



مجلس الأعمال السعودي الأمريكي  
U.S.-Saudi Arabian Business Council

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## **Emerging and Foundational Technology Export Requirements**

Earlier in December the U.S. Department of Commerce imposed a new category of export controls on emerging and foundational technologies. This expansion of controls will impact U.S. and foreign companies by increasing the national security reviews of acquisitions by the Committee on Foreign Investment in the United States (CFIUS).

These export controls are focusing on technologies in newly identified categories of products that are not currently on the Commerce Control List or the U.S. Munitions List but are still considered essential to U.S. national security. These emerging technologies, while not yet mainstream, have the potential to have long-term effects and play a critical disruptive role in key industries. The designated technologies will be subject to licensing requirements for exports, reexports and in-country transfers. These controls are focused on countries that have ongoing IP regulation issues.

The U.S. Department of Commerce will lead the identification process for emerging technologies. Some of the technologies that have been identified as “emerging technologies” are artificial intelligence, biotechnology, microprocessor technology, advanced computing technology, data analytics, advanced manufacturing such as 3D printing, robotics and more.

These controls will have a significant impact on U.S. SMEs that are looking for financial investment from foreign companies. These U.S. SMEs will have to obtain authorization prior to disclosing the emerging technology to a foreign business. This will also impact foreign firms looking to invest in emerging technologies. These companies will have the same protocols for exports. New regulations will affect the speed of imports/exports and investment. It will also make it easier to incur penalties and control violations if transactions are improperly disclosed.

As these regulations are implemented, the Council will continue to monitor and update our members.