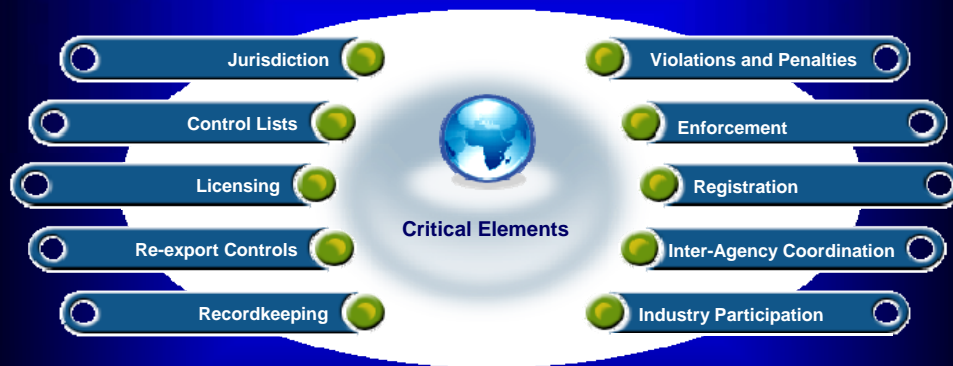




## Elements of an Export Control System



Office of Chief Counsel for Industry and Security  
Department of Commerce



## Enforcing Export Controls

### PREVENTIVE ENFORCEMENT

Presented by:

**Michael Rufe, Senior Special  
Agent**

**Office of Export Enforcement**

## Preventive Enforcement - GOAL

- TO PREVENT THE ILLEGAL TRANSFER OF STRATEGIC OR PROLIFERATION RELATED TECHNOLOGIES TO THOSE COUNTRIES OR GROUPS THAT ARE CONSIDERED A NATIONAL OR INTERNATIONAL SECURITY THREAT

## Preventive Enforcement - METHODS

- Develop Watch Lists
- Conduct pre-license checks
- Conduct post-shipment verifications
- Review export documents
- Visa review program
- Outreach to Industry

## Using a Watch List



- Every party listed on a license application is electronically matched to a “watch list” of over 45,000 individuals and entities
- Pre-license checks can be conducted to prevent illegal or undesirable exports to prohibited destinations

Export Enforcement



## Pre-License Checks

- Check exporters, consignees & end-users listed on an export license application
- Done prior to licensing to determine the suitability of the recipients to receive controlled items
- Domestic checks performed by criminal investigators
- Overseas checks conducted by embassy officers, including five BIS Export Control Officers
- Sentinel Program – Criminal Investigators
- 67 PLCs conducted in FY2010

Export Enforcement



## Post-Shipment Verifications

- End-Users and End-Uses
- Compliance with license conditions
- U.S. Embassy officers including BIS Export Control Officers
- Sentinel Program Teams
- 641 conducted in FY2010

Export Enforcement



## SED/AES Review Program

- Shipper's Export Declarations (SED) is the primary U.S. export document
- Now an automated process with the Automated Export System (AES)
- Review of data after shipment
- Track countries of proliferation, diversion, & regions of concern
- Select shipments for post-shipment verification on the basis of the item and the destination

A sample of a Shipper's Export Declaration (SED) form. The form is titled "SHIPPER'S EXPORT DECLARATION" and contains various fields for export information, including country of origin, destination, and value. It is a standard U.S. Customs and Border Protection form.

Export Enforcement



## Stop illegal technology transfers

- Unlicensed transfer of controlled technology can result in an illegal export.
- Review visa applications of foreign nationals who will be visiting temporarily for business, research or employment
- EE field offices work with U.S. State Department, host firms and research organizations



## Temporary Denial Orders

- Authority is granted to the Department of Commerce to prevent imminent violations by denying a party's right to participate in an export transaction
- Parties are identified to the public
- Stops illegal transactions & exposes diversion schemes



## Industry Outreach

- Project Outreach – personal visits by field personnel to individual companies to provide information regarding compliance
- Publication of changes and news on BIS website – [www.bis.doc.gov](http://www.bis.doc.gov)
- Annual Regulatory Update attended by over 700 U.S. companies
- U.S. embassies and consulates provide information to overseas companies

## Project Outreach

- Special Agents visit firms and individuals
- Special industries and products of concern are discussed
- Over 824 visits in FY 2010



# Training

- Specialized training in identification of controlled goods and technologies
- Training in methods for enforcing export controls, including investigation techniques
- 13 U.S. agencies involved including:
  - The Intelligence community
  - FBI, Immigration and Customs Enforcement (ICE), and ATF
  - The Departments of Treasury, Justice, State, Defense and Energy
- Focus on cooperative enforcement efforts

