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US Departments of Justice and Commerce Launch Disruptive Technology Strike Force to Enforce Tightening Export Controls

The joint Strike Force will focus on shielding advanced US technology from nation-state adversaries and on prosecuting export controls violations.

On February 16, 2023, the US Departments of Justice and Commerce [announced](#) the launch of the Disruptive Technology Strike Force (Strike Force), a joint task force co-led by the Department of Justice's (DOJ's) National Security Division and the Department of Commerce's Bureau of Industry and Security (BIS). The move comes after BIS implemented a series of new export controls, and amid an increased focus on both civil and criminal enforcement of US export controls.

The Strike Force comprises officials from the National Security Division, BIS, designated US Attorneys' Offices, the Federal Bureau of Investigation (FBI), and the Department of Homeland Security's Homeland Security Investigations (HSI). The Strike Force is "designed to protect U.S. national security by preventing ... sensitive technologies from being used for malign purposes," said Matthew Axelrod, Assistant Secretary for Export Enforcement. Axelrod — who will co-lead the Strike Force with the Assistant Attorney General for the National Security Division, Matthew Olsen — has notable experience with the DOJ, having served as Principal Associate Deputy Attorney General during the Obama Administration.

The Strike Force will seek to target illicit actors, strengthen supply chains, and protect critical technological assets from being acquired or used by nation-state adversaries, according to the DOJ. In particular, the DOJ explained that "nation-state adversaries such as the People's Republic of China, Iran, Russia, and North Korea" seek advanced US technologies for "disruptive purposes," including to "enhance their military capability or support mass surveillance programs that enable human rights abuses."

Deputy Attorney General Lisa Monaco explained that the Strike Force will use "real-time intelligence and 21st century data analytics" to prevent the unlawful export of sensitive US technology, including strengthening partnerships with the intelligence community. In addition, the DOJ explained that the Strike Force will focus on investigating and prosecuting criminal violations of export controls, as well as enhancing administrative enforcement, including leveraging international partnerships to coordinate law enforcement actions and disruption strategies. The Strike Force will also partner with the private sector, and train officials in field offices throughout the country.

The creation of the Strike Force comes in the wake of BIS' implementation of a number of new, stringent export controls — including several waves of export control restrictions related to Russia throughout 2022, described in Latham Client Alerts dated [February 25, 2022](#), [April 12, 2022](#), [May 13, 2022](#), and [October 11, 2022](#), as well export controls related to China, described in Client Alerts dated [May 23, 2019](#) and [August 19, 2020](#). Indeed, shortly after the Strike Force was announced, the Department of Commerce released four new [rules](#) targeting additional sectors of the Russian and Belarusian economy, adding 86 new companies to the BIS Entity List and/or Military End User list, and imposing new export control measures on Iran to address the use of Iranian drones by Russia in Ukraine.

Collaboration between the DOJ and BIS has already produced results. Shortly after the announcement of the Strike Force, the two departments [announced](#) a joint action against a Russian company and individual related to the unauthorized export of controlled counterintelligence items to Russia and North Korea. This action continues the trend of increased criminal and civil enforcement of violations of export controls. For instance, in August 2022, BIS [charged](#) a Russian conglomerate with a violation of the Export Administration Regulations (EAR) for flying a US-origin aircraft to Russia without obtaining BIS licensing.

Even more significantly, the DOJ's Task Force KleptoCapture (an interagency task force focused on enforcing US sanctions and export controls against Russia) [announced](#) that it had obtained a warrant for the seizure of the airplane. The DOJ has also sought severe penalties for criminal violations of export controls, including seeking imprisonment for individuals convicted of unlawful exports of [military- and space-grade technology](#) and [maritime engines](#) to China, and has aggressively [charged](#) violations of Russia-related export controls.

Parties active in exporting sophisticated technologies should be aware that the launch of the Strike Force signals a continued, cross-agency commitment to strong enforcement of US export controls, particularly in cases implicating US national security or foreign policy concerns.

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