we anticipate there may be delays in response times and time to resolve IT related incidents and requests. We apologize for any inconvenience, and appreciate your patience while we work to improve DDTC services. If you need assistance, please contact the DDTC Service Desk at (202) 663-2838, or email at DtradeHelpDesk@state.gov (06.28.16)