

White House Suspends BIS Affiliates Rule for One Year

November 10, 2025

On November 1, 2025, the White House issued a Fact Sheet announcing a one-year suspension of the “Affiliates Rule” effective November 10, 2025. The Bureau of Industry and Security (“BIS”) will implement the one-year suspension as part of a broader set of bi-lateral concessions reached during the recent U.S.-China trade negotiations occurring prior to the 2025 APEC Summit in Gyeongju, South Korea. Correspondingly, China announced a suspension of its current, and proposed, export control restrictions on rare earth elements and other critical minerals.

Background of Affiliates Rule

On September 29, 2025, BIS issued a pivotal and sweeping interim final rule under the U.S. Export Administration Regulations (“EAR”) significantly broadening the scope of end-user-based export controls. Effective immediately, the Affiliates Rule expanded existing export control restrictions to cover export, reexport, and transfer (in-country) of items subject to the EAR involving any entity that is 50 percent or more owned, directly or indirectly, individually or in aggregate, by one or more parties designated on the: (i) Entity List, (ii) Military End-User List, or (iii) Specially Designated Nationals and Blocked Persons designated under programs listed in EAR Part §744.8 (see our previous alert [BIS Expands Export Controls with New Affiliates Rule](#)).

Key Takeaways of Suspension

A few key takeaways of the suspension are as follows:

- The Affiliates Rule is not rescinded, but rather the Affiliates Rule is now subject to a one-year suspension. Once BIS publishes a formal notice in the Federal Register suspending the Affiliates Rule, hopefully additional details, including the potential expiration date, will become clear.
- The administration frames the suspension as part of a U.S.-China arrangement, but the suspension applies to all designated entities from any country -- not just the designated entities from China.
- Companies may want to proactively use this suspension period to continue to assess supply chains and foreign partners covered by the Affiliates Rule, while mapping ownership structures to identify entities that may be targeted affiliates to minimize future exposure to enforcement actions if the suspension is lifted or the Affiliates Rule is reinstated.

If you have any questions about the Fact Sheet, the Affiliates Rule and its requirements, or the scope and duration of the suspension, please contact the authors of this alert or your Miller Canfield attorney.