




# Proscribed Party Screening

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UPDATE CONFERENCE ON EXPORT CONTROLS AND POLICY

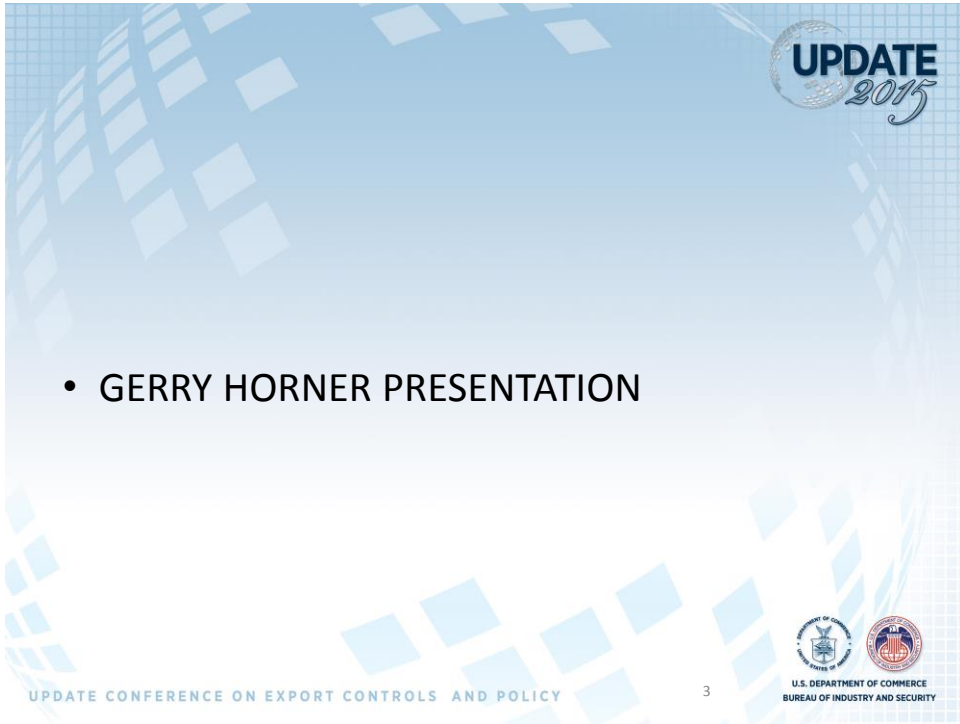


# Breakout Session Objectives

- Overview and demonstration of the Consolidated Screening List (CSL)
- Discussion of CSL content: an overview of proscribed party lists
  - Commerce / BIS
  - Treasury / OFAC
- Questions for the panel



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**UPDATE**  
*2015*

- GERRY HORNER PRESENTATION

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**UPDATE**  
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## Proscribed Parties: Overview of BIS-Maintained Lists

*Joseph Cristofaro*  
*Chair, End-User Review Committee*

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## The CSL and BIS



- The CSL is a screening tool that identifies persons included on lists maintained by the Departments of Commerce, State and Treasury
- Three BIS-administered lists on the CSL
  - Denied Persons List (DPL)
  - Unverified List (UVL)
  - Entity List (EL)



## The Unverified List



- Includes non-U.S. persons party to a transaction for which BIS has been unable to conduct a pre-license check or post-shipment verification for reasons beyond USG-control
- Establishes restrictions on exports, reexports and transfers (in-country) to listed persons, as set forth in Section 744.15 of the EAR



## The Denied Persons List



- Includes U.S. and non-U.S. persons for which BIS has denied export privileges
- Prohibits any interaction with a listed party that would violate the terms of that party's denial order



## The Entity List



- Includes non-U.S. persons for whom the export, reexport and/or transfer (in country) of EAR items is subject to specific license requirements and policies
  - Supplements other EAR licensing requirements
  - Over 700 entries in approximately 40 countries
- Located at Supplement 4 to Part 744
  - Informs the public of supplemental licensing requirements and policies for particular entities



## The Entity List



- Includes persons whose activities:
  - Impose a risk of diverting items subject to the EAR into WMD programs
  - Are contrary to U.S. national security and/or foreign policy interests or are acting on behalf of such entities
- Also includes entities:
  - Sanctioned by the Departments of State or Treasury
  - “incorporated by reference”



## The Entity List



- Imposes a supplemental license requirement, not a sanction
- Includes case-by-case, entity-specific provisions:
  - License Requirements
  - License Review Policies
  - Locations and aliases

*Essential to identify these provisions prior to proceeding in a transaction with a listed entity*



## The Entity List



- Role of the End-User Review Committee
  - Comprised of the Departments of Commerce (Chair), Defense, Energy and Treasury (where appropriate)
  - Decides on the addition, removal and/or modification of all entries
  - Reviews and decides upon all requests for removal from the Entity List (i.e., appeals)



## The Entity List



- Changes to the Entity List
  - ERC decisions are implemented on a rolling basis
  - Over 60 additions to EL in 2015
  - All EL updates are published in the *Federal Register* and available on the BIS website





## Screening and Due Diligence



- If a screened party matches a listing on the CSL, additional due diligence is required
  - Identify the particular list and maintaining agency
  - Identify the particular prohibitions, restrictions, or requirements
- Possible Entity List matches – common challenges
  - Translation, addresses and names
  - Branches, subsidiaries and affiliates



## Resources



- [WWW.BIS.DOC.GOV](http://WWW.BIS.DOC.GOV)
  - Policy Guidance -> Lists of Parties of Concern
    - General overview of lists
    - Regulatory references
    - Current .PDF of Entity List
    - Frequently Asked Questions
- Entity List inquiries: [ERC@BIS.DOC.GOV](mailto:ERC@BIS.DOC.GOV)

