



The Bureau of Industry and Security Presents

BIS 2018 ANNUAL CONFERENCE ON EXPORT CONTROLS AND POLICY

Emerging Technology and National Security Policy



BIS 2018 ANNUAL CONFERENCE ON EXPORT CONTROLS AND POLICY

Cuba, Iran, North Korea, Sudan, and Syria: Exporting Items to Aid Organizations

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BUREAU OF INDUSTRY AND SECURITY

Cuba

- Authorization required for the export or reexport of all items subject to the Export Administration Regulations (EAR)
- Aid-related provisions
 - License Exception Gift Parcels and Humanitarian Donations (GFT)
 - License Exception Support for the Cuban People (SCP)
 - General policy of approval for
 - Medicine and medical devices
 - Commodities and software intended to strengthen civil society

Cuba

- General provisions
 - Other license exceptions include
 - Agricultural Commodities (AGR)
 - Consumer Communication Devices (CCD)
 - Aircraft and Vessels on Temporary Sojourn (AVS)
 - General policy of denial unless otherwise stated
 - General policy of approval, including for
 - Telecommunications items
 - Agricultural items
 - Items for the safety of civil aviation
 - Case-by-case review policy, including for
 - Items to meet the needs of the Cuban people

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Cuba Case Study

- An aid organization seeks to export items for distribution to the Cuban people
 - Identify items, transaction parties, and end uses
 - EAR99 food and medicine
 - Human consumption and medical treatment
 - Distribution by the aid organization's personnel to individuals and independent churches
 - Review License Exception GFT
 - Screen transaction parties
 - Monitor distribution
 - Keep records (Part 762 and GFT) and comply with conditions and other requirements

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North Korea

- Authorization required for all items subject to the EAR except food and medicine designated EAR99
- Aid-related provisions
 - License Exception GFT
 - General policy of approval for
 - Humanitarian items for the benefit of the North Korean people
 - Items in support of United Nations (U.N.) humanitarian efforts
 - Agricultural commodities
 - Medical devices

North Korea

- General provisions
 - Other license exceptions include
 - Temporary imports, exports, reexports, and transfers (in-country) (TMP) for the news media
 - AVS for reexports of civil aircraft
 - Case-by-case review policy unless otherwise stated
 - General policy of denial for
 - Luxury goods
 - Arms and related matériel and other items subject to U.N. sanctions
 - Items controlled for Nuclear Nonproliferation (NP) or Missile Technology (MT) reasons

North Korea Case Study

- A humanitarian organization seeks to export donated items for the North Korean people
 - Identify items, transaction parties, and end uses
 - EAR99 water filters
 - A Korean American NGO and individual households
 - Household water purification
 - Review licensing policy

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North Korea Case Study

- A humanitarian organization seeks to export donated items for the North Korean people (cont.)
 - Submit license application through the Simplified Network Application Process - Redesign (SNAP-R)
 - End user

Name:	Various North Korean Households
Address line 1:	Various
Address line 2:	
City:	Various
State:	Various
Country:	Korea, Democratic People's Republic of
Zip:	

- BIS and interagency review
- If approved, submit Electronic Export Information (EEI), keep records, and comply with conditions and other requirements

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Sudan

- Authorization required for items on the Commerce Control List (CCL)
- Aid-related provisions
 - License Exception CCD
 - License Exception TMP for certain tools of the trade
 - Case-by-case review for
 - Medical items
 - Items in support of the U.N. and NGOs

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Sudan

- General provisions
 - Case-by-case review policy unless otherwise stated
 - Civil telecommunications network infrastructure
 - General policy of approval for
 - Parts and components controlled only for Anti-Terrorism (AT) reasons for the safety of civil aviation
 - Items controlled only for AT reasons for railroads
 - General policy of denial, including for
 - Items for use by the Sudanese military
 - Items controlled for Chemical & Biological Weapons (CB) and Missile Technology (MT) reasons and military-related items controlled for National Security (NS) reasons

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Sudan Case Study

- A company seeks to export telecommunications equipment to international organizations in Sudan
 - Identify items, transaction parties, and end uses
 - 5A002 and 5A992 routers and computers with software
 - International organization field offices
 - Communications between offices
 - Review licensing policy
 - Submit license application in SNAP-R
 - BIS and interagency review
 - If approved, keep records and comply with conditions and other requirements

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Syria

- Authorization required for all items subject to the EAR except food and medicine designated EAR99
- Aid-related provisions
 - Case-by-case review policy for
 - Medicine on the CCL and medical devices
 - Items in support of U.N. operations
 - Items necessary for the support of the Syrian people

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Syria

- General provisions
 - License exceptions include
 - TMP for the news media
 - GOV for U.S. Government personnel and agencies (not contractors)
 - Technology and software—unrestricted (TSU) for operation technology and software, sales technology, and software updates
 - General policy of denial unless otherwise stated
 - Case-by-case review policy, including for
 - Telecommunications items
 - Parts and components for safety of civil aviation

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Syria Case Study

- A non-governmental organization (NGO) seeks to reexport protective equipment to its aid workers in Syria
 - Identify items, transaction parties, and end uses
 - 1A004 respirators and suits
 - Its offices in neighboring countries and workers in Syria
 - Personal protection from chemical weapons
 - Review licensing policy
 - Submit license application in SNAP-R
 - BIS and interagency review
 - If approved, keep records and comply with conditions and other requirements

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Contact Information

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OFFICE OF FOREIGN ASSETS CONTROL

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Humanitarian Aid Transactions



- Iran
- Sudan
- Syria
- Cuba

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Iran



The Iranian Transactions and Sanctions Regulations, 31 CFR Part 560 (ITSR)

- Prohibited Importation of Goods or Services from Iran – *ITSR 560.201*
- Prohibited Exportation, Reexportation, Sale or Supply of Goods, Technology, or Services to Iran – *ITSR 560.204, 560.205*
- Humanitarian Donations and Charitable Contributions – *ITSR 560.210(b); ITSR 560.426*
- Travel – *ITSR 560.210(d)*
- Democracy and Human Rights in Iran and Academic and Cultural Exchange Programs – *ITSR 560.545*

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Iran General Licenses



- Iran General License E
 - Authorizing Certain Services in Support of Nongovernmental Organizations' Activities in Iran
- Iran General License D-1
 - Authorizing Certain Services, Software, and Hardware Incident to Personal Communications

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Iran - TSRA



- Trade Sanctions Reform and Export Enhancement Act of 2000 (TSRA)
- Commercial Sales, Exportation, and Reexportation of Agricultural Commodities, Medicine, and Medical Devices, and Certain Related Software and Services to Iran – *ITSR 560.530*
- Payment for and Financing of Exports and Reexports of Agricultural Commodities, Medicine, and Medical Devices, and Certain Related Software and Services to Iran – *ITSR 560.532*

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Sudan



The Sudanese Sanctions Regulations, 31 CFR Part 538 (SSR)

- Effective October 12, 2017, sections 1 and 2 of Executive Order (E.O.) 13067 and all of E.O. 13412 were revoked pursuant to E.O. 13761, as amended by E.O. 13804.
- As a result of the revocation of these sanctions provisions, effective October 12, 2017, U.S. persons are no longer prohibited from engaging in transactions that were previously prohibited under the SSR.
- However, as a result of Sudan's inclusion on the State Sponsors of Terrorism List, TSRA exports and reexports to Sudan of agricultural commodities, medicine, and medical devices are authorized pursuant to General License A, available on OFAC's website.

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Syria



The Syrian Sanctions Regulations, 31 CFR Part 542 (SySR)

- Prohibited Exportation, Reexportation, Sale or Supply of Services to Syria – *SySR 542.207*
- Travel – *SySR 542.211(c)*
- Certain Services in Support of Nongovernmental Organizations' Activities Authorized – *SySR 542.516*
- Charitable Contributions – *SySR 542.408*
- Exports or Reexports to Syria of Items Licensed or Otherwise Authorized by the Department of Commerce Authorized; Exports or Reexports of Certain Services Authorized – *SySR 542.510*
- Exportation or Reexportation of Services to Syria Related to the Exportation or Reexportation of Certain non-U.S.-origin Goods Authorized – *SySR 542.525*
- Policy on Activities Related to the Agricultural Sector of Syria – *SySR 542.528*

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Cuba Exports



- Call BIS First
 - BIS regulates Cuba exports of items; OFAC regulates Cuba transactions
- General License for Export Transactions

***Cuban Assets Control Regulations CACR 515.533(a)* -- All transactions ordinarily incident to the exportation of items from the United States, or the reexportation of items from a third country, to any person within Cuba are authorized, provided that:**

(1) The exportation or reexportation is licensed or otherwise authorized by the Department of Commerce

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Non U.S.-Origin Exports



- Most export transactions by U.S. owned or controlled entities in third countries not eligible for specific licenses – *CACR 515.559*
- Exceptions:
 - Medicines and medical supplies
 - Telecom equipment for U.S.-Cuba communications

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General Licenses



- Humanitarian Projects – *CACR 515.575*
 - Medical and health-related projects
 - Construction projects intended to benefit legitimately independent civil society groups
 - Disaster preparedness, relief, and response
 - Historical preservation
 - Environmental projects
 - Educational training on certain topics
 - Community-based grassroots projects
 - Projects suitable to the development of small-scale private enterprise
 - Projects that are related to agricultural and rural development
 - Microfinancing projects
 - Projects to meet basic human needs.

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General Licenses



- Related travel – *CACR 515.575*
- Remittances – *CACR 515.570(g)(1)*
- Physical presence – *CACR 515.573(d)(5)*
- Grants, scholarships, awards – *CACR 515.590(b)*
- Infrastructure projects – *CACR 515.591*
- Purchases from entrepreneurs – *CACR 515.582*
- Ordinarily incident – *CACR 515.421*

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Limitations



- Direct Financial Transactions – *CACR 515.209*
 - A General License may exclude transactions with certain Cuban government entities
 - See State Department Cuba Restricted List on State's website
- Financing Involving Certain Confiscated Property – *CACR 515.208*
- Prohibited Government Officials and Cuban Communist Party Members – *CACR 515.337, 515.338*

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Licensing Process



- Submit an OFAC Application online:
<https://licensing.ofac.treas.gov/Apply/Introduction.aspx>
- Application Types:
 - NGO Humanitarian Aid Applications = Transactional or Cuba Travel
 - For TSRA Applications = TSRA

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SDN List



- Specially Designated Nationals and Blocked Persons List (SDN List)

<https://sanctionssearch.ofac.treas.gov/>

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Questions?



Web address:

www.treasury.gov/ofac

OFAC Licensing Division

202-622-2480

OFAC Licensing Division

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QUESTIONS?

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