



EIB World Trade Headlines

Evolutions In Business • www.eib.com • (978) 256-0438
Fax: (978) 250-4529 • P.O. Box 4008, Chelmsford, MA 01824

September 15, 2023 - Volume 18, Issue 19



Amendment to the International Traffic in Arms Regulations: Update to Republic of Cyprus Country Policy

On August 18, 2023, DDTC announced Secretary Blinken's certification of the statutory requirements to lift the defense trade restrictions relating to the Republic of Cyprus (ROC) for Fiscal Year 2024. Accordingly, the Department has published a *Federal Register* notice amending § 126.1(r) of the International Traffic in Arms Regulations (ITAR), which continues the suspension of defense trade restrictions for the ROC and its status as a proscribed destination from October 1, 2023, through September 30, 2024.
Federal Register Document: Public Notice [12155](#) (88 FR 63016), September 14, 2023

SUPPLEMENTARY INFORMATION:

Section 1250A(d) of the National Defense Authorization Act for Fiscal Year 2020 ([Pub. L. 116-92](#)) (2020 NDAA) and section 205(d) of the Eastern Mediterranean Security and Energy Partnership Act of 2019 ([Pub. L. 116-94](#), Div. J.) (EMSEPA) provide that the policy of denial for exports, reexports, and transfers of defense articles on the United States Munitions List to the Republic of Cyprus shall remain in place unless the President determines and certifies to the appropriate congressional committees, not less than annually, that: (A) the Government of the Republic of Cyprus is continuing to cooperate with the United States Government in efforts to implement reforms on anti-money laundering regulations and financial regulatory oversight; and (B) the Government of the Republic of Cyprus has made and is continuing to take the steps necessary to deny Russian military vessels access to ports for refueling and servicing.

On April 14, 2020, the President delegated to the Secretary of State the functions and authorities vested by the 2020 NDAA and the EMSEPA ([85 FR 35797](#), June 12, 2020). On August 14, 2023, utilizing these authorities, the Secretary of State certified to the appropriate congressional committees that the Republic of Cyprus meets the statutory requirements to remove the policy of denial for exports, reexports, and transfers of defense articles to the Republic of Cyprus for fiscal year 2024. The Secretary of State further approved the suspension of the policy of denial for exports, reexports, and transfers of defense articles and defense services to the Republic of Cyprus for fiscal year 2024. In conjunction with this action, the Secretary of State also suspended the policy of denial for retransfers and temporary imports destined for or originating in the Republic of Cyprus and brokering activities involving the Republic of Cyprus for fiscal year 2024. Accordingly, the Department now amends section 126.1 of the International Traffic in Arms Regulations (ITAR) ([22 CFR parts 120 through 130](#)) to specify that the Republic of Cyprus' status as a proscribed destination is suspended from October 1, 2023, through September 30, 2024. This action continues the Department's current policy, which suspended the status of the Republic of Cyprus as a proscribed destination under § 126.1 of the ITAR on October 1, 2022.

(*Continued On The Following Page)

NEWSLETTER NOTES

- [Amendment to the International ...](#)
- [News May 4, 2012...](#)
- [Russian Propaganda...](#)
- [For Immediate Release...](#)
- [Russia's Sham Elections...](#)
- [Counteroffensive Update...](#)
- [Secretary Antony J. Blinken...](#)
- [Vietnam...](#)
- [Updated July 17, 2023 U.S. Vietnam...](#)
- [Department Press Briefing...](#)
- [Mass Bill Proposed...](#)
- [Announcing the U.S. Special...](#)
- [For Immediate Release...](#)

President Biden Signs Memo to Combat Quantum Computing Threat

FORT MEADE, Md. — The White House announced today that President Joe Biden has signed a National Security Memorandum (NSM) aimed at maintaining U.S. leadership in quantum information sciences and to mitigate the risks of quantum computing to the Nation's security.

"Promoting United States Leadership in Quantum Computing While Mitigating Risks to Vulnerable Cryptographic Systems" - also known as NSM-10 - directs U.S. Government agencies to migrate vulnerable cryptographic systems to quantum-resistant cryptography as part of multi-year effort. As the National Manager for National Security Systems, the Director of NSA will oversee this process across the 50-plus government departments and agencies using National Security Systems (NSS) - systems that contain classified information or are otherwise critical to military or intelligence operations.

A quantum computer of sufficient size and sophistication - also known as a cryptanalytically relevant quantum computer - will be capable of breaking much of the public-key cryptography used on digital systems across the United States and the world.

"A cryptanalytically relevant quantum computer could jeopardize civilian and military communications as well as undermine supervisory and control systems for critical infrastructure," said GEN Paul M. Nakasone, Commander, USCYBERCOM, Director, NSA/Chief, CSS. "The No. 1 defense against this quantum computing threat is to implement quantum-resistant cryptography on our most important systems."

While NSA will spearhead many of the tasks in NSM-10 to ensure NSS are quantum resistant, the National Institute of Standards and Technology (NIST) and the Cybersecurity and Infrastructure Security Agency (CISA) will ensure U.S. critical infrastructure and other U.S. Government systems also move toward quantum-resistant cryptography.

"Implementing approved quantum-resistant cryptographic solutions across all of our systems will not happen overnight, but it's critical that we chart a path to get there considering the potential threat of quantum computing," said Rob Joyce, NSA Cybersecurity Director and Deputy National Manager for National Security Systems.

CISA, NSA, and NIST Publish Factsheet on Quantum Readiness August 21, 2023

Post-Quantum Cryptography Initiative

Critical infrastructure systems rely on digital communications to transmit data. To secure the data in transit, cryptographic technologies are used to authenticate the source and protect the confidentiality and integrity of communicated and stored information. As quantum computing advances over the next decade, it is increasing risk to certain widely used encryption methods. This memorandum outlines my Administration's policies and initiatives related to quantum computing.

CISA's **Post-Quantum Cryptography (PQC) Initiative** will unify and drive efforts with interagency and industry partners to address threats posed by quantum computing and to support critical infrastructure and government network owners and operators during the transition to post-quantum cryptography.

SEE LINK : <https://www.cisa.gov/quantum>

Russian Propaganda infiltration into US and Globe continues

Sunday, September 03, 2023 at 12:00:07p EDT

The European Union's Digital Services Act went into effect on Aug. 25, just as the European Commission released a study detailing how the act can be used to stem online Russian disinformation campaigns. According to the study, "Preliminary analysis suggests that the reach and influence of Kremlin-backed accounts has grown further in the first half of 2023, driven in particular by the dismantling of Twitter's safety standards."

The results of the European Commission's study are no surprise. Elon Musk's buy-it-and-break-it tenure at X, the company formerly known as Twitter, has been well-documented. His general hypocrisy about being a "free speech absolutist" aside, the world's richest man has spent a good amount of time misrepresenting facts about his new acquisition. Whether he is lying about the service having an anti-Trump bias before he bought it, or whether he's lying about how many real-life followers he has on his platform, Musk's X has been a relentless medium for misinformation.

But Musk is not alone. Although he *is* responsible for crushing his company's moderation team and allowing disinformation to flourish on X, Meta and other social media companies have failed as well.

FOR IMMEDIATE RELEASE

September 07, 2023

www.bis.doc.gov

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

BIS IMPOSES PENALTY AGAINST PRATT & WHITNEY COMPONENT SOLUTIONS TO RESOLVE 13 ALLEGED VIOLATIONS OF THE ANTIBOYCOTT REGULATIONS

WASHINGTON, D.C.—Today, the Department of Commerce's Bureau of Industry and Security (BIS) imposed a civil penalty of \$48,750 against Pratt & Whitney Component Solutions, Inc (PWCS), located in Muskegon, Michigan, to resolve 13 violations of the antiboycott provisions of the Export Administration Regulations (EAR) (antiboycott regulations), as alleged in BIS's Proposed Charging Letter. PWCS voluntarily disclosed the conduct to BIS, cooperated with the investigation by BIS's Office of Antiboycott Compliance (OAC), and took remedial measures after discovering the conduct at issue, all of which resulted in a significant reduction in penalty.

"Today's enforcement action highlights the need for robust antiboycott training and compliance procedures," said Assistant Secretary for Export Enforcement Matthew S. Axelrod. "Those who do business with boycotting countries need to train employees to recognize problematic boycott language and to report it to BIS, even when they do not take the requested action."

(*Continued On The Following Page)

BIS Case Background:

As part of the settlement with BIS, PWCS admitted to the conduct set forth in the Proposed Charging Letter, which alleged 13 violations of Section 760.5 of the EAR (Failing to Report the Receipt of a Request to Engage in a Restrictive Trade Practice or Foreign Boycott Against a Country Friendly to the United States). Specifically, between May 2019 and March 2020, on thirteen occasions, PWCS received a request from Qatar Airways, a customer in Qatar, to refrain from importing Israeli-origin goods into Qatar in fulfillment of purchase orders from Qatar Airways. PWCS failed to report to BIS the receipt of these requests, as required by Section 760.5 of the Regulations.

The Order, Settlement Agreement and Proposed Charging Letter are available [here](#).

Additional Information:

These BIS actions were taken under the authority of the Anti-Boycott Act of 2018, a subpart of the Export Control Reform Act of 2018, and its implementing regulations, the EAR. The antiboycott provisions set forth in Part 760 of the EAR discourage, and in certain circumstances prohibit, U.S. persons from taking certain actions in furtherance or support of a boycott maintained by a foreign country against a country friendly to the United States (an unsanctioned foreign boycott).

In addition, U.S. persons must report to OAC their receipt of certain boycott-related requests. Reports may be filed electronically or by mail on form BIS 621-P for single transactions or on form BIS 6051P for multiple transactions involving boycott requests received in the same calendar quarter. U.S. persons located in the U.S. must postmark or electronically date stamp their reports by the last day of the month following the calendar quarter in which the underlying request was received. For U.S. persons located outside the U.S., the postmark or date stamp deadline is the last day of the second month following the calendar quarter in which the request was received. Forms for both electronic transmission and mail submission may be accessed from the [forms request page](#).

Pursuant to Section 764.8 of the EAR, a party may submit a voluntary self-disclosure if it believes that it may have violated Parts 760 or Part 762 of the EAR (recordkeeping requirements relating to Part 760).

For information regarding the application of the antiboycott regulations, please contact the OAC Advice Line at (202) 482-2381 or through the [online](#) portal.

Russia’s Sham Elections in Ukraine’s Sovereign Territory

09/07/2023 04:13 PM EDT

Antony J. Blinken, Secretary of State

The Russian Federation is in the process of conducting sham elections in occupied areas of Ukraine. These so-called elections are taking place nearly one year after the Kremlin staged sham referenda and purported to annex Ukraine’s Kherson, Zaporizhzhya, Donetsk, and Luhansk oblasts, and over nine years after Russia purported to annex Ukraine’s Autonomous Republic of Crimea and Sevastopol. The Kremlin hopes these pre-determined, fabricated results will strengthen Russia’s illegitimate claims to the parts of Ukraine it occupies, but this is nothing more than a propaganda exercise.

*(*Continued On The Next Column)*

Russia’s actions demonstrate its blatant disregard for UN Charter principles like respect for state sovereignty and territorial integrity, which underpin global security and stability. The United States will never recognize the Russian Federation’s claims to any of Ukraine’s sovereign territory, and we remind any individuals who may support Russia’s sham elections in Ukraine, including by acting as so-called “international observers,” that they may be subject to sanctions and visa restrictions.

Counteroffensive Update: What to Make of Ukrainian Progress?

In more immediate terms, Ukraine has made some recent gains in the southeastern oblast of Zaporizhzhia, the Institute for the Study of War reports; Ukraine says it has breached the “first line” of Russian defenses there.

Noting that progress, and asking whether Ukraine can breach Russia’s second and third defensive lines “before (artillery) shells become scarce and winter beckons,” The Economist hears a mutedly optimistic assessment from US Defense Intelligence Agency director of analysis Trent Maul, which contrasts with more-pessimistic comments by anonymous Western officials this summer.

“Mr Maul is somewhat less gloomy,” The Economist writes. “He notes that Sergei Surovkin, the Russian general who built the defensive lines, and Yevgeny Prigozhin, whose Wagner Group mercenaries achieved Russia’s most tangible gains of the past year, are both off the battlefield—the former sacked and the latter dead in a plane crash. Mr Maul, choosing his words with care, says that Ukraine’s recent successes are ‘significant’ and give its forces a ‘realistic possibility’—intel-speak for 40-50% probability—of breaking the remaining Russian lines by the end of the year. But he warns that limited ammunition and worsening weather will make this ‘very difficult.’”

Secretary Antony J. Blinken With Jonathan Karl of ABC This Week

09/10/2023 10:48 AM EDT

Antony J. Blinken, Secretary of State
New Delhi, India

QUESTION: Mr. Secretary, thank you for joining us. I want to begin with that devastating earthquake this weekend in Morocco. What is the United States doing to assist in the relief, recovery, search and rescue operation there?

SECRETARY BLINKEN: Jon, you’re right; it is devastating. And we’ve reached out immediately to the Moroccan Government, made very clear to them that we are prepared to assist in any way that we can. We have the U.S. Agency for International Development, which takes the lead in our efforts, mobilizing, and we’re waiting to hear from the Moroccan Government how we can be of most assistance. But we’re tracking this very carefully, and our hearts go out to the people of Morocco who suffered this devastating earthquake, and we stand ready to help in any way that we can.

*(*Continued On The Following Page)*

QUESTION: And I want to turn to your trip. You were obviously in Ukraine this week. You went from there to the G20 meeting of world leaders in India. I noticed that the joint statement coming out of that G20 meeting does not explicitly condemn Russia's actions in Ukraine. Why is it that you couldn't get world leaders to agree on a statement calling out Russian – Russia's aggression, as they've done in the past?

SECRETARY BLINKEN: Well, the leaders here all stood up very clearly, including in the statement, for Ukraine's sovereignty, for its territorial integrity. I think the statement's a very strong one. And what I heard in the room as well makes very clear that virtually every member of the G20 – perhaps minus one – is intent on making sure that there is a just and durable end to this Russian aggression. And leader after leader in the room made clear that, for the rest of the world too, the consequences of what Russia has done are having a terrible, terrible impact. Food insecurity around the world – Ukraine had been the breadbasket of the world for so many years. Russia blockaded its ports after the invasion. A deal was negotiated to allow grain to get out; Russia recently tore it up.

That was during – while that deal was in force, 30 million tons of grain were getting out of Ukraine, and mostly to developing countries, including countries that are represented here at the G20 – 18 billion loaves of bread. Now, because of Russia, that's stopped. It was very clear in the room, going around the table, that countries are feeling the consequences and want the Russian aggression to stop. But I think the statement reflects the strong support that virtually every country in the G20 has for Ukraine and its territorial integrity and sovereignty.

QUESTION: I mean, it doesn't explicitly condemn Russia's action, which was done in the previous G20 statement. But let me move on to your time in Ukraine. You spent quite a bit of time with President Zelenskyy. What is your sense? How does he see this ending? Does he see himself coming to a negotiating table with the Russians at some point? How does this end?

SECRETARY BLINKEN: Well, first, I found both President Zelenskyy and every Ukrainian that I met – whether it was folks in the government or whether it was many other Ukrainians that we had a chance to engage with over the course of two days – incredibly resilient, incredibly courageous, incredibly resolute. And ultimately, that's really what's at the heart of this and the reason that I remain very confident in Ukraine's ultimate success, which is that they're fighting for their country, for their future, for their freedom. The Russians are not.

And keep in mind Putin has already lost in what he was trying to achieve. He was trying to erase Ukraine from the map, end its independence, subsume it into Russia. That has already been a failure. Now, where exactly this settles, where lines are drawn, that is going to be up to Ukrainians. But I've found a strong determination to continue to work to get their territory back that's been seized by Russia.

And as to negotiations, Jon, it takes two to tango.

QUESTION: Sure.

SECRETARY BLINKEN: And thus far, we see no indication that Vladimir Putin has any interest in meaningful diplomacy. If he does, I think the Ukrainians will be the first to engage, and we'll be right behind them. Everyone wants this war to end, but it has to end on just terms and on durable terms that reflect Ukraine's sovereignty and territorial integrity.

QUESTION: Okay, last question. We understand that the United States is considering sending those long-range missiles that Ukraine has been asking for for a long time. These are long-range missiles, 200 miles in range. Are you okay if those missiles allow Ukraine to attack deep into Russian territory?

SECRETARY BLINKEN: Jon, first, you – we have had an ongoing conversation, engagement almost daily with Ukrainians from the very start of the Russian aggression about what they need, when they need it. And all along, we've worked, bringing together dozens of countries, to make sure that they have in hand what they need to defend themselves. And that's been a moving picture. It's been moving with the conflict itself, from trying to make sure they were defending Kyiv, which they did so successfully early on, to now trying to take back more of their territory in the south and in the east.

(*Continued On The Following Column)

And so at any given time, we're looking – and part of the reason that I was in Ukraine again was to hear directly from President Zelenskyy – he had just been to the front lines – their perspective on how things were going and what it is that they needed to be successful, all of which I report back to my colleagues in Washington. But I think it's a mistake to focus on any given system, because what's so important is for anything that we do and other countries do in support of Ukraine, it's not only the weapon system itself, it's are Ukrainians trained on it, are they able to maintain it, can they use it effectively as part of their strategy. And we are working on that every single day.

In terms of their targeting decisions, it's their decision, not ours.

QUESTION: Well, did you bring up –

SECRETARY BLINKEN: As a general matter, we haven't encouraged or –

QUESTION: Did you bring up –

SECRETARY BLINKEN: I'm sorry, say that again?

QUESTION: We've seen an increasing number of attacks on Russian territory by Ukrainian drones, some in Moscow, Rostov-on-Don just a couple of days ago. Did you bring that up?

SECRETARY BLINKEN: No.

QUESTION: Are you – are you okay with – I mean, obviously, they're – it's their decisions, but is this war now escalating into Russia?

SECRETARY BLINKEN: Jon, we haven't encouraged and we haven't enabled any use of weapons outside of Ukraine's territory. Having said that, let's take a step back for a second. Virtually every single day the Russians are attacking indiscriminately throughout the entire country of Ukraine. Just during the 48 hours that I was there going in, more missiles were launched at civilian targets, including in Kyiv while I was there; a horrific attack on a marketplace, people just going to buy food, civilians, had nothing to do with this war – killed 17 people. This is the daily life for Ukrainians. This is what they face every single day.

So they have to make the basic decisions about how they're going to defend their territory and how they're working to take back what's been seized from them. Our role, the role of dozens of other countries around the world that are supporting them, is to help them do that. And ultimately, what we all want is an end to this Russian aggression and an end to the aggression that, again, is just and is durable. That's what Ukrainians want more than anyone else. That's what we're working toward.

QUESTION: All right, Mr. Secretary, thank you for your time. Safe travels.

SECRETARY BLINKEN: Thanks, Jon. Good to be with you.

Vietnam

The United States and Vietnam meet regularly on trade and investment issues, including under our [2007 Trade and Investment Framework Agreement](#), which provides a platform for addressing bilateral issues, monitoring Vietnam's implementation of its WTO accession commitments, and coordinating on regional and multilateral issues. The latest information regarding significant trade barriers can be found in the 2021 National Trade Estimate Report, see [here](#).

Economic and Trade Statistics

In 2020, Vietnam GDP was an estimated \$340.6 billion (current market exchange rates); real GDP was up by an estimated 1.6 percent; and the population was 97 million. (Source: IMF)

U.S. goods and services trade with Vietnam totaled an estimated \$92.2 billion in 2020. Exports were \$12.1 billion; imports were \$80.1 billion. The U.S. goods and services trade deficit with Vietnam was \$68.0 billion in 2020.

Vietnam is currently our 10th largest goods trading partner with \$89.5 billion in total (two way) goods trade during 2020. Goods exports totaled \$9.9 billion; goods imports totaled \$79.6 billion. The U.S. goods trade deficit with Vietnam was \$69.7 billion in 2020.

(*Continued On The Following Page)

Trade in services with Vietnam (exports and imports) totaled an estimated \$2.6 billion in 2020. Services exports were \$2.2 billion; services imports were \$461 million. The U.S. services trade surplus with Vietnam was \$1.7 billion in 2020.

According to the Department of Commerce, U.S. exports of goods and services to Vietnam supported an estimated 65 thousand jobs in 2019 (latest data available) (53 thousand supported by goods exports and 12 thousand supported by services exports).

Exports

- Vietnam was the United States' 28th largest goods export market in 2020.
- U.S. goods exports to Vietnam in 2020 were \$9.9 billion, down 8.4 percent (\$909 million) from 2019 but up 167 percent from 2010.
- The top export categories (2-digit HS) in 2020 were: electrical machinery (\$2.1 billion), cotton (\$1.2 billion), plastics (\$544 million), food waste, animal feed (\$484 million), and machinery (\$473 million).
- U.S. total exports of agricultural products to Vietnam totaled \$3.4 billion in 2020, our 7th largest agricultural export market. Leading domestic export categories include: cotton (\$1.2 billion), soybeans (\$425 million), distillers grains (\$284 million), dairy products (\$185 million), and other feeds, meals and fodders (\$155 million).
- U.S. exports of services to Vietnam were an estimated \$2.2 billion in 2020, 18.1 percent (\$482 million) less than 2019, but 79 percent greater than 2010 levels. Leading services exports from the U.S. to Vietnam were in the travel, transportation, and technical and other services sectors.

Imports

- Vietnam was the United States' 6th largest supplier of goods imports in 2020.
- U.S. goods imports from Vietnam totaled \$79.6 billion in 2020, up 19.8 percent (\$13.2 billion) from 2019, and up 436 percent from 2010. U.S. imports from Vietnam account for 3.4 percent of overall U.S. imports in 2020.
- The top import categories (2-digit HS) in 2020 were: electrical machinery (\$27 billion), furniture and bedding (\$9.9 billion), knit apparel (\$7.1 billion), machinery (\$6.8 billion), and footwear (\$6.5 billion).
- U.S. total imports of agricultural products from Vietnam totaled \$2.1 billion in 2020, our 20th largest supplier of agricultural imports. Leading categories include: tree nuts (\$1.1 billion), unroasted coffee (\$275 million), spices (\$203 million), sugars, sweeteners, beverages bases (\$71 million), and dog and cat food (\$70 million).
- U.S. imports of services from Vietnam were an estimated \$461 million in 2020, 62.9 percent (\$782 million) less than 2019, but 27 percent less than 2010 levels. Leading services imports from Vietnam to the U.S. were in the travel, transportation, and professional and management services sectors.

Trade Balance

- The U.S. goods trade deficit with Vietnam was \$69.7 billion in 2020, a 25.3 percent increase (\$14.1 billion) over 2019.
- The United States has a services trade surplus of an estimated \$1.7 billion with Vietnam in 2020, up 21.2 percent from 2019.

Investment

- U.S. foreign direct investment (FDI) in Vietnam (stock) was \$2.8 billion in 2020, a 2.2 percent decrease from 2019. There is no information on the distribution of U.S. FDI in Vietnam.
- Data on Vietnam's FDI in the U.S. are not available.
- Sales of services in Vietnam by majority U.S.-owned affiliates were \$860 million in 2018 (latest data available). There were no sales of services in the United States by majority Vietnam owned firms in 2018.

Updated July 17, 2023 U.S.-Vietnam Relations

<https://crsreports.congress.gov>

Since the establishment of diplomatic relations between the United States and Vietnam in 1995, overlapping strategic and economic interests have led the two countries to expand ties across a wide spectrum of issues. Particularly since 2010, the two governments have formed partnerships on many regional security and economic issues, prompted in part by shared concerns about China's increased assertiveness in the region.

In 2022, the United States was Vietnam's second largest trading partner (after China), and Vietnam was the United States' ninth largest trading partner. A potential agreement under the U.S.-led, 14-country Indo-Pacific Economic Framework for Prosperity (IPEF) initiative, which includes Vietnam, may further deepen U.S.-Vietnam economic ties. There is growing speculation that Vietnam's top leader, Vietnamese Communist Party (VCP) Secretary-General Nguyen Phu Trong, may visit President Joseph Biden in the United States in 2023 to expand bilateral cooperation.

The pace and extent of the improvement in bilateral relations is limited by several factors, however. First, Vietnam usually does not undertake large-scale diplomatic moves—especially with the United States—without first calculating China's likely reaction. For instance, Trong's visit with Chinese leader Xi Jinping in 2022 likely provides room for him to visit Biden in 2023. Second, although opinion polls show the Vietnamese public holds positive views of the United States, many Vietnamese officials suspect that the United States' goal is to end the Vietnamese Communist Party's monopoly on power though “peaceful evolution.” Third, U.S. concerns about Vietnam's human rights record, which has deteriorated over the past decade, have historically limited the types of cooperation the U.S. government is willing to undertake, particularly in the security sector.

The two top leadership posts are the VCP General Secretary and the Prime Minister, positions currently held by Trong (age 79) and Pham Minh Chinh (64), respectively. Trong has been General Secretary since 2011, making him the longest-serving leader of the VCP since the 1980s. The President and the Chairperson of the National Assembly also are important posts.

On foreign policy, Vietnam's approach has included boosting its defense capabilities and expanding its security relationship with the United States—as well as with Japan, India, and Australia—as a hedge against China's increasing influence.

A stated principle of Vietnam's foreign policy since the late 1980s has been to maximize its freedom of action by avoiding an over-dependence on any one country or group of countries.

This pursuit of balance, combined with a wariness of alarming China, has resulted in Vietnam expanding relations with the United States incrementally and in a non-linear fashion. Many analysts argue that an early 2023 leadership shakeup, in which the sitting President and two deputy prime ministers resigned, is unlikely to fundamentally alter the general direction of Vietnam's foreign policy and domestic economic policy.

China is Vietnam's largest trading partner. The Sino-Vietnamese relationship, however, is prone to occasional tension. For over a decade, disagreements have flared over the two countries' competing claims in the South China Sea, particularly China's claims to much of Vietnam's claimed Exclusive Economic Zone (EEZ).

(*Continued On The Following Page)

China's actions in the South China Sea prompted the VCP at its 2021 Party Congress to initiate a thorough modernization of Vietnam's military forces. Vietnam also has sought to boost relations with other maritime powers. The U.S. government has sought to improve Vietnam's ability to maintain maritime domain awareness and patrol its coastal waters. The Obama, Trump, and Biden Administrations have provided Vietnam with 24 new coast guard patrol vessels, unmanned aircraft systems, coastal radar, and two decommissioned U.S. Coast Guard Hamilton-class cutters, Vietnam's largest coast guard ships.

Vietnam and the War in Ukraine Vietnam has maintained a low-profile position on Russia's 2022 invasion of Ukraine and has abstained on votes at the United Nations to condemn Russian aggression. Russia supplied around 80% of Vietnam's arms imports from 2000 to 2021. Moreover, straining relations with Moscow could violate Hanoi's strategic commitment to maintaining balance in its relations with the world's major powers. Despite Vietnam's purchases of Russian defense articles, neither the Trump nor Biden Administration has determined that Vietnam has engaged in a "significant transaction" with Russia's security sector, a determination that under U.S. law would require the President to impose sanctions.

Economics and Trade Over the last decade, Vietnam has emerged as a major manufacturing center **and has risen to become one of the United States' top 10 trading partners**. Based on U.S. Census Bureau data, bilateral trade in goods was nearly \$139 billion in 2022, up 22% from 2021. The United States' bilateral trade deficit in goods with Vietnam in 2022 (\$116 billion) was the United States' third largest. Vietnam is a major source for consumer electronics, furniture, semiconductor and other components, apparel, and footwear imports. Notably, it is the second-largest source of U.S. clothing imports, after China. Top U.S. goods exports to Vietnam are cotton, civilian aircrafts and parts, semiconductors, soybeans, and various agricultural goods.

The United States maintains a surplus in bilateral services trade, which in 2022 was around \$1.6 billion. U.S. business interest in Vietnam as an alternative supplier to China has grown, based largely on the following trends: rising production costs in China; ongoing U.S.-China trade tensions and supply chain vulnerabilities; and the entry into force of regional trade agreements among Vietnam and key trading partners in the Asia-Pacific. Vietnam's relatively low wages, recent economic reforms, and political stability make the country an attractive place for FDI. U.S. companies are among the largest sources of FDI in Vietnam. At the same time, some U.S. business leaders assert that Vietnam's weak infrastructure, lack of regulatory transparency, weak labor rights, inadequate protection of intellectual property rights, restrictive data policies, and other trade barriers poses challenges.

The U.S.-Vietnam 2007 Trade and Investment Framework Agreement (TIFA) is the primary bilateral platform for discussing bilateral trade and investment issues. The IPEF, launched in 2022, could provide another such forum. In 2020, the Trump Administration launched investigations of Vietnam's timber trade and designated Vietnam as a currency manipulator. The two governments have since reached agreements on both matters. Vietnamese companies have accused the United States of discriminatory trade restrictions designed to reduce Vietnam's exports to the United States. U.S. labeling regulations, along with U.S. antidumping and countervailing duties on imports of Vietnamese catfish, are a long-standing source of friction, and the subject of ongoing dispute settlement at the World Trade Organization (WTO).

*(*Continued On The Following Column)*

U.S. Foreign Assistance to Vietnam Congress appropriated over \$197 million in U.S. assistance for Vietnam for FY2023, about \$12 million more than it appropriated in FY2022 (\$185 million). One aim of this assistance is remediating the Vietnam War-era damage from the U.S. military's use of Agent Orange and its accompanying dioxin defoliant over Vietnam between 1961 and 1971. A 2003 study estimated 2.1 to 4.8 million Vietnamese were exposed to Agent Orange and/or dioxin. Since 2007, Congress has appropriated over \$380 million for dioxin removal and related health care services. About 70% has been used for dioxin removal. A joint dioxin cleanup project in Da Nang was completed in 2017.

In 2020, the two governments developed a 10-year remediation plan for cleaning up the Bien Hoa airbase, with an estimated cost of up to \$450 million. The Vietnamese government has pressed the United States to do more to remove dioxin and help victims of Agent Orange. Bilateral cooperation in locating U.S. military personnel missing in action (MIA), a program that has been in operation for over three decades, has been one of the centerpieces of the bilateral relationship. Since 2020, Congress has appropriated \$7 million for the Defense Department to help Vietnam's Defense Ministry account for some of the approximately 300,000 Vietnam War-era Vietnamese MIA personnel.

Department Press Briefing – September 12, 2023

09/12/2023 06:18 PM EDT

Matthew Miller, Department Spokesperson

Washington, D.C.

1:20 p.m. EDT

MR MILLER: Good afternoon, everyone. Nice to see a smile. I don't have anything. Matt, you want to start us off?

QUESTION: All right, sure. Can you explain exactly what the waivers the Secretary signed on Friday —

MR MILLER: Sure. So the waivers that the Secretary signed on Friday that were notified to Congress yesterday were to effectuate the transfer of funds from accounts in South Korea, Iranian funds that had been held in accounts in South Korea, through accounts in Europe, ultimately to accounts in Qatar, where they will be available for use for humanitarian transactions with strict Treasury Department oversight, and ultimately they're to, as we said before, effectuate the release and bring home five American citizens who have been wrongfully imprisoned in Iran.

QUESTION: Okay. Can you explain why these waivers were necessary? Because it's my understanding that the administration did not believe, and had told the European banks even though they were extremely leery of being involved in any kind of conversion of money or transfer of money, and they didn't want to do it. So is that why the waivers were finally granted and why it took so long? This deal was announced back in — over a month ago.

MR MILLER: It's a good question; let me explain it with a little background context, which is that — I think you're aware of all of this, but some others may not be, which is the 6 billion —

QUESTION: I am aware of it, and I know the answer.

MR MILLER: I know.

QUESTION: But the fact of the matter is that no one in the administration has spoken to the record on this — we've got —

MR MILLER: Exactly, which is why I want to explain it at length.

QUESTION: And I want to get into the NSC comments from last night too.

MR MILLER: That there were \$6 billion that were held in these funds; the previous administration set up these accounts or allowed these accounts to be set up so countries could purchase Iranian oil. The money would then go into these accounts. Iran has always been able under the regime set up by the previous administration to access the funds in these accounts. And in other places, we saw them spend down the funds in these accounts, funds that — accounts that were set up for purchases of oil, for example, from — in India or Brazil, and under the previous administration were spent down with no restrictions at all.

When this administration took office, we put restrictions on these accounts to ensure that they could only be used for humanitarian purposes. However, a number of banks, despite the assurances we had given, did not want to allow — did not want to participate in transactions related to these accounts. So it was necessary to — for the Secretary to make these waivers to allow the transfer of money from these accounts, through bank accounts in Europe, ultimately to Qatar (inaudible).

QUESTION: So why did — why did it take so long, then, for you guys to come around to deciding that, okay, this isn't going to happen unless we actually do the waivers?

MR MILLER: I would just say this has been a complicated process from the beginning, as you can imagine, dealing with all of the moving pieces and dealing with this — dealing with moving this money from accounts in Korea where it had to be converted into euros, ultimately to a supervised account in Qatar.

*(*Continued On The Following Column)*

QUESTION: Right. But if, as you say, under the previous administration — and I'm going to take a little bit of issue with that momentarily — but if, as you say, Iran was able to spend down money in similar accounts that have been in — set up in Brazil and India, why were there not the same concerns by — from banks?

MR MILLER: In the previous — so I'm not going to speak to why banks were willing to participate in the previous administration. We did make a change at the outset of this administration where we made clear that these funds — the funds in these accounts could only be used for humanitarian purposes.

QUESTION: Okay. And are you suggesting that the previous administration allowed Iran to spend down money in these restricted accounts for nefarious purposes, or for purposes other than humanitarian assistance?

MR MILLER: I will say that we don't know what they were used for, because we can find no record of how these funds were spent down. Certainly not that they were required to be — what we can — what we can say is that they were not required to be spent only for humanitarian purposes, and we can't tell what they were used for.

QUESTION: Okay. And once this money gets to the bank in Qatar, even though you say that it's restricted for use for humanitarian goods, items only, does that not allow — or does that not free up \$6 billion from Iran's treasury, from its internal accounts, that they might otherwise have to spend on the same humanitarian items and now they can spend it on, I don't know, arming the Houthis or supplying Assad with stuff, or even with sending drones to Russia?

MR MILLER: No, and here's why. I think it's important to remember that our sanctions regimes — with respect to Iran, and with respect to the country — to all of the countries where we impose sanctions — have always contained exceptions for food, for medicine, for other humanitarian purposes. That has always been the case, that was the case with these accounts. It was difficult to transfer these accounts for the reasons — the money from these accounts for the reasons that we just went into. But it has always been Iranian money in accounts that were — was available to them for humanitarian purposes if they could be able to use it.

QUESTION: I don't —

MR MILLER: But let me just say one other thing, which is I do recognize that there are tough choices involved here, and the Secretary has been forthright about this. He's been upfront about this; the President has been upfront about this. There are always tough choices involved in bringing home American citizens, but we — the President and the Secretary have decided that their first priority is to bring these American citizens home, and that's why we agreed to this arrangement to do that.

QUESTION: Okay. So you're not suggesting that somehow these restrictions impact fungibility of these funds.

MR MILLER: No.

QUESTION: You're not. So —

MR MILLER: I don't — wait, I don't know what you — say that again. The —

QUESTION: So if I have — if I have one dollar —

MR MILLER: Oh, I — they —

QUESTION: — and I give it to you, and that means that you have another — that a dollar that you have in your wallet you can use to spend on anything you want and you don't have to worry about the dollar that I gave you, right?

MR MILLER: So where that analogy breaks down: No one has given Iran a dollar here. These are Iran's funds. These are Iranian money.

QUESTION: I'm not suggesting that they're not.

MR MILLER: But you just said "if I give you a dollar." I'm saying —

QUESTION: Well, I mean, if I give you a dollar out of an Iranian account that I have stashed aside someplace, then they're able to spend the dollar on something else other than humanitarian funds, correct? And the other thing that I would take issue with — and especially these White House talking points, which are just disingenuous to the extreme; I mean, they must be intended for people who did not follow the whole JCPOA negotiation — is that the — if you give — let me start again.

*(*Continued On The Following Page)*

There is no suggestion by anyone, even the critics, unless they're completely uninformed critics, that this is U.S. taxpayer money, and that is one – no one has said that that I'm aware of, and if they have, then it's wrong. No one is saying that. So that is like a straw man argument that you guys knock down all the time, saying this isn't U.S. taxpayer money, it's not coming out of the account. But the other thing is – is that when you say that they drew down –

MR MILLER: Can I interrupt? I hesitate to ask to interrupt because you interrupt me all the time –

QUESTION: No, go ahead.

MR MILLER: I don't really mind it.

QUESTION: No?

MR MILLER: It is not a straw man argument only in that if you perused Twitter last night, you will find a number of elected officials who talk about how the United States is giving Iran money, which we are not doing; it is Iran's money. So there are people who are – claim that we are giving money, and we cannot give something that is not ours.

QUESTION: Well, yeah, but you're making it easier for them to get it.

MR MILLER: I'm taking issue with the specific words. You referred to it as a straw man. There are people who have made that –

QUESTION: Well (inaudible) suggested that it's U.S. taxpayer money, but anyway, neither here nor there.

And then secondly on this one, when you say that the previous administration allowed Iran to spend down these accounts, you don't know what it was spent on and you can't account for any of it, so how do you know that they did?

MR MILLER: The – we can see that the accounts have been spent – other account, not these South Korean accounts, but the accounts in – for money that was purchased by other countries have been spent down. They were spent down without restrictions requiring them to only be used for humanitarian purposes, and we cannot see what they were spent for.

QUESTION: But do you know – how much was that?

MR MILLER: I don't know off the top of my head. We may have that number. I'd be happy to look into it.

QUESTION: Thank you.

MR MILLER: Abbie.

QUESTION: In an interview with NBC this morning, President Raisi suggested that Iran – this is – these are Iran's funds, that they can decide how the money's spent, whether that be on humanitarian goods or whatever it is that the Iranian people need. Why do you think that he's under that impression?

MR MILLER: Well – so, follow up a little bit what I just said to Matt, that may have been the policy under the previous administration, where these accounts were allowed to be spent for purposes that we cannot track. It is not the policy of this administration and it is not the arrangement that will be in place here. I understand why the foreign minister may need to say – may need to make those remarks, but the facts of this arrangement are when this money arrives in these accounts in Qatar, it will be held there under strict oversight by the United States Treasury Department and the money can only be used for humanitarian purposes, and we will remain vigilant in watching the spending of those funds and have the ability to freeze them again if we need to.

QUESTION: But what do you say to critics who are looking at this and saying this is a pretty clear, direct payment for the release of hostages? Is there any change in policy as far as willing to pay a ransom?

MR MILLER: So I will say two things about that. Number one, again, when you refer to it as a payment – again, this was Iran's money in accounts in South Korea that has always been – they have always been legally allowed to use for humanitarian purposes. So the United States is not giving Iran anything or is not paying Iran any amount of money.

*(*Continued On The Following Column)*

But the second thing I will say is I see a lot of what I will call kind of false choices and maybe wishful thinking – is probably – “wishful thinking” is probably too benevolent a way to describe it – by some of the critics of our work to bring American citizens home. I see people all the time that will say, “Of course I want to bring these American citizens home, but I don't think that the United States should allow this transaction to go forward.” Iran is not going to release these American citizens out of the goodness of their heart. That is not real life. That is not how this works. That was never going to happen. We have to make tough choices and engage in tough negotiations to bring these American citizens home. There were five American citizens who have been jailed under brutal conditions, one of them for more than eight years, and the Secretary and the President decided that we need to do everything we can to bring them home, and that's what we're doing.

QUESTION: Appreciating all of that, does it remain U.S. policy that you will not pay ransom for hostages?

MR MILLER: It does.

QUESTION: Let me follow up on that.

MR MILLER: Yeah, let me – Humeyra had her hand up, if you –

QUESTION: Thank you, Matt. Just want to ask an update on where we are on the unfreezing of the funds. I mean, is it 80 percent complete, almost complete? Just trying to get a sense of the timeline that was said weeks – like, weeks ago.

MR MILLER: The – I'm not going to get into specific details, other than to say that the funds are in the process of being transferred to their ultimate destination, which is – are these accounts in Qatar. They are not there yet, but we are in the process of transferring them there.

QUESTION: Okay. And based on that –

QUESTION: Well, not “we.”

MR MILLER: That we – that we – you're right. Thank you for the correction. They are in the process of being transferred there.

QUESTION: And based on that, when would you expect the swap, the actual swap, to take place?

MR MILLER: I don't have any announcements to make about when that will occur.

QUESTION: Right. And I just want to sort of follow up on something that you just said. You said the U.S. will have the ability to freeze Iranian funds, transfer to Qatar, if necessary? Is that –

MR MILLER: Correct.

QUESTION: Is there going to be some sort of a criteria for that? And –

MR MILLER: The –

QUESTION: – you're going to be monitoring it throughout what period? Can you talk a little –

MR MILLER: The criteria is that these funds, when they are deposited in these accounts, can only be spent for humanitarian purposes, so the purchase of food, the purchase of medicine, the purchase of other humanitarian products. The Treasury Department has strict oversight over the use of those funds. We have visibility into how they are used, and we have the ability to police their use.

QUESTION: Right. And one more thing. I know you guys have kept saying these are two separate tracks, like we're not – we're not in a place with – to revive JCPOA and all that. But if this all goes just fine, what is next for U.S.? Are you going to – are you thinking about trying to revive the nuclear talk, one way or the other?

MR MILLER: I think what's next ultimately depends on Iran and what it's willing to do. These are separate matters. This has been a policy we have pursued or an action we have pursued to free these five wrongfully imprisoned American citizens. Separately, we do remain focused on constraining Iran's nuclear program, constraining its destabilizing behavior. We remain committed to ensuring it never obtains a nuclear weapon.

*(*Continued On The Following Page)*

MR MILLER: I think I said we don't have any specific action to preview today about what the IAEA may do. But you should expect us to coordinate with other members of the board of likeminded nations who share our concern with Iran's nuclear program to once again call on Iran to cooperate fully with the IAEA.

QUESTION: Yeah, but it's our understanding that you would support some sort of common declaration or what have you, but not a resolution per se, as the —

MR MILLER: I don't want to speak to what exact form or actions with the IAEA or what actions the IAEA may take other than just what I said, which is you should expect to see us working with other members who share our priorities to clearly express that Iran should cooperate fully with the IAEA. Alex, go ahead.

QUESTION: Follow up. Going back to this question on Raisi, when he said that we will be spending the \$6 billion, quote/unquote, "Wherever we need it." Do we understand it correct that he was lying? Somebody's lying.

MR MILLER: I'm not going to characterize his remarks that way, other than to say what I said before, which is the funds that are in those accounts in Qatar can only be spent with strict oversight by the Treasury Department and only for humanitarian purposes.

QUESTION: What if we find out that they did sponsor — we have been talking about how Iran being destructive in the region, how they have been sponsoring Russian war in Ukraine. If you find out that Iran has been continuing by using \$6 billion that you said is not yours, but is Iranian people's money, not the Iranian Government's money, what are you doing to do?

MR MILLER: I don't want to try to get into hypotheticals. I mean, again, I don't think you should take this action as anything other than the United States doing everything it can to bring home five wrongfully imprisoned Americans. We will continue to take all the steps that we have taken, that we continue to take, to constrain Iran's destabilizing actions in the region. We have hundreds, if not thousands, of existing sanctions on the Iranian Government and on various entities inside Iran. We will continue to impose sanctions when events warrant that.

Bless you.

But in this instance, we decided it was important to bring these American citizens home, and if we see Iran acting in ways that do not comply with the arrangements that are agreed to in this transaction, we will take actions to ensure that those funds cannot be spent for anything but humanitarian purposes.

QUESTION: (Off-mike.)

QUESTION: And my last — my last question on this —

QUESTION: Oh, sorry, Alex.

QUESTION: Yeah, of course. Just —

MR MILLER: One more, Alex.

QUESTION: Just to clarify, five Americans you mentioned — can you assure us that you have done — since the agreement was announced — everything you could not to — let's say to extend this number from five to seven? As you know, there are two American persons left behind, and there have been back-and-forth negotiations going on. There was a meeting in this building. You tried everything but you failed. Is that the case?

MR MILLER: I — I won't go where I was going to go. This was a deal to bring home these five American citizens, and we are proud of the actions we have taken. And we look forward to seeing their release; we look forward to seeing them reunited with their families, their loved ones. We, again, do note that there are others who are detained in Iran whose release we worked to secure. That is an ongoing priority for the State Department. Abbie, go ahead. I'll come to you next.

QUESTION: One more on Iran. In advance of the anniversary of Mahsa Amini's death, President Raisi also issued a threat to protestors, warning that they would pay a big cost for sowing instability in the country. Does the State Department have any response? And given these discussions over the prisoner release, what are you doing right now to help protestors on the ground there?

*(*Continued On The Following Column)*

MR MILLER: I will say those comments are particularly offensive coming when they do, the week of the anniversary of the protests last year, the one-year anniversary. And I will say that we will continue to support the Iranian people. During the — at the height of the protest last year, when we were providing internet access to the Iranian people when it had been shut down by the Iranian Government, as many as one in three Iranians used U.S.-supported anticensorship and digital security tools. We held accountable those responsible for Mahsa Amini's death, and we will continue to do so. And I would call on the Iranian Government to respect the rights and wishes of its citizens and not stifle their voices.

QUESTION: Coming back to the transfer of the money, can you say that all of the funds are out of the South Korean bank accounts and are in Qatar? Are they in process? Realistically, how long will it take for the money to get to this custodial bank account?

MR MILLER: They are not all in Qatar yet. I don't want to speak to where along the process they are, other than that they are in the process of being transferred, and I wouldn't want to put a timetable on it. I would say, just for your planning purposes, you should not expect to see any movement in terms of the American citizens being released this week.

QUESTION: In terms of once the money is verified to be in the custodial bank account, what is the timeline then for Iran to release the five Americans? What is the process for the U.S. to release the five Iranians reportedly going to be sent back? What's the process here?

MR MILLER: Again, I don't want to get into exact timetables, other than to say it is our top priority that those Americans not spend any extra day or minute or hour than is necessary — no time is — they shouldn't have been imprisoned in the first place — but we want to get them home as soon as possible. So as soon as we can effectuate their release, we will do so.

QUESTION: Do you — are you prepared to say that the Iranians being held here in the U.S. are not going to be put on a plane until the U.S. knows that its citizens are on a plane to Doha?

MR MILLER: I'm just not going to speak to the exact logistics of it at this point.

QUESTION: And then my final question: How worried is the U.S. Government about this deal — about this whole process falling apart?

MR MILLER: I will say this is not a country with whom we have the most trusting relationship to understate matters. So it's a process we are monitoring very carefully. It's why you have seen us always be measured in the way (inaudible) described this, since it was first reported several weeks ago. Nothing is final here until we see those Americans having left Iran. But we are hopeful that that will happen, and we continue to work to make it so.

Matt, go ahead.

QUESTION: Can I just say — just one more and it's very — it's your contention that this money that was frozen and — or that was being held in South Korea could always have been used by Iran for humanitarian purposes. Is that correct?

MR MILLER: That is true under sanctions now. It has — it was difficult to do so. It's hard to find banks to conduct those transactions in a number of cases. But under the rules, the law, the legality of our sanctions, that's true.

QUESTION: Well then why didn't it happen before?

MR MILLER: Well, the point I just made is that it's difficult to find banks that are willing to engage in those transactions.

QUESTION: Okay. So when you have — when you — unless you guys grant a waiver?

MR MILLER: Correct. Correct.

*(*Continued On The Following Page)*

QUESTION: So this whole thing about we're not giving it, we're not – I mean, you're doing every – you are unblocking it, basically. You're telling international banks in these European countries and in Asia and in the Middle East that you're fine, go ahead and do it. So the idea that you don't have anything to do with it is –

MR MILLER: I did not say that and would not say that. We are, of course, taking steps to effectuate the transfer of these funds, these Iranian funds. However, the point I take issue with – to give something it must be something that's yours, and this is not our money. This is Iranian money.

QUESTION: Yeah, but if you didn't give the waiver – sorry, grant the waivers – then they wouldn't get the money.

MR MILLER: I'm not disagreeing with that. Although it's their money in the first place, they wouldn't have access to it for – they wouldn't be able to effectively –

QUESTION: All right. Well, we had the same argument back – we had the same argument back in 2016, so –

MR MILLER: History repeats itself.

QUESTION: One question.

MR MILLER: Michel, go ahead.

QUESTION: Do you have any guarantees from Iran that it won't detain any U.S. citizen in the future?

MR MILLER: I would say that guarantees from Iran about how it will behave in the future is not something that we typically put a lot of stock in. This is a deal to secure the release of these five American citizens. We continue to have concerns about all of Iran's destabilizing activities, and we will continue to monitor and take action to constrain those activities in the coming months and in the coming years.

QUESTION: Also Iran. Israel accused Iran on Monday of building an airport in southern Lebanon to be used as launchpad for attacks against Israelis across the border. Any comment on this matter?

MR MILLER: We have seen the reports and are monitoring them, but I don't have anything to add.

QUESTION: One more question. Has there been instances where the U.S. Government has mistakenly placed individuals on sanctions list? And would the U.S. Government be willing to publicly acknowledge and rectify a mistake if it were to – like, to reverse the sanction on individuals that were in error?

MR MILLER: I don't know how to answer a blanket question like that. Obviously, if we make mistakes, we try to correct those. If you have a specific case you want to bring up, I'd be happy to take a question on that. But with a broad question like that, it's hard to know how to answer. But –

QUESTION: (Inaudible) have U.S. urged the Lebanese Government to elect a president? We're over 11 month now. There is no –

MR MILLER: We have.

QUESTION: – president in Lebanon. Give me an example. What have you done to pressure Lebanese Government to elect –

MR MILLER: I have spoke – you're not someone that's at the briefing every day, but I will say I have spoken to this on a number of occasions and have spoken about the fact that senior members of this department have made phone calls to members of the Lebanese Government and have traveled to the region to press that exact case. Anything else on Iran before we move on to other stuff?

QUESTION: Israel?

MR MILLER: Just – let me just –

QUESTION: (Inaudible.)

MR MILLER: You've already had a chance. I'll go – Janne, go ahead.

QUESTION: Thank you. Thank you, Matt. I have two questions, one on North Korea, one on China. First question is: It is reported that the lifting of sanctions against North Korea will be discussed at the talks between Kim Jong-un and Putin. Can –

*(*Continued On The Following Column)*

MR MILLER: The lifting –

QUESTION: Yeah.

MR MILLER: – of which sanctions?

QUESTION: I mean just –

MR MILLER: Sanctions –

QUESTION: I was told the sanctions against North Korea.

MR MILLER: Yeah, yeah, yeah, I just didn't know –

QUESTION: Yes.

MR MILLER: I just didn't know if it was a report about which specific sanctions imposed by whom.

QUESTION: (Inaudible) said that can Russia unilaterally lift UN Security Council sanctions by themselves?

MR MILLER: No, Russia cannot. No, Russia cannot take – Russia cannot take unilateral actions relating to the United Nations Security Council.

QUESTION: Okay. And second question is: Chinese Government said that it would not interfere with arms deals between North Korea and Russia. What can you say about China's neglect?

MR MILLER: I'm not going to speak to China's reaction other than to say we have been very clear about what our position is, which is that any transfer between – of arms from North Korea to Russia would violate multiple United Nations Security Council resolutions. It would be a sign of the desperate state in which the Russian Government finds itself a year and a half into this war that it has been prosecuting unsuccessfully against Ukraine. And we will monitor what happens and won't be – will not hesitate to take action to hold those accountable if necessary.

QUESTION: Thank you.

QUESTION: Follow-up on China?

MR MILLER: Go ahead.

QUESTION: Thank you, Matt. Just before the G20, Russian Foreign Minister Lavrov visited Bangladesh, and in Dhaka he said Moscow would prevent any attempt to establish dictates and interference by the U.S. in this region, and ruling Prime Minister Sheikh Hasina Wazed accused U.S. as she said that U.S. in the name of Indo-Pacific Strategy, they wants to come here and gain control over the region. So what is your response and what is your position on the Indo-Pacific Strategy?

MR MILLER: I would say with respect to Russia, a country that has invaded two of its neighbors, is prosecuting an aggressive war where it bombs schools and hospitals and apartment buildings on a daily basis, should not be talking about any other country imposing dictates. It's a fairly – it's not the most self-aware comment that Sergey Lavrov has ever made. But I would say that with respect to United States policy, that the United States and Bangladesh share a vision to ensure the Indo-Pacific region is free and open, connected, prosperous, secure, and resilient. That's the intent of our Indo-Pacific strategy and that is our position.

QUESTION: Can we – can I please confer in the G20 summit, any meeting – sideline meeting between the Bangladesh prime minister and the President Biden as foreign minister told the reporters that Biden had a – and Prime Minister Hasina had a good conversation, though we did not see any readout or anything from the White House or from the State Department?

MR MILLER: I believe the White House did make public the meetings that the President had with other leaders.

QUESTION: If I may, for press freedom, very quick: Bangladesh government-controlled court sentenced seven years two senior journalists, and 90 years old who used to work for the BBC, Shafik Rehman and Mahmudur Rahman, including three American citizens and one journalist who is exiled in New York. Government ordered seized his property. Journalist name: Eleas Hossain. So what is your comment? The government is harassing journalists and reporters and the senior editors?

*(*Continued On The Following Page)*

MR MILLER: We believe, as we've said on a number of occasions, that journalists play an essential role in any democracy. Their work uncovers corruption, safeguards the public's right to know information that affects their lives. They need to be able to make the public aware of the issues that they face in their daily lives. They need to ensure accountability for elected officials the way that you all show up and ensure accountability for what I say here every day. They must be able to do their jobs without fear of harassment, violence, or intimidation. And we are concerned with the Government of Bangladesh's systematic and pervasive oppression of journalists and media personalities who attempt to hold the government accountable. Go ahead.

QUESTION: Thank you, Matt. Two questions on Syria. Are you working to repatriate an American family of 10 in northeast Syria? Then if you give me an update on —

MR MILLER: An — I'm sorry?

QUESTION: An American family of 10 in northeast Syria that have been held in the ISIS families detention centers in northeast Syria. And is there any other American citizens being held in these detention facilities?

MR MILLER: Yes, we — I — if it's the family I believe you're referring to, yes, we are working to repatriate that family. Repatriation is the only durable, long-term solution to the humanitarian and security situation in northeast Syria. We urge every country of origin to repatriate, rehabilitate, reintegrate, and, when appropriate, prosecute their nationals from detention facilities and displaced person camps in northeast Syria in a manner consistent with their obligations under international human rights law and international refugee law. I don't have an update on the number of U.S. citizens who might be there.

QUESTION: And one more question: What do you say about the Syrian accusation to the United States that — they are saying that the United States occupied the oil fields in northeast Syria and they are operating illegally. The Syrian ministry — foreign ministry, they sent a letter to UN general-secretary and also to the international body and they are asking the international body to hold the U.S. accountable. What do you say for this accusation?

And then are you — is there any U.S. company — oil company operating —

MR MILLER: You're getting to, like, question number four here, so — (laughter) —

QUESTION: Yeah. Is there any U.S. — is there any U.S. oil company operating in northeast Syria?

MR MILLER: You should ask the U.S. oil companies that question. I would say with respect to that allegation, it's not accurate. Go ahead, in the back. Yeah.

QUESTION: Yeah, thank you. As everyone is aware, of course, the COVID pandemic took millions of lives, cost trillions of dollars. As you may be aware, the BMJ, the prestigious *British Medical Journal*, just had a lengthy piece about how USAID just terminated a controversial 1.5 million wildlife virus hunting program amid safety fears. That is, USAID has had a series of programs to collect viruses; it started as the PREDICT program and then it took on different names. Lots of people have claimed that this as well as NIH funding to —

MR MILLER: Who are the people that have claimed that?

QUESTION: That have claimed?

MR MILLER: Yeah. You said lots of people. Who in particular?

QUESTION: Have claimed what aspect?

MR MILLER: The point you were just making. You were — said lots of people have claimed that the — I'd like to know who those people were that I'm going to be responding to in a minute.

QUESTION: Oh, okay. I have claimed.

(*Continued On The Following Column)

MR MILLER: Okay.

QUESTION: Richard Ebright —

MR MILLER: This is usually a place for questions, not claims, but go ahead.

QUESTION: No, no, no, no. Well, I mean, this is an overdue subject, don't you think? Richard Ebright, other prestigious scientists have stated that it could well be the case that the COVID — U.S. intelligence services have put out statements that it could have come out of a lab in Wuhan. Now we know that NIH funding went from EcoHealth Alliance to the Wuhan Institute of Virology. USAID — you find this very tiresome.

MR MILLER: Go ahead. I just — it's — get to the question if you don't —

QUESTION: Well, you asked me.

MR MILLER: Get to the question if you don't mind.

QUESTION: You asked me.

MR MILLER: Yeah.

QUESTION: So how much money went from USAID to this — to the work at Wuhan and to their collaborator, Ralph Baric, at the University of North Carolina to create — to collect and make coronaviruses that are weaponized, that are more deadly?

MR MILLER: So I, first of all, reject the implicit accusation in that question and I do not have at my finger —

QUESTION: (Off-mike.)

MR MILLER: I do not have at my fingertips the particular details of USAID funding.

QUESTION: Question —

QUESTION: Are you saying for certain —

MR MILLER: Go ahead.

QUESTION: Are you saying for certain that no USAID money went to the Wuhan Institute of Virology?

MR MILLER: I've answered the question. Go ahead.

QUESTION: No, please tell me. Do you — are you stating that no USAID money went —

MR MILLER: I have — I will say I am happy to take questions from those in this audience. I'm happy to answer them. I appreciate that they treat every person in this room, including myself, respectfully.

QUESTION: I am giving you respect.

MR MILLER: I called on you. I'm now calling on someone else. Go ahead.

QUESTION: I'm asking you treat me respectfully. Please tell me, what are you denying?

MR MILLER: Go ahead.

QUESTION: What is your denial?

QUESTION: I had a question (inaudible).

QUESTION: It's a non-denial denial.

MR MILLER: Go ahead.

QUESTION: Excuse me. I have a question about Israel. Thank you, Matt. Okay. In light of Israel Prime Minister Benjamin Netanyahu's invitation to the White House, will President Biden be requesting Prime Minister Netanyahu to adopt his two-state policy that divides Israel despite the Jewish scripture Joel 3:2 warning of doing that? And I have a follow-up question.

MR MILLER: We have been very clear that we strongly support the two-state policy. We make that clear in all of our conversations with leaders of the Government of Israel.

QUESTION: Okay. And then finally, will the U.S. demand the repeal of Palestinian Authority Chairman Abbas's law which provides a salary for life for anyone who murders a Jew? And this is a concern that Israel Behind The News has.

MR MILLER: Let me take that one back to give you a precise answer. Shannon, go —

QUESTION: Are you just — are you accepting the premise of the question that Prime Minister Netanyahu has been invited to the White House?

MR MILLER: The — no, I'm not. The White House has made clear they expect the President to have a meeting with prime minister, but no, I'm —

QUESTION: Yeah, but you're not —

MR MILLER: Sometimes I make clear I'm not accepting the premise of the question, but not always.

(*Continued On The Following Page)

QUESTION: You're not saying – you're not saying it's at the White House?

MR MILLER: I am not. I —

QUESTION: You're not agreeing with the —

MR MILLER: I have made clear a number of times from this podium I do not speak to the President's schedule.

Shannon, go ahead.

QUESTION: Thank you very much. I want to ask about the case of James Frisvold, the American citizen who was held in Mexican prison for 13 years before he was ultimately found not guilty. Advocates who worked to free him have been critical of the State Department for what they claim is a lack of involvement in the case. Matt, do you have a response to that criticism? And can you speak to if the department was providing consular assistance to Frisvold while he was in custody and tracking the serious issues in his trial?

MR MILLER: Yeah. We are aware of the release of that U.S. citizen from detention in Mexico. I will say, as is often the case unfortunately where there are places I'd like to speak in detail, due to privacy considerations – I think you're familiar with the law that restricts us from saying more unless we have a waiver – I'm not able to speak in detail to this case, but of course, any time a U.S. citizen is detained abroad, consular officials seek to aid him or her with all appropriate assistance.

QUESTION: One follow-up if I can, just more broadly, can you speak to the department's view of these outside entities like the Richard – Richardson Center, rather, that practice unofficial diplomacy? Do you see their role in – their involvement with detained Americans, is it a helpful or a harmful role they play?

MR MILLER: I don't want to speak – I don't want to give a blanket statement because there are a number of organizations that do a number of different things, but it is our priority to secure the release of – first of all, to ensure the safety and security of Americans overseas; and second of all, to secure their release when they're wrongfully detained, and we do work with a number of organizations in that capacity. Go ahead.

QUESTION: Thank you. Se Hoon Kim, Global Strat View. So coming back to China, how much knowledge does the State Department has about the Chinese authorities' training program in Southern Mongolia, or – also known as Inner Mongolia, called the Training for the Firm Inculcation of Chinese Nationality Common Identity, targeting the entire Mongolian population in Southern Mongolia or Inner Mongolia?

And also at the same time, the Southern Mongolian Human Rights Information Center has raised several high-profile cases of China's transnational repression of Mongolians from both Southern Mongolia or Inner Mongolia and the independent country of Mongolia to the State Department multiple times. What actions have the State Department taken on the cases, including the case of Mr. Lhamjamborjigin and Mr. Munkhbayar Chuluundorj?

MR MILLER: I don't – I'm not going to speak to specific cases, other than to say that we always put human rights at the forefront of our foreign policy. We always raise human rights issues with other countries and we'll continue to do so.

Alex, go ahead.

QUESTION: Thanks, Matt. Moving to Ukraine, if I may.

MR MILLER: Yeah. Go ahead.

QUESTION: German foreign minister was visiting Ukraine, as you know. She appealed to international partners to boost Ukraine's air defense. I know that he – she is planning to visit Washington. There are multiple reports about that. Is Secretary open to that conversation?

MR MILLER: To —

QUESTION: To boost Ukraine's air defenses.

*(*Continued On The Following Column)*

MR MILLER: I'm – I will say that boosting Ukraine's air defense has been something that the Secretary as well as Secretary Austin and the National Security Advisor and the President himself have worked on since even before the beginning of this war, working to provide air defense systems to Ukraine. We've transferred a number of U.S. air defense systems to Ukraine. In this last set of military assistance that the Secretary announced when he was in Ukraine, it included components of air defense systems that we have previously provided, and we have worked with other countries to – for them to provide air defense systems. So we will continue to do that. I'm sure it's a matter that he will speak with his German counterpart later this week.

QUESTION: Thank you. I have another one. One —

MR MILLER: One more and then we'll go and finish up.

QUESTION: My final question, I promise, is different topic, Azerbaijan and Armenia. Putin today made multiple statements about the conflict. He is into blame game, blaming Pashinyan over everything is going on right now in the region. There's conventional wisdom that he is trying to use the conflict to topple Armenia's democratically elected president. As you know, there have been some reports about Wagner mercenaries being sent to Armenia to engage in that kind of activity. Do you have any concern about —

MR MILLER: I will just say that we continue to work – I'm not going to respond to that comment. I'll just say that we continue to work to resolve the situation between Armenia and Azerbaijan. As I spoke to yesterday, the Secretary has been personally involved in this, with multiple conversations just in the past week. We did note – I will say – you brought up the topic – that in the last 24 hours one shipment of humanitarian supplies passed through the Aghdam route into Nagorno-Karabakh, and so we will reiterate our call on the specific question about the importance of opening both corridors into the country and as a more – as a short-term matter, and as a more long-term matter, the two countries coming to an ultimate agreement.

Go ahead, and then we'll wrap up.

QUESTION: Thanks. Can you just give us an update on the conversations with Morocco about potential U.S. assistance in the earthquake recovery?

MR MILLER: The conversations are ongoing. We're in close counterparts – or close conversations with our counterparts. USAID has been in conversation with them about what assistance that we can provide. We have yet to receive an official request, but we are standing ready to provide all the assistance we can when we get that request. Okay. Thanks everyone. Thanks.

(The briefing was concluded at 1:59 p.m.)

Mass. bill proposed to ban sales and operation of weaponized robots

Videos of modified robots with guns have alarmed manufacturers and lawmakers

By [Aaron Pressman](#) Globe Staff, Updated September 12, 2023, 3:10 p.m. Massachusetts could become the first state in the nation to regulate weapons attached to robots, under a bill proposed on Beacon Hill Tuesday. The legislative proposal filed by state Representative Lindsay Sabadosa and Senator Michael Moore would ban the manufacture, sale, or operation of a robot or drone with an attached weapon. The bill would also ban the use of robots to threaten, harass, or physically restrain people.

However, the state's ban on robots with attached weapons would not apply to the US military, defense contractors, or law enforcement bomb squads. And private companies developing antiweaponization technology, such as a robot that automatically shuts down upon detecting gunfire, could apply for case-by-case waivers from the attorney general. Violations would be punishable by fines of \$5,000 to \$25,000.

*(*Continued On The Following Page)*

The proposal follows a call last year from robot developers including Boston Dynamics in Waltham for policy makers to outlaw weapons attached to autonomous or remotely controlled devices. While Boston Dynamics and its rivals do not sell robots with attached weapons, videos have cropped up online displaying devices that have been modified with attached guns. Some are made to resemble Boston Dynamics' Spot, a dog-like robot, with an attached automatic gun — modifications the company doesn't permit on its devices.

"These efforts arise from the instances we've seen of folks buying off-the-shelf robots, weaponizing them, having them walk around shooting, and then putting those videos on YouTube," said Brendan Schulman, vice president of policy and government relations at Boston Dynamics.

Related

Boston Dynamics and rivals agree to ban weaponized robots A Boston Dynamics robot can now be run using ChatGPT. What could go wrong? Boston Dynamics, known for its wacky robot videos, is now focused on making money

Sabadosa, who represents a district centered around Northampton, said she was sensitive to the concerns raised by the robotics companies about the misuse of their products. "We're in this moment of burgeoning technology and things are really changing," she said. "So it was important to get something on the books as soon as possible."

The bill is not primarily aimed at dealing with law enforcement agencies' use of robots but does have several provisions to regulate the sector. Police could not use a robot to enter a private dwelling without a warrant except in "exigent circumstances." And law enforcement agencies would have to disclose information about their use of advanced robotics under public records requests.

The legislation has support from industry, including trade group MassRobotics and civil rights group ACLU of Massachusetts. The bill next will be assigned to relevant legislative committees, which could hold hearings on the proposal later this year or in 2024.

"We hope this will resonate with people and we'll do some education, and we'll hope to move it along," Sabadosa said.

The approach makes sense to ethicists who have studied uses of artificial intelligence.

"Since the use of drones and robots as weapons is already presumably illegal, it wouldn't be particularly stringent, and it would be a good thing, to outlaw attaching weapons to them," said Boston University philosophy professor Juliet Floyd.

Nir Eisikovits, director of UMass Boston's Center for Applied Ethics, also supported the bill's approach and warned law enforcement's use of robots could be problematic. "There are credible concerns about bias in law enforcement even when it's not equipped with autonomous weapons systems," he said. "It's hard to see an argument for allowing it to use such weapons. This is particularly true because AI systems are themselves frequently plagued by algorithmic bias problems."

Northeastern University professor Denise Garcia, a member of the school's Institute for Experiential Robotics, would like to see lawmakers go even further and block weaponized and automated robots even from the battlefield.

"Weaponizing drones and robots, AI-assisted or non-AI assisted, should be prohibited," Garcia, who is also vice chair of the International Committee for Robot Arms Control, said. "The US is already the most violent country with the highest homicide rates in the developed world. Weaponizing robots and drones could make all worse."

Announcing the U.S. Special Representative for Ukraine's Economic Recovery

09/14/2023 11:07 AM EDT

Antony J. Blinken, Secretary of State

President Biden today announced the appointment of Penny Pritzker as the U.S. Special Representative for Ukraine's Economic Recovery. In this role, she will work with the Ukrainian government, the G7, the EU, international financial institutions, international partners, and one of our great assets – the American private sector – to help forge Ukraine's future as a prosperous, secure, European democracy. Special Representative Pritzker will drive efforts to shape donor priorities through the Multi-Agency Donor Coordination Platform to align them with Ukraine's needs and to galvanize international partners to increase their support for Ukraine. She will also work closely with the government of Ukraine as it intensifies reforms needed to win the future, open export markets, mobilize foreign direct investment, and catalyze economic recovery.

Special Representative Pritzker's extensive private sector experience, service as Secretary of Commerce, and deep personal connection to Ukraine and the Ukrainian diaspora make her uniquely qualified for this task. Tracing their roots to the village of Velyki Pritsky outside of Kyiv, her family owned a grain store before emigrating the United States more than 100 years ago. Special Representative Pritzker is a deeply committed leader trusted across the political spectrum for her proven track record of delivering positive outcomes and results.

Special Representative Pritzker's appointment demonstrates our commitment to strengthen Ukraine's European future and follows new economic and security commitments announced at the Ukraine Recovery Conference in London and in Vilnius by the G7+ and NATO. Her role will build on the steadfast work of the State Department, USAID, the Commerce Department, and other agencies to accelerate Ukraine's economic transformation. She will be key to our determination to see to it that Ukraine not only survives but thrives, standing on its own.

I welcome Special Representative Pritzker to the role and extend my deep gratitude for her renewed public service.

FOR IMMEDIATE RELEASE
Thursday, September 14, 2023

Media Contact:

Valerie Keys, vkeys@doc.gov

Deputy Secretary Graves to Lead Cybersecurity Trade Mission to the Republic of Korea and Japan

WASHINGTON, D.C. – U.S. Deputy Secretary of Commerce Don Graves will lead 15 American companies on a Cybersecurity Trade Mission to the Republic of Korea and Japan, from September 20 – 26, 2023. Deputy Secretary Graves' travel follows President Biden's Trilateral Summit with President Yoon of Korea and Prime Minister Kishida of Japan. While in Korea and Japan, Deputy Secretary Graves looks forward to deepening commercial ties with the U.S. in cybersecurity and other critical emerging technologies by strengthening joint efforts to safeguard our critical infrastructure and tech ecosystems from those who seek to undermine our national and economic security. His visit will further the Administration's efforts to promote a free, open, and prosperous Indo-Pacific Region.



Stay up to date with Trade News at: www.eib.com

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;

Evolutions in Business and the companies we serve, armed with robust compliance to the Export Administration Regulations, will adhere to best practices to protect our revenue and yours, and ensure the national security interests of the United States.

NOTE: In accordance with Title 17 U.S.C. Section 107, this material is distributed without profit or payment for non-profit news reporting and educational purposes only.

Evolutions in Business

*Celebrating more
than 30 Years*