Mapping Out Your Compliance Strategy

Developing an Effective Export Management and Compliance Program (EMCP)

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A few weeks ago I saw the flash of a traffic camera while I was driving. I figured my picture had been taken for speeding.

To be sure, I went around the block and passed the same spot, driving even more slowly.

Again the camera flashed. Surprised, I drove past again even slower.

Again the traffic camera flashed. I tried a fourth and a fifth time with the same results as I rolled past at a snails pace.
Two weeks later, I got five tickets in the mail for driving without a seat belt.
ELEMENTS OF AN EFFECTIVE COMPLIANCE PROGRAM

(1) Management Commitment
(2) Risk Assessment
(3) A Written EMCP
(4) Compliance Training
(5) Pre/Post Export Compliance Security & Screening
(6) Recordkeeping [EAR Part 762]
(7) Export Compliance Monitoring & Auditing/Assessing
(8) Handling & Reporting Export Compliance Problems & Violations
(9) Corrective Actions

Element 1: also see Guidelines, p. 13 – 26 & Audit Module, p. 3 – 6.
Technology Control Plan (TCP)  
(Minimal Deemed Exports Requirements)

Essential elements:

- Management commitment
- Physical security plan
- Information security plan
- Personnel screening procedures
- Training and awareness program
- Self-evaluation program
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NO COOKIE CUTTER APPROACH!
DEVELOP A COMPLIANCE MANTRA

Who?
What?
When?
Where?
Why?
How?
Materials

U.S. DEPARTMENT OF COMMERCE
BUREAU OF INDUSTRY AND SECURITY
OFFICE OF EXPORTER SERVICES
EXPORT MANAGEMENT AND COMPLIANCE DIVISION

Compliance Guidelines:
How to Develop an Effective Export Management and Compliance Program and Manual

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www.bis.doc.gov

Audit Module:
Self-Assessment Tool

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Compliance

Informed, voluntary compliance with U.S. export controls by the export trade community is an important contribution to U.S. National Security and a key component of BIS's export administration and enforcement programs. All parties to U.S. export transactions must ensure their exports fully comply with all statutory and regulatory requirements. Compliance not only involves controlled goods and technologies, but also restrictions on shipping to certain countries, companies, organizations, and/or individuals. BIS works closely with the export trade community to raise awareness of compliance best practices and “red flags” of potential illicit activities, and to identify and act on export violations.

An Export Management and Compliance Program (EMCP) can assist you in developing and implementing procedures to stay in compliance with the Export Administration Regulations (EAR). See EMCP for more information.

Sentinel Program:

Many end-use checks are conducted through BIS' Sentinel Program. Trained OEE Special Agents are deployed from the United States to countries to visit the end-users of sensitive controlled commodities and determine whether these items are being used in accordance with license conditions. Sentinel teams assess the suitability of foreign end-users to receive U.S.-origin licensed goods and technology, assess prospective end-users on pending license applications for diversion risk, and conduct educational outreach to foreign trade groups. In this way, Sentinel trips help to create the confidence needed to foster trade while strengthening U.S. national security.

Outreach Program:

The purpose of the Outreach program is to prevent illegal exports by educating industry about export controls and eliciting industry’s cooperation in protecting our national security and foreign policy objectives. An Outreach contact is a one-on-one visit with the representative of a company. It is normally done in person, but under certain instances, it can be conducted over the phone. The types of companies contacted include, but are not limited to, manufacturers, exporters, and freight forwarders.

http://www.bis.doc.gov
The requirements described in the Export Administration Regulations (EAR) may seem overwhelming without a system to capture analysis, decisions, accountability and implementing procedures. An EMCP takes individual decisions and pieces of information and builds them into an organized, integrated system. It is a program which can be established to manage export-related decisions and transactions to ensure compliance with the EAR and license conditions.

An EMCP can:

- Reinforce senior management commitment to comply with U.S. export laws and regulations to all parties within the company.
- Provide management structure and organization for the processing of export transactions.
- Enhance accountability for export control tasks by identifying who is responsible for performing each part of the process and who is responsible for overall effectiveness of the EMCP.
- Provide compliance safeguards throughout a company's supply chain to ensure order processing due diligence checks produce consistent export decisions.
Grab Management’s Attention and Get Them Past Denial
Compliance Manual Review

If you would like EMCD to conduct a review of your written compliance manual

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