Pre-proposal Conference

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...export controls do not exist simply as another set of regulations... They exist to ensure our technological superiority is never employed against us on the battlefield...They exist to ensure our security – our national security, our homeland security, our cybersecurity, and our economic security.”

Penny Pritzker
U.S. Secretary of Commerce
What are Export Controls?

Export controls are restrictions applied by national governments to the transfer of items to foreign persons and destinations.
What is an Export?

An export is the transfer of anything to a foreign person or a foreign destination by any means, anywhere, anytime.

- An export can involve a commodity, software, technical data, technology, and/or providing a defense service or technical assistance.
Compliance is Part of the NASA Mission

“It is NASA policy to ensure that exports and transfers of commodities, technical data, or software to foreign persons are carried out in accordance with United States export control laws and regulations, and Administration and NASA policy.”

-NPD 2190.1, Section 1.a.

“We want to maximize the benefits of our international efforts while ensuring that we comply with U.S. export control laws and regulations. This is the personal responsibility of each employee.”

-NPR 2190.1B, Section P.1.

Compliance is everyone’s job at NASA
The goal of these laws and regulations is to protect our national security and policy interests. Both the ITAR and the EAR include criminal and civil penalties for export control violations that can result in monetary penalties, imprisonment, or both.
The **ITAR** controls the export of goods and technical data that are principally used in military or intelligence applications, including critical defense articles, services, and technologies. These items are identified on the **United States Munitions List (USML)**, and include certain items listed in the **Missile Technology Control Regime (MTCR) Annex**.

The **EAR** controls goods and technologies that have civil, commercial, military, and intelligence applications. These items are identified on the **Commerce Control List (CCL)**, including certain items found in the **MTCR Annex**.

If an item is listed on the USML or the CCL, an export authorization is required.
United States Munitions List (USML)

I - Firearms, Close Assault Weapons, and Combat Shotguns
II - Guns and Armament
III - Ammunition/Ordnance
IV - Launch Vehicles, Guided Missiles, Ballistic Missiles, Rockets, Torpedoes, Bombs, and Mines
V - Explosives and Energetic Materials, Propellants, Incendiary Agents and Their Constituents
VI – Surface Vessels of War and Special Naval Equipment
VII - Ground Vehicles
VIII - Aircraft and Related Articles
IX - Military Training Equipment and Training
X - Personal Protective Equipment
XI - Military Electronics

XII - Fire Control, Range Finder, Optical and Guidance and Control Equipment
XIII - Materials and Miscellaneous Articles
XIV - Toxicological Agents, Including Chemical Agents, Biological Agents, and Associated Equipment
XV - Spacecraft and Related Articles
XVI - Nuclear Weapons Related Articles
XVII - Classified Articles, Technical Data and Defense Services Not Otherwise Enumerated
XVIII - Directed Energy Weapons
XIX - Gas Turbine Engines and Associated Equipment
XX - Submersible Vessels and Related Articles
XXI - Articles, Technical Data, and Defense Services Not Otherwise Enumerated
Commerce Control List (CCL)

Category 0 - Nuclear Materials, Facilities and Equipment and Misc.

Category 1 - Materials, Chemicals, Microorganisms and Toxins

Category 2 - Materials Processing

Category 3 - Electronics

Category 4 – Computers

Category 5 - Telecommunications and Information Security

Category 6 - Lasers and Sensors

Category 7 - Navigation and Avionics

Category 8 - Marine

Category 9 - Propulsion Systems, Space Vehicles and Related Equipment
The Department of State (DOS) has specific definitions of technical data and defense services:

**Technical Data**
Technical data is information that is required for the design, development, production, manufacture, assembly, operation, repair, testing, maintenance or modification of an export-controlled item and must be protected in accordance with export control regulations (ITAR).

**Defense Services**
The furnishing of assistance (including training) to foreign persons, whether in the United States or abroad in the design, development, engineering, manufacture, production, assembly, testing, repair, maintenance, modification, operation, demilitarization, destruction, processing or use of defense articles (ITAR).
The Department of Commerce (DOC) has a specific definition of technology:

**Technology**

Per DOC, technology is specific information necessary for the “development,” “production,” or “use” of a product. The information takes the form of “technical data” or “technical assistance” (EAR).
Technology

DOC has specific definitions of technical data and technical assistance:

**Technical Data**
Per DOC, technical data may take forms such as blueprints, plans, diagrams, models, formulae, tables, engineering designs and specifications, manuals and instructions written or recorded on other media or devices such as disk, tape, read only memories.

**Technical Assistance**
Per DOC, technical assistance may take forms such as instruction, skills, training, working knowledge, consulting services. Technical assistance may involve transfer of technical data.
Objective: to protect U.S. National Security

- “Higher fence around a smaller yard”
- Must be multilateral to be effective
- Reflect changing technology/availability
- Transparent, predictable and timely processes
- Strengthen ability to comply, enforce

www.export.gov/ecr
Examples of USML Critical Technology Items

- Missile or rocket thrust vector control systems
- Some radar systems and equipment
- Space launch vehicle payload fairings
- Some infrared focal plane array detectors
- Space-qualified optics with clear aperture greater than 0.35 meters
- Space-qualified mechanical cryocoolers
- Some space-qualified atomic clocks
- Thrusters that provide greater than 150 lbf vacuum thrust
- High-accuracy space-qualified start tracker or star sensor
- Spacecraft heat shields or heat sinks designed for atmospheric entry
- Integration of a satellite or spacecraft to a launch vehicle, including both planning and onsite support
In nearly all cases, **the following require a license:**

- Transfers involving Missile Technology (MT)
- Information required for the detailed design, development, manufacture, or production of ITAR defense articles
- The permanent transfer of hardware on the USML
- Transfer of hardware or technical data involving a foreign person in or from a proscribed country
If a country appears on the “proscribed country” list, it is (generally) U.S. policy to deny licenses, or other approvals, associated with exports and imports of defense articles and defense services, destined for or originating in that country.

**ITAR** License Exemptions are trumped if a “**foreign person**” from any of these counties is involved; i.e., a license must be applied for.

**EAR** Mirrors the ITAR 126.1 List – **Country Group D:5**
### ITAR Proscribed Countries § 126.1

*EAR Mirrors the ITAR List – Country Group D:5*

<table>
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List is updated by Federal Register Notice
Current as of 2 August 2016
Proposal Best Practices

- Mark or identify export-controlled and proprietary information in proposals
  - Marking either pages, sections, or paragraphs
- Identify all foreign partners and participants
- Understand your responsibilities under the U.S. export control regulations
  - Articulate your export control plans
NASA’s International Agreements

NASA’s International Agreements - the basis for NASA foreign cooperative (or reimbursable) activity

- define the responsibilities of the parties, scope of the work to be performed, & the terms and conditions under which the cooperation will be effected

All NASA International Agreements contain a clause on transfers of controlled goods & data

NASA’s International Agreements do **NOT** trump export control laws & regulations

**An International Agreement does not replace a contractor’s need for a license or other export authorization.**
NASA Contractors and Export Control

- NASA provides review of licenses submitted to the Department of State and the Department of Commerce.

- NASA contractors, should be coordinating with NASA in advance of any license application that will further a NASA program.

- NPD/NPR 2190 is applicable to NASA contractors and grantees as required in their contracts or grants.

- Contractor is responsible for export compliance in the execution of contracted work (NFS 1825.1103-70 and 1852.225-70):
  - Except when NASA directs or authorizes a contractor to effect exports using a NASA-obtained IVL or GBL.
  - NFS Clause 1852.225-70 “Export Licenses” – required in all domestic contracts.
  - Contractors have responsibility to obtain any required licenses unless otherwise agreed with NASA.
NASA & Contractor Best Practices

- Early coordination between the NASA Program/Project Managers, Contractor(s), and NASA Headquarters or Center Export Administrator will benefit programs/projects.
  - Understand what is controlled
  - Identify international parties involved
  - Add export milestones to program/project schedule
  - Develop technology transfer control plan
  - Coordinate meetings with international partner(s) well in advance

- Mark/determine the export jurisdiction of data/hardware when created or acquired

- Recordkeeping
Important Links

The Department of State is the regulatory authority for defense articles and defense services. http://www.pmddtc.state.gov/

The Department of Commerce is the regulatory authority for dual-use items. http://www.bis.doc.gov/
