Export Control Program

Shipping Training

University of Wisconsin - Madison

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

✓ What (are you shipping)?
✓ Where (are you shipping it)?
✓ Who (are you shipping it to)?
✓ Automated Export System (AES)
✓ Other Items to Remember
What Are You Shipping?

- Some items may require an export license, for example:
  - Military equipment, including components
  - Spaceflight H/W, S/W
  - Select agents
  - High powered computer equipment

- 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?

E:1 Countries:

- Require license (except humanitarian items)
- Shipments may not be allowed
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Where Are You Shipping It?

Emargoed 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?
  - Contact ExC Office for assistance
- Is your consignee a distributor?
  - Distributors are likely not the end-user
  - Check w/ the person shipping the item
Automated Export System (AES)

- Electronic Export Information (EEI) needs to be filed in the AES prior to shipping, if you are shipping:
  - Items under an export license
  - Items that exceed $2500 for a single Schedule B code (HTS)
  - Rough diamonds, regardless of value

- Who submits the AES filing?
  - Typically taken care of by shipping company
  - WE need to submit if the items are being hand carried by a UW traveler
Automated Export System (cont.)

<table>
<thead>
<tr>
<th>Country of Shipment</th>
<th>Destination Country</th>
<th>EEI Required / Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>U.S. Territories</td>
<td>Yes, if:</td>
</tr>
<tr>
<td></td>
<td>Puerto Rico</td>
<td>1) Item(s) exceeds $2500 for a single Schedule B code, sent by the same exporter to the same destination on the same day;</td>
</tr>
<tr>
<td></td>
<td>U.S. Virgin Islands</td>
<td>2) Item(s) subject to ITAR or require an export license, regardless of value; OR</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3) Shipment contains rough diamonds, regardless of value</td>
</tr>
<tr>
<td></td>
<td>U.S. Territories</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>American Samoa</td>
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<tr>
<td></td>
<td>North Mariana Islands</td>
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<td></td>
<td>Guam</td>
<td></td>
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<td></td>
<td>Howland Islands</td>
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<tr>
<td></td>
<td>Wake Island</td>
<td></td>
</tr>
<tr>
<td>United States</td>
<td>Canada</td>
<td>No, unless:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1) Item(s) subject to ITAR or require an export license, regardless of value; OR</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2) Shipment contains rough diamonds, regardless of value</td>
</tr>
<tr>
<td>United States</td>
<td>Cuba</td>
<td>Yes:</td>
</tr>
<tr>
<td></td>
<td>Iran</td>
<td>All shipments, regardless of value</td>
</tr>
<tr>
<td></td>
<td>North Korea</td>
<td></td>
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<tr>
<td></td>
<td>Sudan</td>
<td></td>
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<tr>
<td></td>
<td>Syria</td>
<td></td>
</tr>
<tr>
<td>United States</td>
<td>All other countries (not mentioned above)</td>
<td>Yes, if:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1) Item(s) exceeds $2500 for a single Schedule B code, sent by the same exporter to the same destination on the same day;</td>
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<td>United States</td>
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<td></td>
<td>Puerto Rico</td>
<td></td>
</tr>
</tbody>
</table>
Other Items To Remember

- **Shipping assessments take time**
  - Contact ExC Office well before shipping to determine if a license is needed
  - Ask the person shipping the item if an assessment has been completed

- **ITAR licenses must be annotated by Customs when items are shipped**
  - Work w/ your broker to ensure this happens (VERY IMPORTANT!!!!)

- **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
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Export Control – Shipping Flowchart

1. 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.

2. When exported by a shipping company, the AES filing will be completed by the shipping company.
NEVER

SHIP AN ITEM BEFORE YOU RECEIVE ITS EXPORT LICENSE
Examples
Example 1 – Hand Carry

A researcher is taking an instrument to India for measuring breathing rate, pulse and blood pressure to study the physiology of meditating townspersons. The instrument is worth $6750, and she plans to carry the instrument in a duffle bag.

What Do We Need To Worry About?

- Do we need an export license?
  - Check w/ the Export Control Office (to complete an assessment)
  - Note: This instrument is NLR.
- Do we need to submit an AES filing?
  - Yes, the item exceeds $2500 for a single tariff code
  - We (UW) needs to submit the filing before the person boards the plane (since a shipping company is not involved)
Example 2 – ITAR License

A researcher is shipping a Carleton cryocooler to a Danish scientific institute to be incorporated into an atmospheric instrument. The cryocooler is controlled under ITAR category XII and is being shipped via DHL.

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, the cryocooler is ITAR controlled
  • Your broker needs to ensure that Customs decrements the license when the item is shipped
• Do we need to submit an AES filing?
  • Yes, the item requires an export license
  • Shipping company will submit the AES filing
Example 3 – Distributor

A researcher is shipping a laser to Heinrich Huber at Bavarian Distribution, GmbH in Munich, Germany. The laser is not controlled under ITAR or EAR, and is valued at $9100.

What Do We Need To Worry About?

• Can we ship to this user?
  • Contact the researcher to determine who/where the end user is
  • Contact the Export Control Office to conduct a restricted party screening
• Do we need an export license?
  • No, unless the end user is in an embargoed country
  • Do not ship if end user is a restricted party
• Do we need to submit an AES filing?
  • Yes, if you can ship the item to its end user
  • Shipping company will submit the AES filing
Contact Information
For Additional Information, Contact:

- **Tom Demke, UW-Madison Export Control Officer**
  
  [tom.demke@ssec.wisc.edu](mailto:tom.demke@ssec.wisc.edu) 262-8659

- **Bethany Nelson, UW-Madison Export Control Coordinator**

  [bcnelson2@grad.wisc.edu](mailto:bcnelson2@grad.wisc.edu) 261-1128

- **Ben Griffiths, UW Senior Legal Counsel**

  [BGRIFFITHS@vc.wisc.edu](mailto:BGRIFFITHS@vc.wisc.edu) 263-7400

- **Or e-mail:** [exportcontrol@grad.wisc.edu](mailto:exportcontrol@grad.wisc.edu)

References:

- **UW Export Control Website:**

  [http://research.wisc.edu/respolcomp/exportcontrol/](http://research.wisc.edu/respolcomp/exportcontrol/)