

Bosch Declination Offers First Look at National Security Division's Application of New DOJ Corporate Enforcement Policy

June 23, 2026

On June 17, 2026, the U.S. Department of Justice (“DOJ”) National Security Division (“NSD”) announced that it had declined to prosecute Robert Bosch GmbH (“Bosch”), resolving an investigation into potential criminal violations of the Export Control Reform Act (“ECRA”), 50 U.S.C. § 4819, arising from alleged violations of the Export Administration Regulations (“EAR”) by two non-U.S. Bosch subsidiaries.¹

The declination is NSD’s first under DOJ’s new Department-wide Corporate Enforcement and Voluntary Self-Disclosure Policy (“CEP”) announced in March 2026.² As grounds for the declination, DOJ cited Bosch’s timely voluntary self-disclosure to NSD’s Counterintelligence and Export Control Section (“CES”) and the Commerce Department’s Bureau of Industry and Security (“BIS”), cooperation, timely and appropriate remediation, the absence of aggravating circumstances, the adequacy of parallel regulatory remedies, and Bosch’s agreement to disgorge profits. In parallel, Bosch entered into an approximately \$36 million civil resolution with BIS.³

The Alleged Export Control Violations. The declination concerns alleged violations of the EAR, 15 C.F.R. Parts 730–774. According to DOJ, two non-U.S. Bosch subsidiaries re-exported foreign-produced sensor products and automotive software to China-based Huawei Technologies Co. Ltd. and affiliated entities without the required authorization. Huawei and the affiliated entities were listed on the Entity List, which is administered and enforced by the BIS.⁴ The Entity List, maintained under the EAR, identifies persons or addresses reasonably believed to be involved, or that pose a significant risk of becoming involved, in activities contrary to U.S. national security or foreign policy

¹ U.S. Dep’t of Justice Press Release, “National Security Division Announces First Declination Under the Department-wide Corporate Enforcement Policy” (Jun. 17, 2026), <https://www.justice.gov/opa/pr/national-security-division-announces-first-declination-under-department-wide-corporate> (“Press Release”); Letter from U.S. Dep’t of Justice, National Security Division to Bosch (Jun. 15, 2026), (“Declination Letter”).

² See Debevoise Debrief, “DOJ Announces Department-Wide Corporate Enforcement Policy” (Mar. 12, 2026).

³ U.S. Dep’t of Commerce Press Release, “Robert Bosch GmbH (Bosch) To Pay \$36 Million Penalty to BIS for Violations Pertaining to Shipments to Huawei” (Jun. 17, 2026).

⁴ 15 C.F.R. Part 744, Supplement No. 4.

interests. Transactions with parties on the Entity List are subject to licensing requirements and other restrictions.

As alleged, the Bosch subsidiaries provided Huawei with foreign-produced items that were subject to the Entity List Foreign Direct Product Rule (“FDPR”).⁵ The FDPR is an EAR rule that can bring certain foreign-made items within the scope of U.S. export controls if there is a sufficient connection to U.S. technology, software, or equipment and the transaction involves certain parties on the Entity List.⁶

According to DOJ, from approximately September 2020 through September 2024, the Bosch subsidiaries at issue re-exported more than \$70 million in products and software subject to the FDPR to Huawei without the required BIS authorizations, generating more than \$11.4 million in pre-tax profits. DOJ alleged that deficiencies in Bosch’s trade compliance function contributed to the violations. The investigation identified several missed opportunities to address the issue, including instances in which third parties flagged the potential application of export controls to their products or to equipment used in providing related services.

DOJ’s Declination Determination. According to DOJ, upon discovering these issues, Bosch commenced an internal investigation and voluntarily self-disclosed the matter to CES and BIS while its investigation was ongoing. Bosch also promptly undertook remedial measures.

DOJ stated that it declined to pursue the matter based on its assessment of the factors set forth in the CEP and the Principles of Federal Prosecution of Business Organizations, Justice Manual § 9-28.300. Those factors included:

- Bosch’s timely and voluntary self-disclosure;
- Bosch’s cooperation, including its disclosure of relevant facts, preservation, collection, and production of relevant documents and information, and prompt responses to CES requests following the self-disclosure;
- Bosch’s timely and appropriate remediation, including organizational changes, the addition of 66 employees to its trade compliance organization, the expansion of its U.S. trade compliance resources, and updates to internal policies and procedures; and

⁵ See 15 C.F.R. § 734.9(e)(1).

⁶ Id.

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- the adequacy of regulatory remedies, including the approximately \$36 million penalty to be imposed by BIS for civil violations under the ECRA and EAR.

DOJ conditioned the declination on Bosch's agreement to disgorge \$11.4 million in pre-tax profits, subject to credit for amounts paid to BIS in the parallel civil resolution. BIS separately announced a \$36 million civil penalty and described cross-crediting designed to account for the DOJ disgorgement payment.

The Declination Letter makes clear that it does not protect any individuals from prosecution and that DOJ may reopen the investigation if new information changes its assessment or if the disgorgement condition is not timely satisfied.

Key Takeaways. This is NSD's first declination under the new Department-wide CEP and therefore provides an indication of how NSD—and presumably the Department as a whole—intends to apply the new framework.

- *First*, the Bosch case reinforces DOJ's express policy preference for early disclosure. The CEP encourages companies to disclose potential wrongdoing at the earliest possible time, even if the company has not yet completed its internal investigation. Bosch's disclosure while its investigation was ongoing appears to have been central to DOJ's declination decision. The resolution also underscores the importance of making any voluntary self-disclosure to the appropriate DOJ component, not only to the relevant regulator. In export-control matters, a parallel BIS disclosure may be necessary and appropriate, but Bosch received CEP credit because it disclosed to CES as well as BIS.
- *Second*, the declination underscores DOJ's continued focus on cooperation and remediation. DOJ specifically cited Bosch's disclosure of relevant facts, production of documents and information, expansion of compliance resources, and enhancement of trade compliance controls as important factors supporting the resolution. DOJ's discussion of Bosch's remedial actions provides a useful benchmark for companies: DOJ credited not only policy updates, but also organizational changes, substantial staffing increases, expanded U.S. trade-compliance resources, and disciplinary action.
- *Third*, the matter demonstrates that a declination may be available even in cases involving significant potential misconduct. As noted above, the conduct involved more than \$70 million in exports to Huawei over a period of several years and generated approximately \$11.4 million in profits. Nevertheless, DOJ concluded that a declination was appropriate. That said, the declination should not be read as suggesting that scale or duration of the alleged misconduct will be immaterial to DOJ's declination assessments. Aggravating circumstances—such as seriousness,

pervasiveness, severity of harm, and recidivism—are central to the declination analysis under the CEP.

- *Finally*, the resolution highlights DOJ’s continued effort to encourage self-disclosure in areas implicating national security. This declination builds on NSD’s 2024 MilliporeSigma declination,⁷ but unlike MilliporeSigma, which involved a rogue employee and no apparent corporate profit from the charged scheme, Bosch involved multi-year sales by foreign subsidiaries resulting in corporate profits that had to be disgorged and a parallel BIS civil penalty—making the declination a particularly important data point for multinational companies managing export-control risk.

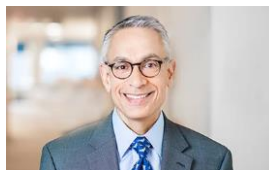
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Please do not hesitate to contact us with any questions.

⁷ Debevoise Debrief, “DOJ National Security Division Issues First-Ever Declination Under Enforcement Policy” (May 29, 2024), <https://www.debevoise.com/insights/publications/2024/05/doj-national-security-division-issues-first-ever>.



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