WASHINGON STATE SBDC
EXPORT READINESS CENTERS

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WSBDC International Trade Specialists Provide Your Business with Export Advising Expertise, Market Research and Market Entry Planning
Export Controls Overview

This presentation is meant as an OVERVIEW of export controls and not a comprehensive review or definition of the actual requirements. It is the viewer’s responsibility to aware of the detailed laws and regulations and to be in Compliance.
Importance of Compliance

All exporting companies must be in compliance with U.S. Export Regulation and Controls.

Penalties to companies and personnel are possible.

Good news is: We can help you:
1. Understand the rules and regulations
2. Develop your processes and procedures
3. Develop your compliance manual
What are Export Controls?

1. **U.S. laws** and their implementing regulations that govern the distribution of items and information to foreign nationals and foreign countries.

2. **Controls focused on**: strategically important technology, services and information for reasons of foreign policy and national security.

3. **Licenses** from the Department of State or the Department of Commerce may be required to export.
Reasons for Export Control

Export controls usually arise for one or more of the following reasons:

- The nature of the export has actual or potential military applications or economic protection issues
- Government concerns about the destination country, organization, or individual
- Government has concerns about the end use or the end user
What is an Export?

Any oral, written, electronic, or visual disclosure, shipment, transfer or transmission of equipment, commodities, technology, information, technical data, assistance or software codes to:

- Anyone outside the U.S. including a U.S. citizen
- A “Foreign National" wherever they are, abroad or in the U.S. (Deemed Export)
- A foreign embassy or affiliate
Who is a Foreign National?

A Foreign National is an individual who is a citizen of any country other than the United States qualified as follows:

- A Foreign National is any person who is **NOT** a:
  - U.S. Citizen or Naturalized Citizen
  - U.S. Lawful Permanent Resident
  - Person Granted Asylum
  - Person Granted Refugee Status
  - Temporary Resident
Controlled Export Occurrences

A Controlled Export Occurs When:

- Controlled product or technology is transported outside of the U.S.
- Employee travels outside of the U.S. carrying controlled products or technology.
- Controlled technology is made available to a foreign national.
- Controlled technology is hosted or passes through a computer system accessible from outside the U.S.
What is my responsibility?

You are not expected to become an expert on export control legislation. However…..

Your **responsibility** is to be aware and comply with export controls, understand which procedures apply to your job and your company, and know when to ask questions.
What can happen if my company doesn’t comply?

- Civil penalties ranging from tens of thousands to millions of dollars in fines.
- Permanent revocation of export privileges.
- Criminal penalties including jail time for individual employees and management.
Export Control Agencies

Bureau of Industry and Security (BIS)
Regulates the export of dual-use items. Administrates the Export Administration Regulations (EAR)
www.bis.doc.gov

Directorate of Defense Trade Controls (DDTC) U.S. State Department
Regulates the export of military items. Administrates the International Traffic in Arms regulations (ITAR).
www.pmddtc.state.gov
Export Control Agencies

**Customs and Border Protection (CBP)**
Regulates the entry and exit of goods. Acts as a gatekeeper for other agencies.
www.cbp.gov

**Census Bureau**
**Foreign Trade Regulations (FTR)**
Provides trade data on exports and imports, and information on Schedule B numbers and the Shipper's Export Declaration.
www.census.gov/foreign-trade/regulations
Department of the Treasury, Office of Foreign Assets Control (OFAC)

Regulates exports to certain countries like Sudan, Iran, Iraq, Libya and Syria that are the target of broad trade embargoes and economic sanctions.

www.treasury.gov
Implement Best Practices

- Document!!! Document!!! Document!!!
- Correct information as soon as possible
- Maintain compliance
  - Education & Cross Training
  - Automation & Procedures
- Attend Seminars & Workshops
Useful Export Control Resources

- **Export Management and Compliance Program Assistance**
  
  www.bis.doc.gov/complianceandenforcement/emcp.htm
  
  (202) 482-0062

- **General Export Control Assistance**
  
  Bureau of Industry and Security’s Outreach and Educational Services Division at:
  
  (202) 482-4811 in Washington, D.C.
  
  (949) 660-0144 in California
Trade Specialists Provide Advising and Export Training

No-Cost Advising Sessions

Export Readiness Workshops
WSBDC Export Readiness Centers
Contact Information

Trade Specialist Contacts
https://export.wsbdc.org/cms/contact-and-bios

Export Web Portal
https://export.wsbdc.org/