Export Control Program

eCommerce Training

University of Wisconsin - Madison

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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 slides 5-6 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
Where Are You Shipping It To?

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:** Belarus, Burundi, Central African Republic, Cuba, Congo, Iran, Iraq, Lebanon, Libya, N. Korea, Somalia, South Sudan-related, Sudan, Syria, Ukraine-related (Russia), Venezuela, Yemen-related, Zimbabwe

- **ITAR Prohibited Countries (22CFR 126.1):** Afghanistan, Belarus, Burma, Central African Republic, China, Congo, Cuba, Cyprus, Eritrea, Haiti, Iran, Iraq, Lebanon, Libya, N. Korea, Somalia, Sudan, Syria, Venezuela, 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 \textit{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
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:

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References:

- **UW Export Control Website:**
  
  [http://research.wisc.edu/respolcomp/exportcontrol/](http://research.wisc.edu/respolcomp/exportcontrol/)