

*Exceptional service in the national interest*



INTERNATIONAL  
**EXPORT**  
**& TRADE**  
COMPLIANCE

(505) 845-7000



# International Export and Trade Compliance

General Counsels' FFRDC Meeting

Rachel Richmond – IETC Manager

June 29, 2016



Sandia National Laboratories is a multi-program laboratory managed and operated by Sandia Corporation, a wholly owned subsidiary of Lockheed Martin Corporation, for the U.S. Department of Energy's National Nuclear Security Administration under contract DE-AC04-94AL85000. SAND NO. 2011-XXXX

# What are Export Controls?

- What?
  - U.S. laws and regulations that regulate the distribution of technology, services and information to foreign nationals and foreign countries for reasons including foreign policy and national security.
- Why?
  - Advance foreign policy goals
  - Restrict exports that could enhance the military potential of our adversaries
  - Prevent proliferation of WMD
  - Fulfill international obligations

# Export Control History

- Export Controls date back millennia to blockades—surrounding the enemy.
- Modern Export Control laws can be traced back to the Trading with the Enemy Act of 1917 which was a response to WWI
- Export Control Act of 1940, a response to WWII
- Export Control Act of 1949 restrict exports to the Soviet block
  - 1950s-COCOM established a multilateral organization consisting of most NATO members and Japan to restrict exports of sensitive technologies to the Soviet Bloc.
  - 1954 Mutual Security Act
  - 1961 Foreign Assistance Act—initiated Cuban Trade embargo
- 1976 Arms Export Control Act (AECA)
- 1979 Export Administration Act
- Today - Prevent acquisition of WMD; curtail and prevent export of technologies potentially useful to military adversaries and terrorists

# Multilateral Cooperation

- United States works with other nations in determining what should be export controlled and to whom and then brings back those agreements and incorporates them into the ITAR, EAR, etc.
  - Wassenaar Arrangement—conventional arms and dual-use goods
  - Australia Group—Chemical weapons and precursor chemicals
  - Missile Technology Control Regime--limit the proliferation of missiles capable of delivering WMD
  - Nuclear Suppliers Group—focus on stemming the proliferation of nuclear weapons

# Government Regulators

**U.S. Department of State –  
Directorate of Defense  
Trade Controls (DDTC)  
International Traffic in Arms  
Regulations (ITAR)  
Military Items**

**22 CFR 120-130**  
Regulate and license the export of  
defense articles and services  
(munitions).

**U.S. Department of  
Energy/National  
Nuclear Security  
Administration**

**AEA/NAP-23**  
Regulate Nuclear Weapon  
articles and services.

**U.S. Department of  
Commerce – Bureau of  
Industry and Security (BIS)  
Export Administration  
Regulations (EAR)  
Dual Use Items**

**15 CFR 730-774**  
Regulate and license the export of  
dual use sensitive goods and  
technologies.

**U.S. Nuclear Regulatory  
Commission (NRC)  
Nuclear Equipment and  
Materials**

**10 CFR 110**  
Regulate and license nuclear  
material and equipment.

**U.S. Department of  
Energy/National Nuclear  
Security Administration  
Special Nuclear Material  
Production and Access**

**10 CFR 810**  
Regulate and license nuclear power  
technology and Special Nuclear  
Materials.

**U.S. Department of  
Treasury – Office of  
Foreign Assets Control  
(OFAC)  
Economic & Political  
Sanctions Programs**

**31 CFR 500**  
Administers and enforces  
economic and trade sanctions  
against targeted foreign  
countries, terrorism sponsoring  
organizations, and international  
narcotics traffickers.

**U.S. Department of  
Homeland Security/  
Customs and Border  
Protection**

**U.S. Department of  
Justice – Alcohol,  
Tobacco Products and  
Firearms (ATF)**

**19 CFR 1-299 and 27 CFR 447  
(ATF)**  
Regulates and enforces  
importation of trade, drug,  
immigration, arms,  
ammunition and implements  
of war.

# What is an Export?

- A transfer of *commodities, software or technology* to a foreign person, foreign entity or foreign destination.
- Exports include commodities, software, and technology to:
  - Foreign governments and agencies
  - Foreign persons (corporations and individuals)
  - Foreign subsidiaries in the U.S that are not registered as a U.S. business
  - Non-U.S. persons in the U.S.
  - U.S. persons representing foreign interests
  - U.S. military at a foreign location
  - U.S. persons at foreign locations

# What is Export Controlled Information?

- Export Controlled Information (ECI) is information that is scientific or technical in nature (STI)
- At Sandia, ECI may be found in...
  - Statements of Work
  - Conference Papers
  - Conference Presentations
  - Journal Articles
  - Abstracts
  - Drawings
  - Fact Sheets
  - Reports
  - Memos
  - Manuals
  - Data Sets
  - Dissertations
  - Instructions
  - Blueprints
  - Specifications
  - Test Data
  - Engineering
  - Analysis
  - Software / Scripts
  - Intangible Files
  - Patent Applications
  - Proposals
  - Photographs
- Broadly defined and intended to capture a wide variety of STI

# International Export and Trade Compliance Organization (IETC)



- The IETC is responsible for assuring that Sandia Corporation complies with export/import laws and regulations.
  - Interpret the regulations
  - Apply for and manage export licenses and agreements
  - Interact with regulatory agencies
  - Ensure Sandia policies and processes are followed
  - Ensure proper U.S. Customs clearance of imported goods
  - Provide training and guidance
  - Conduct investigations related to possible export/import violations

# Trade Compliance Policies, Processes and Procedures at Sandia



- Involves interaction and coordination with many organizations with overlapping responsibilities, policies, processes and procedures:
  - Review and Approval (R&A) Process
  - Legal Organization for Licensing, Intellectual Property, Copyright Assertion, and Patent Disclosures
  - Web Shipper system and process for International Shipments
  - Foreign National (FN) Requests which document the interaction with a FN
  - International Hand carry process for when Sandians are taking items abroad
  - Procurement for interactions with global and domestic vendors with FN's
  - Sandia Strategic Partnership Agreements (SPP) and Cooperative Research and Development Agreements (CRADA)
- And so much more....

# New International Travel and Hand Carry Tool Demo

# Most Important

# QUESTIONS????