

How You Can Help

All businesses that are involved in any aspect of high-technology research, development or production are potential targets and can be exploited. ICE solicits your assistance in providing information relating to any suspicious circumstances surrounding export transactions of high-technology items or services.

There are four major areas in which U.S. businesses can assist the government in stemming the illegal flow of equipment, technology and munitions to unauthorized destinations:

- Identifying inquiries and orders for production parts or technology that are likely to be shipped outside the United States, and ensuring that these transactions are reviewed by export specialists;
- Ensuring that your export specialists understand export controls and follow appropriate screening and licensing procedures;
- Making certain that employees—whether they live, travel or transmit information abroad, or merely come into contact with foreigners visiting the United States—fully understand that the U.S. government restricts the flow of certain technical data or know-how, whether in written, oral or visual form; and
- Ensuring that suspicious contacts are reported to ICE as quickly as possible (see back panel: Indications of Potential Illegal Exports).

Indications of Potential Illegal Exports

- Customer pays in cash.
- Customer makes payments in excess of item's market value.
- Purchaser is reluctant to provide information about item's end-use.
- Item is incompatible with stated end-use.
- Item does not correspond with customer's line of business.
- Final consignee has no apparent connection to the purchaser.
- Item is inappropriately or unprofessionally packaged.
- Packaging is inconsistent with shipping mode, destination or product description.
- Order is placed by firm or individuals from foreign countries other than the country of the stated end-use.
- Shipping route is abnormal for the product and destination.
- A freight forwarding firm is listed as final destination.
- Customer declines routine installation, training or maintenance services.
- Customer has little or no business background or is unfamiliar with item.
- Transaction just does not make sense.



Shield America

A Partnership to Protect America



U.S. Immigration and
Customs Enforcement

Report Suspicious Activity:
1-866-DHS-2-ICE
1-866-DHS-2423
www.ice.gov



U.S. Immigration
and Customs
Enforcement

Shield America

Shield America is an industry outreach and enforcement initiative developed by U.S. Immigration and Customs Enforcement (ICE) to prevent the illegal export of sensitive U.S. munitions and strategic technology to terrorists, criminal organizations and foreign adversaries.

Led by ICE's Counter-Proliferation Investigations (CPI) unit, Shield America is an integral part of the ICE strategy to combat the trafficking in Weapons of Mass Destruction (WMD) and their components, as well as the trafficking in conventional weapons and controlled technology. Working in partnership with U.S. Customs and Border Protection (CBP) and U.S. companies that manufacture, sell or export strategic technology and munitions, Shield America is the first line of defense against those who compromise U.S. security or interests by violating export laws, sanctions or embargoes.

Why It's Needed

Since World War II, foreign adversaries of the United States have acquired large quantities of U.S. and western technology by various means, both legal and illegal. Such acquisitions have provided these countries with the fruits of U.S. research and strategic technology largely without cost, while compromising U.S. security and military superiority. In some instances, U.S. weapons and technology have been used against American soldiers, citizens and allies. In today's globalized world, enhanced communications technology and transportation mean that rogue states, criminal organizations and terrorist groups have greater potential to acquire and trade nuclear, chemical and biological weapons than ever before.

Illegal Exports: The Scope of the Problem

As with any illegal trade, the exact volume of illegal exports in strategic technology and munitions is difficult to measure or even to estimate. ICE criminal investigations and seizures indicate that such trade can be valued in the tens of millions of dollars annually. But the monetary value of these illegal exports is secondary to the potential strategic and military value of these products.

Some of the strategic technology most urgently desired by proscribed countries includes:

- modern manufacturing technology for the production of microelectronics, computers, digital electronic components and signal processing systems;
- technology for developing aircraft, missile and other tactical weapon delivery systems;
- all types of advanced signal and weapons detection, tracking and weapons monitoring systems;
- night vision technology;
- technology and equipment used in the construction of nuclear weapons and materials; and
- biological and chemical warfare agents and their precursors.

How Shield America Works

Shield America is a four-pronged program for export enforcement and industry outreach.

- **Inspection and Interdiction.** Specially-trained CBP officers inspect outbound shipments for violations of U.S. export laws and report violations to ICE for investigation.
- **Investigations.** ICE special agents investigate export violations, seize illegal shipments of controlled technology and munitions and pursue the arrest, prosecution and conviction of violators.
- **Industry Outreach.** ICE agents conduct outreach visits with industry officials to educate them about U.S. export laws and to solicit their assistance in preventing illegal foreign acquisition of their products.
- **International Cooperation.** ICE attachés in foreign countries enlist the support of their host governments to initiate investigative leads and to develop information in support of ongoing domestic investigations. ICE also supports the Proliferation Security Initiative (PSI), which was formed to increase international cooperation in interdicting illegal shipments of weapons of mass destruction (WMD), their delivery systems, and related materials.

The efforts are all supported by the Exodus Command Center located in Washington, D.C. The center maintains contacts with the U.S. departments of Commerce, State, Defense and other agencies concerned with the export of strategic materials, technologies and services.

Shield America: A Partnership to Protect America

- Create a university export control matrix or decision tree
- Create access controls to potentially controlled research projects
- Create protocols for international mailing
- Establish a collection of “clean” computers, USB flash drives, phones, and other digital media for the purpose of foreign travel
- Incorporate an export control training course
- Maintain a list of sanctioned, proliferating and transshipment countries
- Screen for debarred parties, denied persons, designated nationals, etc.
- When in doubt, seek legal advice
- Work closely with the university employee responsible for maintaining foreign student visa records (Designated School Official or DSO)

How to Respond to Suspicious Contacts:

- Keep the response neutral
- Obtain contact numbers and e-mail with full headers
- Save all correspondence and make note of phone calls or other contacts
- Trust your instincts and contact HSI special agents for a controlled and monitored response

Please note that contacting HSI regarding potential criminal export control violations is not intended to replace the process of voluntary disclosure that an academic institution would normally follow with any of the various regulatory agencies. Although not a regulatory agency, HSI is the largest criminal investigative agency mandated to enforce export control laws and seeks cooperative partnerships with university export control programs in order to pursue comprehensive enforcement of those involved in the criminal violation of U.S. export control laws.



To schedule a PSA Academia outreach at your academic institution, please contact your local ICE/HSI field office or contact

(1-866-347-2423)

<http://www.ice.gov/contact/inv/>



**SHIELD
America**



Project Shield America for Academia

A Partnership to Protect America



**U.S. Immigration
and Customs
Enforcement**

Counter-Proliferation Investigations Unit

U.S. Immigration and Customs Enforcement's (ICE) Homeland Security Investigations (HSI) conducts transnational criminal investigations to protect the U.S. against threats to its national security and to bring criminals seeking to exploit customs and immigration laws to justice.

HSI's Counter-Proliferation Investigations (CPI) Unit prevents illicit procurement networks, terrorist groups and hostile nations from illegally obtaining U.S. military products, sensitive dual-use technology, weapons of mass destruction, or chemical, biological, radiological and nuclear materials.

Project Shield America for Academia

Since 2001, as part of HSI's Project Shield America (PSA) initiative, HSI has conducted more than 21,000 outreach visits to private industry in order to strengthen partnerships; prevent the illegal procurement of licensable technologies; interdict stolen property being exported from the U.S.; and restrict financial and other transactions that support these activities or violate U.S. sanctions and embargoes.

In addition to private industry, it is essential that HSI also fully engage with academic institutions developing technology used for U.S. economic and national security. The "PSA for Academia" was created to establish better partnerships between HSI and academia; ensure compliance with U.S. export control laws; and to protect the controlled technology produced by these institutions from falling into the wrong hands.

Although export control laws are applicable in academia as they are in industry, certain exemptions allow for greater information sharing, which can create unique compliance and enforcement challenges. The PSA for Academia specifically addresses many of the statutes, definitions and exemptions pertinent to conducting academic research, including deemed exports, technical data, fundamental research and other academia exemptions.

Red Flag Indicators of Potential Export Control Violations in Academia:

- ✎ E-mail solicitations from foreign student for employment/research on export controlled project
- ✎ End user agreement structured to have the appearance of being fundamental research, though no fundamental research involved in project

- ✎ Foreign delegations: "wandering" visitor outside of tour group, last minute additions to the delegation, questions on export controlled technology outside scope of visit
- ✎ Foreign student change of major into the program from apparently unrelated previous program
- ✎ Hand-carry of data or equipment
- ✎ Multiple requests for identical product or research
- ✎ Offer of overpayment
- ✎ Request for replacement parts, or warranty service to wrong customer location
- ✎ Suspect end-user located in a transshipment location
- ✎ Troubleshooting inquiries by e-mail from different end-user or in the wrong language
- ✎ Threatening the withdrawal of contract if export license is required
- ✎ Unfamiliar and/or uninformed end-user
- ✎ Vague or non-existent end use/end-user information/end user certificate

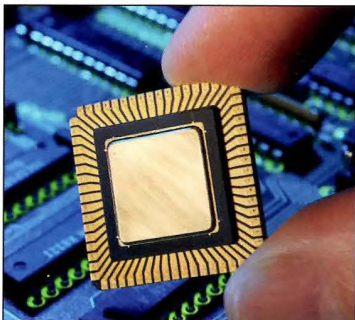
Red flag indicators should cause the exporter/researcher to conduct further due diligence and additional inquiries into the transaction. If the red flag indicators cannot be explained or justified, please contact HSI special agents for follow up and further inquiry.

Potential Export Control Vulnerabilities in Academia

- Data/Information exchanges – email, FTP, cloud computing, international conferences, lab tours, foreign academic partnerships and exchanges
- De-centralized structure of universities
- Deemed exports
- Faculty working on outside contracts (consulting/private agreements)
- Foreign university partnerships
- Lack of communication/relationship with enforcement community
- Lack of export control training
- Lack of technology control plan for foreign students and visiting delegations, to include physical access controls and research oversight
- Project staffing changes

Recommendations / Due Diligence

- Avoid "cracked" or pirated software
- Avoid desktop sharing software when conducting controlled research
- Conduct annual review of university international shipments based on your university's freight forwarding account
- Create a policy on foreign travel and transport of digital media



Export Enforcement Coordination Center

On Nov. 9, 2010, the President of the United States issued Executive Order 13558 which created an Export Enforcement Coordination Center (E2C2).

The E2C2 is housed within DHS and is staffed with full-time HSI personnel and personnel detailed from all of the export enforcement entities and the intelligence community. The purpose of the E2C2 is to protect the national and economic security of United States export control laws and enhanced intelligence exchange in support of export enforcement efforts.

Counter-Proliferation Investigations Centers (CPIC)

CPICs are strategically placed HSI CPI field components designed to maximize HSI resources. These centers are devoted to the investigation of individuals, illicit procurement networks and rogue nations seeking to obtain and illegally export sensitive U.S. technology.



ICE

Counter-
Proliferation
Investigations

Immediately Report All Suspicious
Export Inquiries to HSI Officials at:

1-866-DHS-2ICE
1-866-347-2423

www.ice.gov

10/2011

Homeland Security Investigations

CPI Counter-Proliferation Investigations



U.S. Immigration
and Customs
Enforcement





Mission

HSI's Counter-Proliferation Investigations (CPI) program prevents illicit procurement networks, terrorist groups and hostile nations from illegally obtaining United States military products, sensitive dual-use technology, weapons of mass destruction, or chemical, biological, radiological and nuclear materials.

U.S. Export Laws

Arms Export Control Act:

- Title 22 United States Code (U.S.C.) 2778 - military items and brokering

Export Administration Act:

- Title 50 U.S.C. 2411 - dual-use commodities and technology (commercial and military)

International Emergency Economic Powers Act:

- Title 50 U.S.C. 1701 - economic and trade sanctions

§ 554. Smuggling Goods from the United States:

- Title 18 U.S.C. 554 - fraudulently or knowingly exporting, receiving or facilitating objects contrary to any law or regulation of the U.S.

HSI – CPI Authorities and Resources

Customs Border Search Authority, Administrative Subpoena Authority and Cargo Re-delivery Authority

International Traffic in Arms Regulation:

- 22 Code of Federal Regulations (C.F.R.) 127.4 - authority to investigate, detain or seize any export or attempted export of defense articles

Export Administration Regulation:

- 15 C.F.R. 730-744 - authority to investigate, detain or seize any export or attempted export of dual-use items

Office of Foreign Assets Controls Regulation:

- 31 C.F.R. 560 - authority to detain or seize shipments and enforce provisions therein

Immigration and Naturalization Act (INA):

- INA 237 (a)(1)(C) - Nonimmigrant Violator of Status or Condition of Entry;
- INA 237 (a)(4)(A)(i) - Export of Sensitive Goods, Technology; and Information
- Specifies that criminal conviction is not required for deportation.

Project Shield America

Project Shield America (PSA) is an HSI industry outreach program aimed at preventing illegal exporters, targeted foreign countries, terrorist groups and international criminal organizations from trafficking in United States military products, sensitive dual-use technology, weapons of mass destruction, or chemical, biological, radiological and nuclear materials

Program Global Shield

Program Global Shield is a partnership between the U.S. Department of Homeland Security, the World Customs Organization, Interpol, the United Nations' Office on Drugs and Crime, and private industry to prevent and target illegal exporters, foreign countries, terrorist groups and international criminal organizations from diverting and trafficking of precursor chemicals used in the manufacturing of improvised explosive devices (IED's).