

EXECUTIVE OFFICE OF THE PRESIDENT
THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON, D.C. 20508

NOV 19 2006

H.E. German Gref
Minister
Ministry of Economic Development and
Trade of the Russian Federation

Dear Minister Gref:

I am writing to confirm our mutual understanding about the problem of definition of requirements related to the conditions of importation of goods with encryption that performs authentication functions to the Russian Federation

As members of the Wassenaar Arrangement, we acknowledge that goods with encryption that solely performs authentication functions, including digital signature, are not subject to licensing for export controls under the Wassenaar Arrangement. This includes the following authentication functions (1) authentication, including all aspects of access control without encryption of files or texts, except as the protection related to passwords and identification and other similar protection of data from unauthorized access, and (2) message authentication (e.g., to confirm that the message that is sent is the same as the message that is received).

We also confirm that the Russian Federation will ensure the conditions for importation of those goods will not be more restrictive than the conditions in effect as of the date of this letter.

I would like to confirm that during the period that the Russian side implements the interim system for regulating imports of goods containing encryption technology, goods that perform the authentication functions specified above will receive the same treatment as goods covered under exemptions indicated in the Notes, to Category 5 Part 2 "Information Security" of the Wassenaar Arrangement Dual Use List. In the course of our bilateral discussions, we will work on the remaining goods performing authentication functions (such as digital signature).

Please accept the assurances of my deepest respect.



Susan C. Schwab