



U.S. Department of Justice

National Security Division

Counterintelligence and Export Control Section

Washington, DC 20530

February 20, 2020

Via FedEx and E-mail

[Addressee deleted]

Re: Request for an Advisory Opinion Pursuant to 28 C.F.R. § 5.2

Dear [Addressee deleted]:

This is in reference to your letter of December 6, 2019 (“December 6 Letter”), in which you request an advisory opinion, pursuant to 28 C.F.R. § 5.2, regarding the possible obligation of your clients, [U.S. firm A] and [U.S. firm B], to register pursuant to the Foreign Agents Registration Act of 1938, as amended, 22 U.S.C. § 611 *et seq.* (“FARA” or the “Act”). Based on our review of your request, as well as additional information provided in your letter dated January 7, 2020 (“January 7 Letter”), we do not contest your assertion that [U.S. firm A] and [U.S. firm B] are not obligated to register under FARA.

In the December 6 Letter, you state that [U.S. firm A], a [U.S. State] limited liability company, invests in the development of special economic zones for profit. [U.S. firm A] owns 70% of its subsidiary, [U.S. firm B], a [another U.S. State] limited liability company, which was created to promote and organize the development of a special economic zone in [Foreign Country].¹ In your January 7 letter, you state that the Government of [Foreign Country] selected [U.S. firm A] and [U.S. firm B] as developers of a project known as [Project C], which seeks investment in and development of several contiguous parcels of land in a specific special economic zone. You further explain that [U.S. firm A] and [U.S. firm B] did not receive any funding from the Government of [Foreign Country] for this project, and that [U.S. firm B] acquired the land to be developed from a corporation and a family. In the December 6 Letter, you disclose that [U.S. firm A] and [U.S. firm B] would engage in communications related to the development of, investment in, and promotion of the project, including with certain agencies and departments of the U.S. Government.

Generally speaking, save certain exemptions, a party is an “agent of a foreign principal” that must register under FARA if it acts “in any . . . capacity at the order, request, or under the direction or control, of a foreign principal or of a person any of whose activities are directly or

¹ The Government of [Foreign Country] has established special economic zones [Project C].

[Addressee deleted]

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indirectly supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign principal and who directly or through any other person,” and within the United States:

- (i) engages in political activities for or in the interests of such foreign principal;
- (ii) acts as public relations counsel, publicity agent, information-service employee or political consultant for or in the interests of such foreign principal;
- (iii) solicits, collects, disburses, or dispenses contributions, loans, money, or other things of value for or in the interest of such foreign principal; or
- (iv) represents the interests of such foreign principal before any agency or official of the Government of the United States.

See 22 U.S.C. § 611(c)(1).

Although the Government of [Foreign Country] would be considered a “foreign principal” as defined by the Act, 22 U.S.C. § 611(b)(1), we do not contest your assertion that there is no agency relationship because [U.S. firm A] and [U.S. firm B] are not acting at the direction, control, or request of the Government of [Foreign Country] in engaging in the above-described activities. *See* 22 U.S.C. § 611(c)(1). Please note that our opinion is based solely upon the facts set forth in your letters, and must be revisited in the event that any of the facts change. In particular, [U.S. firm A] and [U.S. firm B] may need to register under FARA if they undertake activities on behalf of the Government of [Foreign Country] with an intent to influence, in any way, a U.S. Government official or agency or a segment of the public within the United States concerning the domestic or foreign policy of the United States or the political or public interest, policies, or relations of any foreign government.² If any of the facts change, [U.S. firm A] and [U.S. firm B] should contact the FARA Unit immediately in order that we may reexamine whether they have an obligation to register.

If you have any questions regarding this matter, please contact [name deleted] by telephone at (202) 233-0776.

Sincerely,

Brandon L. Van Grack
Chief, FARA Unit

² The Act defines “political activity” as “any activity that the person engaging in believes will, or that the person intends to, in any way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country.” 22 U.S.C. § 611(o).