Export Control Program

eCommerce Training

University of Wisconsin - Madison

Tom Demke - Export Control Officer
Bethany Nelson - Export Control Coordinator
Topics

✓ What (are you selling/shipping)?
✓ Where (are you shipping it)?
✓ Who (are you shipping it to)?
✓ Other Items to Remember
**What Are You Selling/Shipping?**

- **Some items may require an export license, for example:**
  - Accessories to military equipment
  - Telecomm equipment
  - Lasers and infrared detectors
  - Computer equipment

- **Software - Each merchant shall:**
  - Review customer addresses before delivery of the product or service, and issue refunds or void transactions from customers located in OFAC sanctioned countries
  - **Prohibit** immediate auto delivery of products at time of sale
  - See slide 12 for a list of embargoed countries
What Are You Selling/Shipping?

• Check Shipper’s Declaration for the USML # or ECCN
  • Export license required to export any ITAR item out of the country
  • Need for license depends on destination for items regulated under EAR
  • EAR99 is good

• Check w/ ExC Office if you have questions
E:1 Countries:

- Require license (except humanitarian items)
- Shipments may not be allowed
- Person placing order may try to route the shipment through a favorable country (i.e. Canada) to get it to an E:1 country
Where Are You Shipping It To?

Embargoed Countries:

- **OFAC & US Embargo List:** Balkans, Belarus, Burma, Central African Republic, Cote d’Ivoire, Cuba, Congo, Iran, Iraq, Lebanon, Liberia, Libya, N. Korea, Somalia, South Sudan-related, Sudan, Syria, Ukraine-related (Russia), Yemen-related, Zimbabwe

- **ITAR Prohibited Countries (22CFR 126.1):** Afghanistan, Belarus, Burma (Myanmar), China, Cote d’Ivoire, Congo, Cuba, Cyprus, Eritrea, Fiji, Haiti, Iran, Iraq, Lebanon, Liberia, Libya, N. Korea, Somalia, Sri Lanka, Sudan, Syria, Venezuela, Vietnam, Zimbabwe

- Check w/ ExC Office regarding what can be shipped to embargoed countries and if an export license is needed

Via Countries:

- Always account for countries through which a shipment may pass on its way to its final destination
- United Arab Emirates (Dubai, Abu Dhabi) – may not be the final destination
To Whom Are You Shipping?

• Is the person or organization on a restricted party list?
  • The gov’t maintains lists of people and organizations w/ which it does NOT want us conducting business
  • Contact ExC Office for assistance

• Is your consignee a distributor?
  • Distributors are likely not the end-user
  • Check w/ the merchant shipping the item
**Other Items To Remember**

- **Shipping assessments take time**
  - Contact ExC Office well before shipping to determine if a license is needed
  - The merchant should determine if an assessment has been completed on the item being shipped

- **Determinations Not To Ship**
  - There may be circumstances where the ExCO determines an export license will not be submitted based upon the commodity, destination or end-user
  - In this case, the item shall not be shipped

- **Export control regulations are different than DOT, IATA, Schedule B and Customs regulations**
  - Don’t assume that if you have complied w/ one you are complying w/ all
Stop

NEVER

Ship an Item or Software Before You Receive Its Export License
Examples
Example 1 – Software Download

A person from Havana, Cuba orders software from a UW-Madison website. The software is technical in nature, but not export controlled under ITAR or EAR. The person has a friend in the Bahamas pay for the software.

What Do We Need To Worry About?

• Can we ship to this user?
  • Contact the Export Control Office to conduct a restricted party screening
• Do we need an export license?
  • Yes, OFAC requires an export license to ship commodities to Cuba (w/ a few exceptions)
    • The software cannot be downloaded until the export license is received
    • In some instances, requests for an export license will be denied based upon the commodity
Example 2 – Books

A doctor in Brazil orders three medical text books from a UW on-line store.

What Do We Need To Worry About?

• Can we ship to this user?
  • Although it is unlikely there is an issue, it is always good to conduct a restricted party screening on the purchaser
• Do we need an export license?
  • No, unless a match comes up w/ the restricted party screening
  • Text books are not controlled under any categories in the ITAR or EAR
Contact Information
For Additional Information, Contact:

• **Tom Demke, UW-Madison Export Control Officer**
  tom.demke@ssec.wisc.edu  262-8659

• **Bethany Nelson, UW-Madison Export Control Coordinator**
  bcnelson2@grad.wisc.edu  261-1128

• **Ben Griffiths, UW Senior Legal Counsel**
  BGRIFFITHS@vc.wisc.edu  263-7400

• **Or e-mail:** exportcontrol@grad.wisc.edu

References:

• **UW Export Control Website:**
  http://research.wisc.edu/respolcomp/exportcontrol/