



EXPORT CONTROL PROGRAM

SHIPPING TRAINING

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SHIPPING TRAINING

Topics

- ✓ **What (are you shipping)?**
- ✓ **Where (are you shipping it)?**
- ✓ **Who (are you shipping it to)?**
- ✓ **Automated Export System (AES)**
- ✓ **Other Items to Remember**
- ✓ **Examples**



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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**



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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?

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**





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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



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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



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Automated Export System (cont.)

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



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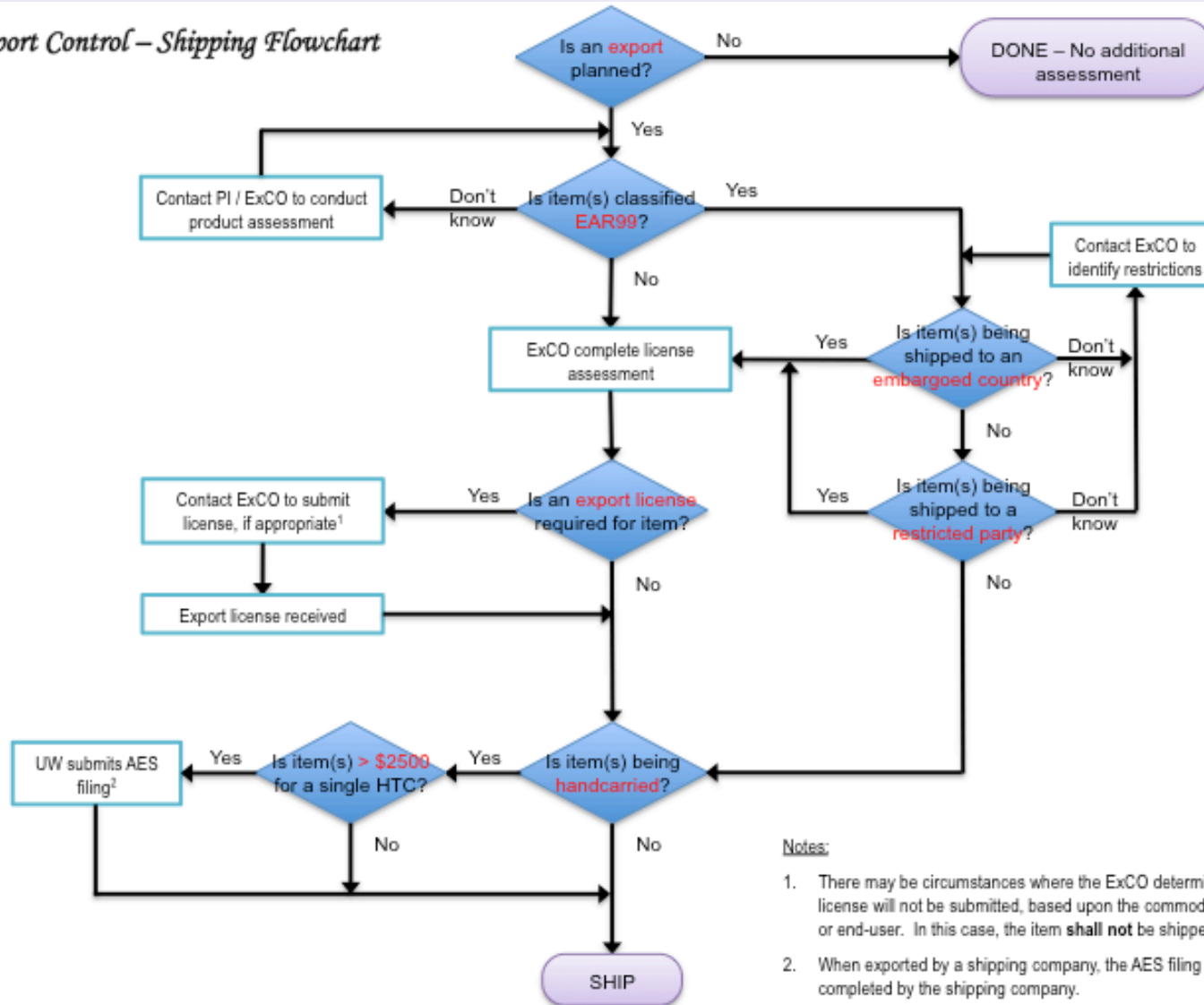
Other Items To Remember

- **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



Notes:

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.

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NEVER

***SHIP AN ITEM BEFORE YOU
RECEIVE ITS EXPORT LICENSE***



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Examples



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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)



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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



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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



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Contact Information



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For Additional Information, Contact:

- **Tom Demke, UW-Madison Export Control Officer**
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References:

- **UW Export Control Website:**
<http://research.wisc.edu/respolcomp/exportcontrol/>