Cloud Computing and Export Controls

The use of cloud computing services raises some interesting issues associated with export controls. Among the federal agencies with responsibility for export control regulations, only the Department of Commerce Bureau of Industry and Security (BIS) has provided guidance on cloud computing. In two advisory opinions, BIS has clarified that the person located within the United States placing the technology or technical data onto the cloud server is responsible for compliance with the export control regulations. ("Technology" and "technical data" are terms of art with unexpected meanings, and often can include information and research data. For more information on the definition of these terms, see Part 120.10 of the ITAR (http://www.pmddtc.state.gov/regulations_laws/itar_official.html)) and Part 772 of the EAR (http://www.bis.doc.gov/policiesandregulations/ear/772.pdf).

Members of the Penn community should exercise caution in the use of cloud services and cloud service providers. If you wish to use a cloud service to store or transmit export controlled information or technology, it is important to make sure that the service provider is storing the information in the U.S. and that non-U.S. persons will not have access to that information or technology if an export control license is needed for those non-U.S. persons to access that information or technology. If you are unsure if your technology/information is subject to export control regulations and wish to use a cloud service, please contact the Director of Export Compliance (expctrl@lists.upenn.edu) for assistance. One cloud service provider, Amazon Web Services, allows you, the customer, to designate that your information and data be stored in the U.S., which may minimize your export control compliance obligations. Many other cloud service providers do not indicate where your information or data will be stored, which may increase your export control compliance obligations.

For further reading, please see:
