

STETSON UNIVERSITY

Office of Grants, Sponsored Research and Strategic Initiatives

March 30, 2021

To: Office of Finance (Jeff Margheim), Office of Information Technology (Jose Bernier), Purchasing Department (Valinda Wimer)

Copy to: Jennifer A. Baker, Carol Buckels, Sharon Fischer, Robert Hanks, Sidney P. Johnston, Amanda Richards, Richard Tysor

Attachments: List of Prohibited Manufacturers and NDAA 889 Flyer

Subject: Changes to Office of Management Budget (OMB) Uniform Guidance 2 CFR 200.216 "Huawei Ban"

Purpose: This memo provides guidance and additional information from the Office of Grants, Sponsored Research and Strategic Initiatives for Stetson University's implementation of the OMB issued Final Guidance on Section 889 of the National Defense Authorization Act (NDAA) - amendment to Uniform Guidance 2 CFR 200.216, which bans the use of certain manufacturers by Federal awardees for any Federally-funded contracts, grants, aid and awards.

Background: NDAA implemented Part A of Section 889 on August 13, 2019 and Part B on August 13, 2020. These prohibit the use/purchase of certain telecommunications and videos surveillance services or equipment. The key component of this legislation pertaining to Stetson University restricts the use of federal grant and award dollars in accordance with OMB Uniform Guidance 2 CFR 200.216. This memo alerts relevant departments and staff, who procure and utilize services, of the changes applicable for federal grants, contracts, cooperative agreements, and federal assistance awards.

Federal Award Restrictions IAW UG 2 CFR 200.216, and Associated Actions Needed:

On August 13, 2020, the Office of Management Budget (OMB) issued its [Final Guidance](#) on the implementation of Section 889. The amendment to Uniform Guidance 2 CFR 200.216 prohibits using federal funds to enter into, or renew, contracts for equipment, services or systems that use Covered Telecommunications Technologies (CTT) as a substantial or essential component of any system, or as critical technology as part of any system.

The covered telecommunications technology includes equipment or services produced or provided by Huawei Technologies Company or ZTE Corporation and video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company. This applies to equipment or services produced by any subsidiary or affiliate of such entities. (Ex. Cloud services, telephone/internet services) The Secretary of Defense may also add entities it reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

Researchers, program personnel, and those with purchasing and spending authority on Federal Grant Funds, need to be knowledgeable and act upon these restrictions to verify (regardless of the dollar level) that federal grant funds have not been used to purchase equipment or services produced by the entities listed in above paragraph (and further detailed in attachment).

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The Grants Office will review currently active contracts and subcontracts on all active grant awards and will execute amendments adding the additional prohibitive-use citation and language. All future contracts and subcontracts will also include this additional prohibitive-use citation and language.

For further details, please see the list of prohibited manufacturers and NDAA 889 Flyer provided in the attached list.

If you have any questions or concerns, please contact:

Sarah Kersey, Assistant Director of Sponsored Research Administration at smkersey@stetson.edu or 7462.

Regards,

Sarah M. Kersey

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Sponsored Research Administration
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Attachment to Memo dated March 30, 2021 (List of Prohibited Manufacturers and NDAA 889 Flyer)

List of Prohibited Manufacturers:

Huawei Technologies Company

Source: Business databases, Huawei Investment & Holding Co., Ltd., 2017 Annual Report

Amartus, SDN Software Technology and Team

Beijing Huawei Digital Technologies, Co. Ltd.

Caliopa NV

Centre for Integrated Photonics Ltd.

Chinasoft International Technology Services Ltd.

FutureWei Technologies, Inc.

HexaTier Ltd.

HiSilicon Optoelectronics Co., Ltd.

Huawei Device Co., Ltd.

Huawei Device (Dongguan) Co., Ltd.

Huawei Device (Hong Kong) Co., Ltd.

Huawei Enterprise USA, Inc.

Huawei Global Finance (UK) Ltd.

Huawei International Co. Ltd.

Huawei Machine Co., Ltd.

Huawei Marine

Huawei North America

Huawei Software Technologies, Co., Ltd.

Huawei Symantec Technologies Co., Ltd.

Huawei Tech Investment Co., Ltd.

Huawei Technical Service Co. Ltd.

Huawei Technologies Cooperative U.A.

Huawei Technologies Germany GmbH

Huawei Technologies Japan K.K.

Huawei Technologies South Africa Pty Ltd.

Huawei Technologies (Thailand) Co.

iSoftStone Technology Service Co., Ltd.

JV "Broadband Solutions" LLC

M4S N.V.

Proven Honor Capital Limited

PT Huawei Tech Investment

Shanghai Huawei Technologies Co., Ltd.

TD Tech

Tianwen Digital Media Technology (Beijing) Co., Ltd.

Toga Networks Ltd

ZTE Corporation

Sources: Business databases, ZTE Corporation 2017 Annual Report

Anhui Wantong Information Systems Integration Company, Limited

Bestel Communications Ltd.

CASIC Shenzhen (Group) Company, Limited

Chengdu Zhongxing Software Company, Limited

Chengdu ZTE Software Company Limited

Enblence Technologies Inc.

Guangdong New Pivot Technology & Service Company Limited
Hengyang ICT Real Estate Co., Ltd.
Huanggang Education Valley Investment Holdings Co., Ltd.
Intlive Technologies (Private) Ltd.
Jiaxing Xinghe Capital Management Company Limited
Kaznurtel LLC
Kron Telekomunikasyon Hizmetleri A.S.
Laxense, Inc.
Nanjing Piaoxun Network Technology Co., Ltd.
Nationz Technologies, Inc. New Idea Investment Pte. Ltd.
Ningbo Zhongxing Technology Co., Ltd. Yunxiang
Nubia Technology Ltd.
OOO ZTE Russia Co., Limited
Pengzhong Xingsheng
Pt ZTE Indonesia
Puxing Mobil Tech Company Ltd.
S.C. First Project SA
Shanghai Xingfei Science And Technology Company, Limited
Shanghai Zhongxing Communication Co., Ltd.
Shanghai Zhongxing Qunli Information Technology Ltd.
Shanghai Zhongxing Telecom Equipment Technology & Service Company Limited
Shanghai Zte Technologies Co., Ltd.
Shenzhen Capital Group Co., Ltd.
Shenzhen Changfei Investment Company Limited
Shenzhen Force Science And Technology Co., Ltd.
Shenzhen Smart Electronics Ltd.
Shenzhen Weigao Semi-Conductor Technology Co., Ltd.
Shenzhen Zhongxing Hetai Hotel Investment and Management Co., Ltd.
Shenzhen Zhongxing ICT Company Limited
Shenzhen Zhongxing Microelectronic Technology Company Limited
Shenzhen Zhongxing Software Co., Ltd.
Shenzhen Zhongxing Telecom Technology & Services Co., Ltd.
Shenzhen Zhongxing Xinyu FPC Company Limited
Shenzhen ZTE Kangxun Telecom Co., Ltd.
Shenzen ZTE Hetai Hotel Investment Management Ltd.
Sizhuo Zhongxing Hangzhou Technology Ltd.
Telecom Innovations
Wuxi Kaier Technology Co., Ltd.
Wuxi Taclink Optoelectronics Technology
Wuxi Zhongxing Optoelectronics Technologies Company Limited
Xi'an Zhongxing New Software Company Limited
Xian Zte Jingcheng Communication Company, Limited
Xingtian Communication Technology Tianjin Co., Ltd.
Yangzhou Zhongxing Mobile Telecom Equipment Co. Ltd.
Zhongxing Software Company Limited
Zhuhai Guangtong Automobile Co., Ltd
ZTE 9 (Wuxi) Co., Ltd.
Zte (Australia) Pty Ltd.

Zte Canada Inc.
ZTE Cooperatief U.A.
ZTE Corporation South Africa (PTY) Limited
Zte Czech, S.R.O.
ZTE Do Brasil Ltda.
ZTE Energy Co., Ltd.
ZTE Energy (Tianjin) Company Limited
ZTE France SASU
ZTE Ghana Limited
Zte Group
ZTE Group Finance Co., Ltd.
ZTE (Hangzhou) Company Limited
ZTE (Hong Kong) Ltd.
Zte Hrvatska D.O.O.
ZTE India R&D Center Private Limited
ZTE International Investment Co., Ltd.
ZTE Italy, S.r.l.ZTE Kangxun Telecom Company Limited
ZTE Malaysia Corporation SDN. BHD.
ZTE Mauritius Ltd.
ZTE Microelectronics Technology Co., Ltd.
ZTE Mobile Tech Company Limited
ZTE Netherlands B.V.
Zte Nigeria Investment LTD.
Zte Norway As
Zte Portugal Projectos De Telecomunicacoes, Unipessoal, Lda
Zte Romania Srl
ZTE Service Deutschland GmbH
Zte Singapore Pte. Ltd.
ZTE Software Technology (Nanchang) Co.
ZTEsoft Technology Company Limited
ZTE Supply Chain Co., Ltd
ZTE Sweden Ab
ZTE Technology & Service Company Limited
ZTE Telecom India Private Limited Company Limited
ZTE (Thailand) CO., Ltd
ZTE Ukraine LLC
ZTE (USA) Inc.
Currently identified subsidiaries/affiliates of Hytera Communications Corporation, Hangzhou Technology Company, or Dahua Technology Company Dahua Technology Company
Dahua Europe B.V.
Dahua India
Dahua Technology Australia PTY LTD
Dahua Technology Brasil Participacoes LTDA
Dahua Technology Colombia S A S
Dahua Technology (Hong Kong) Co., Ltd.
Dahua Technology Mexico S.A. de C.V.
Dahua Technology Middle East FZE
Dahua Technology Peru S.A.C.

Dahua Technology Poland
Dahua Technology Rus, LLC
Dahua Technology Singapore PTE. LTD.
Dahua Technology South Africa Proprietary Limited
Dahua Technology USA Inc.
DH Chile SpA
Hangzhou Huacheng Network (or Internet) Technology Co., Ltd.
Hangzhou Tanmu Technology Co., Ltd.
Hangzhou Tecomore Technology Co., Ltd.
Hangzhou Xiaohua Technology Co., Ltd.
Guangxi Dahua Information Technology Co., Ltd.
Guangxi Dahua Security Service Co., Ltd.
Guangxi Dahua Video Technology Co., Ltd.
Guangxi Dahua Zhicheng Co., Ltd.
Guangxi Dahua Zongzhi Technology Co., Ltd.
Shanxi Dahua Tianrun Technology Co., Ltd.
Wuxi Dahua Ruide (or Ryder) Electronic Technology Co., Ltd.
Zhejiang Dahua Anfang Internet Operation Service Co., Ltd.
Zhejiang Dahua Chi Network Technology Ltd.
Zhejiang Dahua Investment Management Co., Ltd.
Zhejiang Dahua Juan Technology Co., Ltd.
Zhejiang Dahua Network Operations Security Services Co., Ltd.
Zhejiang Dahua Science and Technology Co., Ltd.
Zhejiang Dahua Security Service Co., Ltd.
Zhejiang Dahua System Engineering Co., Ltd.
Zhejiang Dahua Technology Co., Ltd.
Zhejiang Dahua Zhilian Co., Ltd.
Zhejiang Hongrui Communication Technology Co., Ltd.
Zhejian HuaRay Technology Co., Ltd.
Zhejiang Huarui Science and Technology Co., Ltd. (listed as pending)
Zhejiang Huatu Weixin Technology Co., Ltd.
Hangzhou Hikvision Digital Technology Company
Beijing Bangnuo Storage Technology Co., Ltd.
Beijing Hikvision Security Technical Services Ltd.
CETC Finance Co., Ltd. (listed as pending)
Chongqing Haikang Technology Co., Ltd.
Chongqing Haikang Weishi System Technology Ltd.
Chongqing Hikvision System Technology Co., Ltd.
Cooperative Hikvision Europea U.A.
Ezviv
Fuyang HaiKang Baotai Security Technology Services Ltd.
Hikvision Australia
Hikvision Canada
Hikvision do Brasil Comercio de Equipamentos de Seguranca
Hikvision Europe
Hikvision France
Hikvision FZE
Hikvision Korea

Hikvision International
Hikvision Italy
Hikvision Poland
Hikvision Singapore
Hikvision South Africa
Hikvision Spain
Hikvision UK
Hikvision USA
Hangzhou Ezviz Network Co., Ltd.
Hangzhou Haikang Weishi Technology Co., Ltd.
Hangzhou Hikrobot Technology Co., Ltd. (listed as pending)
Hangzhou Hikvision Security Equipment Leasing Services Ltd.
Hangzhou Hikvision System Technology Ltd. (listed as pending)
HDT International
OOO Hikvision
Prama Hikvision India Private Limited
Secure Holdings Limited
Shanghai Gaodwei Intelligence Traffic System Ltd.
Wuhan Hikvision System Technology Co., Ltd.
ZAO Hikvision
Hytera Communications Corporation
Dongguan Hytera Communications Co., Ltd.
Harbin Hytera Technology Ltd.
Hebi Tianhai Electronic Information System Co., Ltd.
Hebi Xinyuan Electronic Co., Ltd. (listed as indirect subsidiary)
HYT
HYT North America, Inc.
Hytera America, Inc.
Hytera Mobilfunk GmbH
Hytera Communications (Australia) Pty Ltd
Hytera Communications (Hong Kong) Company Limited
Hytera Communications (UK) Co., Ltd.
Hytera Comunicacoes do Brasil Ltda
Hytera Mobilfunk GmbH
Hytera Project Corp.
Hytera Technology (Hong Kong) Company Limited
Nanjing Hytera Software Technology Co., Ltd.
Nanjing Zhouda Communications Technology Co., Ltd.
Norsat International Inc.
Sepura plc
Shenzhen Anzhijie Science & Technology Co., Ltd.
Shenzhen Haitianlang Science & Technology Co., Ltd.
Shenzhen Hytera Communications Co., Ltd.
Shenzhen Hytera Financial Leasing Co., Ltd.
Shenzhen Hytera Technology Services Co., Ltd.
Shenzhen Sea Technology Co., Ltd. tannoy
Shenzhen SEG Communication Co., Ltd.
Shenzhen Yunliantong Communication Service Co., Ltd.

Sinclair
Teltronic
Tianjin Hytera Information Technology Co., Ltd.

SECTION 889

Section 889 ("Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment") is part of the Fiscal Year 2019 National Defense Authorization Act (NDAA). There are two prohibitions in the legislation, Part A and Part B.

RECOMMENDED CONTRACTOR COMPLIANCE ACTIONS

1. **Regulatory Familiarization.** Read and understand the rule and necessary actions for compliance.
2. **Corporate Enterprise Tracking.** Determine through reasonable inquiry whether you use "covered telecommunications" equipment or services.
3. **Education.** Educate your purchasing/procurement, and materials management professionals to ensure they are familiar with the entity's compliance plan.
4. **Cost of Removal.** Implement procedures if the entity decides to replace existing covered telecommunications equipment or services and ensure new equipment and services acquired for use by the entity are compliant.
5. **Representation.** Provide representation re use and alert Government if use is discovered during contract performance.
6. **Phase-out Plan and Submit Waiver Information.** Develop a phase-out plan and provide waiver information to the Government along with the complete laydown of the presence of the covered telecommunications equipment or services.

For more details see the FAR representation ([52.204-24](#), [52.204-26](#)) and FAR reporting ([52.204-25](#)) requirements.

For Details on the Recommended Compliance Steps: See the [FEDERAL REGISTER](#)

WAIVER PROCESS

Each agency must designate a senior agency official for Supply Chain Risk Management and participate in the Federal Acquisition Security Council's (FASC) information-sharing environment. Each waiver must include:

- A compelling justification for additional time needed
- A full and complete laydown of covered telecom
- A phase-out plan to eliminate the covered telecom

Agencies must consult with Office of the Director of National Intelligence (ODNI) and confirm that ODNI does not have information suggesting the waiver would present a material increase in risk to U.S. national security.

Agencies must also give a 15-day advance notification of waiver to the FASC and ODNI.

Agencies must notify Congress within 30 days of issuance of a waiver and must include:

- Requesting agency's attestation that granting waiver will not present a material increase in risk to U.S. national security
- Full and complete laydown of covered telecom equipment in the waived entity's supply chain, including a description of each category of technology equipment or service
- Required phase-out plan

TO SUBMIT COMMENTS TO THE FAR RULE

1. Go to <https://www.regulations.gov/>
2. Search for "FAR Case 2019-009"
3. Select corresponding "Comment Now" link and follow instructions

Why are these changes important?



U.S. foreign adversaries are using increasingly sophisticated methods such as supply chain and cyber operations to gain access to critical infrastructure and steal sensitive information



The increasing reliance on foreign owned or controlled telecommunications equipment, may create vulnerabilities in U.S. Supply chains



China is increasingly asserting itself by stealing U.S. technology and intellectual property to erode U.S. economic and military superiority.



Chinese companies, including the companies identified in the FAR rule, are legally required to cooperate with their intelligence services. China's reputation for close collaboration between its government and industry to amass technological secrets presents additional threats to U.S. Government contractors.



The FAR rule ensures contractors keep national security interests in mind by ensuring that they do not use certain equipment and services that Congress has determined may present national security concerns.

Part A - The Government Cannot Obtain Prohibited Telecom

Part A became effective on **August 13, 2019**.

Part A prohibits the government from **obtaining** (through a contract or other instrument) certain telecommunications equipment (including video surveillance equipment) or services produced by the following *covered entities* and their subsidiaries and affiliates:

- **Huawei Technologies Company**
- **ZTE Corporation**
- **Hytera Communications Corporation**
- **Hangzhou Hikvision Digital Technology Company**
- **Dahua Technology Company**

The Department of Defense has the authority to add additional companies to this list.

Part A has been added to the Federal Acquisition Regulation (FAR) at [FAR subpart 4.21](#).

Note that the Part A ban also applies to **commercial items** ([FAR 12.301\(d\)\(6\)](#)) and **micro-purchases** ([FAR 13.201\(j\)](#)).

Have questions about GSA's implementation of Section 889? See [GSA's 889 Part A Q&As](#)

Part B - Government Contractors Cannot Use Prohibited Telecom

Part B is effective **August 13, 2020**.

Part B prohibits the government from contracting with any entity that **uses** certain telecommunications equipment or services produced by the *entities* listed in the statute.

- The Government cannot contract with an entity that **uses** covered telecommunications equipment or services as a substantial or essential component of any system or as critical technology as part of any system.
- Prohibition applies regardless of **whether or not** that usage is in performance of work under a Federal contract.
- The prohibition applies to **every sector** and **every dollar amount**. **Your ability to enter into contracts with the Government will be impacted by Part B.**
- After conducting a **reasonable inquiry**, entities will represent whether they **do or do not use** prohibited telecommunications equipment or services.

Part B has been added to the Federal Acquisition Regulation (FAR) at [FAR subpart 4.21](#).