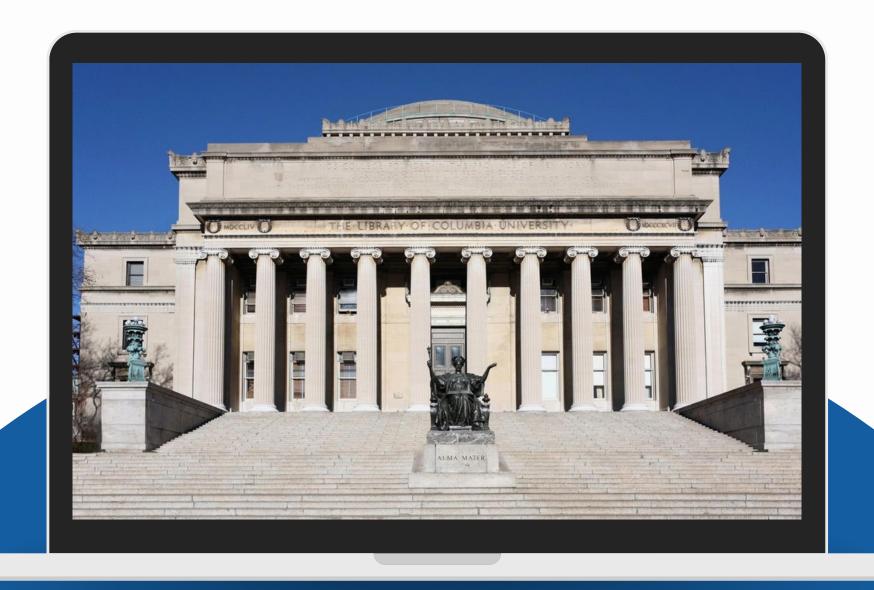# Economic Sanctions

&

Restricted Parties

Janique Cheesman
Associate Director, Research Compliance
Research Compliance and Training
jtc2168@columbia.edu

COLUMBIA|RESEARCH
Office of Research Compliance and Training

OFAC Sanctions Programs

Administered by Treasury's Office of Foreign Assets Control

Economic SANCTIONS

Comprehensive sanctions: impose broad-based trade restrictions on a country/region

CUBA, IRAN, NORTH KOREA, RUSSIA, SYRIA, CRIMEA, DONETSK, LUHANSK REGIONS OF UKRAINE

Limited sanctions: target and restrict dealings with sanctioned entities/ individuals (SDNs) on OFAC's Sanctions Lists

Country-based: Afghanistan, Balkans, Belarus, Central African Republic, DR Congo, Ethiopia, Hong Kong, Iraq, Lebanon, Libya, Mali, Myanmar, Nicaragua, Somalia, South Sudan, Sudan & Darfur Region, Venezuela, West Bank, Yemen

Non-country based: Chinese Military Companies Sanctions, Counter Narcotics Trafficking, Counter Terrorism, Countering America's Adversaries, Cyber, Foreign Interference, Global Magnitsky, Hostages and Wrongfully Detained U.S. Nationals, Magnitsky, Non-Proliferation, Rough Diamond Trade, Russian Harmful Foreign Activities, Transnational Criminal Organizations

Rule of Thumb: everything involving a comprehensively sanctioned country/region, or sanctioned individuals and entities is prohibited without an OFAC license

EXAMPLES OF PROHIBITED ACTIVITIES

Prohibited activities that require a license:

- **(New) Booking or staying at prohibited hotels in Cuba: contact RCT <u>before making any travel arrangements, including hotel reservations</u>!**
- Making or receiving payments to/from comprehensively sanctioned countries, SDNs, or entities owned by SDNs
- Exporting or importing goods, technology, know-how, or services to or from comprehensively sanctioned countries, SDNs or entities owned by SDNs
- Entering into contracts, agreements, or research collaborations with universities or researchers in comprehensively sanctioned countries, SDNs or entities owned by SDNs
- Participating in an academic conference in comprehensively sanctioned countries
- Conducting research or surveys in a comprehensively sanctioned country
- Interviewing an SDN for an academic project
- Travel (i.e., Cuba, North Korea)

License requirements apply regardless of whether activities are remote or in-person, compensated or not

Sanctions restrictions are broad with few license exceptions

Other Restricted Party Lists

- Restricted Party Lists maintained by other U.S. agencies
- Restrictions vary depending on list, but may include:
  - Entering into contracts, agreements or research arrangements
  - Use of federal funds
  - Purchase/use of certain equipment and services: e.g.,
    - Chinese-origin telecommunications equipment
    - Kaspersky software/ services
  - Export/imports
    - Note that for Export Control purposes Hong Kong is treated as China

Restricted Universities Examples

A more complete list is available at RCT's website: https://research.columbia.edu/economic-sanctions-and-restricted-parties

SYRIA

Damascus University
Higher Institute for Applied Science Technology
University of Aleppo

IRAN

Amir Kabir University
Baghyatollah Medical Sciences University
Emam Hoseyn Comprehensive University
Ferdowsi University of Mashad
Imam Hossein University
Iran University of Science & Technology
Isfahan University of Technology
Islamic Azad University
Khajeh Nassir-al-Deentoosi University
Malek Ashtar University
Shahid Beheshti University
Shahid Sattari Air Force University
Sharif University of Technology
Shiraz University
Tarbiat Modares University
University of Tehran

RUSSIA

Russian Academy of Sciences
Skolkovo Institute of Science & Technology (Skoltech)
Moscow Institute of Physics & Technology
Bauman Moscow State Technical University
Grozny State Oil Technical University
Gubkin University

CHINA
(* restrictions imposed May 2024)

Anhui Institute of Metrology
Beijing Institute of Nanoenergy and Technology
Beijing University of Aeronautics & Astronautics (aka Beihang University)
Beijing Institute of Technology
Beijing University of Posts & Telecommunications
Center for High-Pressure Science and Technology Advanced Research
Changchun Institute of Applied Chemistry, Chinese Academy of Sciences
Chinese Academy of Science (CAS) Institute of Chemistry
Chinese Academy of Sciences, Center for Excellence in Quantum Information and Quantum Physics*
Chinese Academy of Sciences, Institute of Physics*
Chinese Academy of Sciences, Key Laboratory for Quantum Information *
Chinese Academy of Sciences Shanghai Institute of Microsystem and Information*
Guangdong University of Technology
Harbin Engineering University
Harbin Institute of Technology
Institute of Mineral Resources, Chinese Academy of Geological Sciences
Hunan University
Nanjing University of Aeronautics & Astronautics
Nanjing University of Science & Technology
National University of Defense Technology
Northwestern Polytechnical University
Shanghai Institute of Applied Physics, Chinese Academy of Sciences
Shanghai Tech University
Sichuan University
Southern University of Science and Technology (aka SUSTech)
Sun Yat-Sen University
Tianjin University
University of Chinese Academy of Sciences
University of Electronic Science & Technology of China
University of Science and Technology of China (USTC)*
University of Shanghai for Science and Technology

Risk Mitigation

- "Restricted Party Screening" – key to compliance
  - Visual Compliance – online screening software
  - Screens names against SDN List and other U.S. Government "restricted party" lists
  - RPS Inclusions Lists
  - Dynamic Screening
  - Ability to automate
- For "real matches", RCT will assess risks and provide guidance to faculty members/ relevant units and may escalate internally or to outside counsel for further review
  - These risk assessments can take time depending on the facts and follow up actions required (e.g., compliance plan; U.S. Government license)

Visual Compliance in ISSO-SSP

- Scholar Sponsorship Portal automatically screens visiting scientists, scholars, and academic appointments (full time, part-time officers of instruction, officers of research and officers of the libraries)

- Designated Reviewers perform the initial review of any potential matches

  - Identify false positive matches and clear alerts

  - Identify real matches and escalate them to RCT for further review

  - After RCT review of real matches, clear alerts when it is ok to proceed and close alerts when the appointment will not move forward

This application is currently pending Visual Compliance verification. Please reach out immediately with your designated Visual compliance screener using this search ID: isso-vc-22620

What Happens After Escalation?

- When Designated Reviewers send the escalation email, RCT will access the RPS alerts for review
- RCT will also need to be provided with the following information for review:
  - The individual's CV and research proposal
  - Where the individual's funding is coming from
  - What campus facilities the individual will have access to
  - The dept. and faculty member sponsoring the individual
  - The proposed dates for the scholar/appointment

Once Review is Complete – Scenario 1: Reviewed and Moving Forward

- RCT will notify the designated reviewer via email that it is ok to proceed with the visiting scholar/scientist or academic appointment. The designated reviewer will then:
  - Open Compliance Manager and use the notes field to record the following comment "Review complete - ok to proceed".
  - Change the status of the RPS alert from "Escalate" to "Clear". Once the status has changed to clear, the workflow will continue for the visa appointment.

Once Review is Complete –
Scenario 2: Reviewed and Not Moving Forward

- In some cases, the compliance/reputational risks may be too high to manage, or the sponsoring faculty may not want to assume the additional compliance burden. Therefore, a decision is taken to not move forward with the appointment/visitor. The designated reviewer will then:
  - Open Compliance Manager and use the notes field to record the following comment "Review complete - will not move forward"
  - Change the status of the RPS alert from "Escalate" to "Close".
  - Ensure that any relevant parties in the department are notified that the visiting/academic appointment is not proceeding.

Office of Research Compliance and Training

The Office of Research Compliance & Training helps ensure that Columbia faculty, students, and staff are in compliance with the complex web of regulatory requirements that govern international activities.

WHAT WE DO

- Advice and Consultations
- Anti-Boycott
- Anti-Corruption
- Conflict of Commitment
- Conflict of Interest
- Data Management & Security
- Economic Sanctions & Restricted Parties

- Export Controls
- Fiscal Responsibility
- International Research
- ReaDI Program
- Research Misconduct
- Training
- Unmanned Aerial Vehicles (Drones)

What are export controls?

Federal laws that regulate the transfer of certain "sensitive" items, software or technical information outside the U.S. or to non-U.S. persons within the U.S.

- International Traffic in Arms Regulations (ITAR): State Dept.
- Export Administration Regulations (EAR): Commerce Dept.
- Sanctions Regulations: Treasury Dept.'s Office of Foreign Assets Controls (OFAC)
- Others, e.g. Dept. of Energy (nuclear export controls)

Purpose: to promote U.S. national security interests and foreign policy goals

Reach out to Research Compliance and Training:

- If you plan to export (i.e., ship, hand-carry, or otherwise send) items abroad.
- If you purchase items controlled under the ITAR or that have an export control classification number (ECCN) under the EAR.
- If you need to file Electronic Export Information (EEI) in the AES system.
- If you are asked to receive export-controlled information or controlled unclassified information (CUI), or to safeguard information under the NIST 800-171 standard.
- If you have any questions or concerns about export controls and how it might impact your research or lab.

Columbia Resources

▶ [Research Compliance & Training Website](#)

▶ [Export Controls](#)

▶ [Economic Sanctions and Restricted Parties](#)

▶ [Anti-Corruption](#)

▶ [International Research (including IRC Risk Management Criteria)](#)

▶ [Research Security](#)

Questions? Reach out early and often!

Michelle Avallone
Director of Export Controls & International Engagement,
Research Compliance and Training
mla25@columbia.edu

Janique Cheesman
Associate Director, Research Compliance
Research Compliance and Training
jtc2168@columbia.edu

Natalie Stevens
Regulatory Compliance Specialist
Research Compliance and Training
ncs2155@columbia.edu

RESOURCES