

AWARDS 2017

The WorldECR Awards recognise the achievement of export controls and sanctions professionals.

While some professionals may bemoan the quotidian regularity of their jobs, one senses sometimes that those in our fields wouldn't mind a dose of it – just to break the routine of unpredictability. I exaggerate. In reality, we know that for trade compliance people, managing change – corporate, legal, geopolitical, technological – is very much what drives them.

Uncertainty and surprise create the conditions that are conducive in bringing out their expertise, training and professional instincts. Both have been much in evidence in the past year: a radically different US administration, the drawing to a close of Export Control Reform, great uncertainty over the state of play of sanctions regimes against Iran, Cuba and Russia, and the general trajectory of foreign policy.

We received some really stunning submissions for many of the categories in this year's Awards across all the spectrums – from private practice and industry but also government – and we think there's a lot to learn from the insight the Awards give us into the nature of what really happens in the world of export controls and sanctions.

For compliance professionals at the top of their game, excelling means helping their client companies take advantage of opportunities that exist, not closing them down in the face of onerous red-tape – but all the while understanding and abiding by not only the letter of the law, but the underlying rationale, the policy decisions and ethical considerations that guided the drafting hand. These people, frequently, are the unsung heroes behind many corporate successes.

Other lessons to draw from the awards: size isn't everything! We know that there is compliance excellence to be found in law firms which number a handful of partners who happen to have eschewed 'big firm' life, just as there is in companies which may struggle to describe themselves as 'multinational'. The veritable (and enviable) youth of many of those put forward shows us also that, perhaps more so each year, trade compliance is regarded as an

exciting profession, attracting fine young minds looking to put their 'Millennial' skills to work (and it certainly provides that opportunity.)

And a final observation. There is a real sense of community in the trade compliance world. Yes, their employers or firms may be closely looking at corporate or legal rankings, but there's a genuine desire amongst the *WorldECR* constituents for sharing best practice and experience (even if keeping the 'secret sauce' ingredients to themselves).

Thank you to everyone who contributed submissions, responded to our follow-ups, and generally abided with us. And as in previous years, we're particularly grateful to our Panel of Judges for the time they generously afforded us, and the acumen they exercised whilst doing so.

*Tom Blass
Editor, WorldECR*

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Export Control Practitioner of the Year

Winner: Kevin Wolf

There are few people in the export controls and sanctions space whose name is as well known as our Export Control Practitioner of the Year, **Kevin Wolf**. The central strategist, negotiator and implementer of President Obama's Export Control Reform Initiative, Wolf served for seven years as Assistant Secretary of Commerce for Export Administration before joining Akin Gump's DC office in January this year.

WorldECR readers know all about the Export Control Reform ('ECR') initiative – few have been untouched by the overhaul of US export controls undertaken on Wolf's watch. 'The reform initiative was a massive, seven-year interagency effort to substantially rewrite the defence trade and most dual-use export controls to accomplish various national security and foreign policy objectives,' notes Wolf's new firm. 'The reform resulted in the transfer to the Commerce Department from the State Department of responsibility for regulating most direct commercial defence trade transactions. As a result of these efforts, most of the new content of the EAR and the ITAR reflects strategic direction, policy goals and negotiations between Mr. Wolf and other agencies. In addition, he led the communication efforts involved in rolling out and implementing the new system, which included outreach to US and foreign companies, foreign governments and other US government departments and agencies.'

As one of our judges commented, 'Kevin deserves recognition. He worked tirelessly while at BIS to advance export control reform, as well as to make himself endlessly accessible to exporters and practitioners.'

In addition to his efforts with the ECR initiative, during his tenure at the Department of Commerce Wolf served as the primary Commerce Department senior official responsible for working with the interagency Committee on Foreign Investment in the United States ('CFIUS') and was responsible for, among other things:



Kevin Wolf

'He worked tirelessly while at BIS to advance export control reform, as well as to make himself endlessly accessible to exporters and practitioners.'

- administering a licensing system that processes nearly 40,000 licence applications and other submissions a year
- resolving an array of disputes with other government agencies and exporters
- working with law enforcement officials on investigations and enforcement matters and policy
- setting licensing and other policies covering an array of countries, end-users and end uses
- working with industry representatives and foreign governments on various US and multilateral policy, regulatory and enforcement issues

Finally, we note Wolf's reputation for willingness to engage with industry during his tenure in public service. It was Wolf's team that worked with Clifford Chance to find a solution and settlement for Chinese telecoms giant ZTE after being designated for violating US export controls – a matter which we focus on elsewhere this issue.

All in all, there is no doubt that Kevin Wolf has had a tremendous impact on the field of export controls. He is a worthy winner

Runner-Up: Rosie Petrov,

Runner-up is **Rossitza (Rosie) Petrov**, Program Manager, Office of Export Control Cooperation, Bureau of International Security and Nonproliferation, US Department of State.

Ms Petrov is responsible for the administration of the Export Control and Related Border Security ('EXBS') Program, which helps partner governments establish national strategic trade control systems that meet international standards and cultivate sustainable capabilities to detect, interdict, investigate, and prosecute illicit transfers of weapons of mass destruction ('WMD'), WMD-related items, and conventional arms.

Ms Petrov's portfolio includes the EXBS Graduate Partners, which comprise 12 recent members of the European Union (Bulgaria, Czech Republic, Cyprus, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia, and Slovenia).

In 2016, Ms Petrov undertook several results-oriented initiatives that sought to enhance the value of export controls to the broader community.

These included:

Rosie Petrov

Ms. Petrov has driven a range of training and mentoring initiatives internationally, all focused on improving export control compliance and combating proliferators.



- Sponsoring a research project by the Stockholm International Peace Research Institute ('SIPRI') designed to examine export compliance guidelines and practices among and across EU Member States.
- Spearheading the effort to update content and improve operability of two online tools. The first tool provides support to the private sector in development and implementation of internal compliance programmes. The second tool provides support to front-line border security officers in identifying suspicious commodities of proliferation concern. Several countries in Europe and Southeast Asia have expressed interest in the ICP electronic tool.

In addition, Ms Petrov has driven a range of training and mentoring initiatives internationally, all focused on improving export control compliance and combating proliferators.

Rosie Petrov is a fine example of the truly valuable export controls practitioner whose work, while not always in the limelight, should be prized and celebrated by the wider community. Her contribution to international security is significant.

Highly commended



Pete Heine is a Director of the Center for Strategic Security at Argonne National Laboratory in Lemont, Illinois. He is currently also seconded to the

World Customs Organisation ('WCO') as National Expert, Strategic Trade Control Enforcement. Heine's personal focus is on strategic dual-use trade control, particularly in the advancement of effective targeting strategies for identifying high-risk shipments and the establishment of training programmes for export control enforcement personnel. The Center for Strategic Security helps identify, plan, and implement solutions to forestall long-term security threats, especially those related to proliferation of strategic weapons or exploitation of critical vulnerabilities. Its Proliferation and Trade Analysis Group monitors

proliferation-relevant emerging technologies to develop export control approaches and analyses strategic trade to identify proliferation risks and develop approaches for targeting and interdicting illicit shipments.

In June 2013, Heine was seconded to the WCO to help launch the WCO's Strategic Trade Control Enforcement ('STCE') programme. For the WCO, he led the development of the STCE Implementation Guide and the associated STCE training curriculum, and is now leading the effort to accredit and certify worldwide customs trainers in the use of the curriculum.



Marnix Somsen is a partner in the law firm of De Brauw Blackstone Westbroek in Amsterdam and New York. In recent years, he has enjoyed a good deal

of success for his clients in difficult matters involving conflicting trade controls – specifically in matters impacted by US export controls and sanctions in their extraterritorial application and by the EU blocking ordinance. This is a delicate balancing act, where a wrong step can provoke a regulator's wrath and a client's business interests quickly unravelled. Somsen has developed two managed approaches to the problem which focus on selecting the best and appropriate forum for disclosure and resolution of the matter. Employing these methods, he has enjoyed success in some high-profile disputes for clients who include ING Bank – in a settlement with US authorities in a dispute over US Cuba sanctions – and for Fokker Services in settlement agreements with the US Department of Justice, OFAC and BIS, relating to historical conduct involving transactions and customers in sanctioned countries (Iran, Sudan and Myanmar).



Ajay Kuntamukkala is a partner in the DC office of Hogan Lovells. With over 17 years of private sector and government experience, he combines legal

analysis and policy advocacy to advise clients on a range of export controls, sanctions, anti-boycott, nuclear trade, and encryption matters. He is a go-to advisor for the nuclear industry on

export control matters, including nuclear reactor suppliers, software and equipment suppliers, utilities, consulting firms, and insurance providers. He represents the Nuclear Energy Institute, the leading US trade association for the nuclear industry, and participates in NEI's Export Control Subcommittee.

Currently, Ajay is leading a team that is assisting a large medical device manufacturer with trade controls matters arising out of the acquisition and integration of a non-US company with extensive US operations. This includes integrating the seller's sanctioned country business and other international business into the client's existing framework for sanctions, export controls, and anti-boycott compliance, and with due diligence and sanctions advice with regard to other acquisitions and joint ventures involving Russia and Italy. The instruction included a review of thousands of products for Iran general licence eligibility.

Judging panel and process

All submissions were reviewed by the *WorldECR* team and a shortlist then prepared for each award which was given to our judging panel to make their decisions upon. Judges were asked to review the shortlists and choose a winner and runner-up for each category (excluding Export Controls Compliance Team of the Year, Rest of the World and Europe). Judges were given total freedom as to how to prioritise the various achievements of shortlisted individuals and organisations in coming to their decisions. Judges associated with a shortlisted organisation were deemed conflicted and unable to vote in that category. Where the judges' decisions resulted in a tie, the casting vote would be that of the *WorldECR* team.

The *WorldECR* team included Tom Blass, editor, and Mark Cusick, publisher. Our judging panel were:

Doug Jacobson, Partner, Jacobson Burton Kelley PLLC; George Tan, Principal, Global Trade Security Consulting; Joshua D. Fitzhugh, Group Head of Export Controls, BAE Systems plc; Marian Niestedt, Partner, GvW Graf von Westphalen; Maya Lester QC, Brick Court Chambers; Meredith Rathbone, Partner, Steptoe & Johnson LLP; Pablo Lecour, Partner, Deloitte; Richard Tauwhare, Senior Director, Dechert LLP; Susanna Sjösten, Export Control Director, Saab Kockums.

WorldECR

Sweden moves to restrict arms exports to democracy-friendly customers	4
Canada: new measures against North Korea	10
Qatar embargo: implications for business	13
The EAR: available licence exceptions overview	19
New UK civil sanctions regime and US sanctions enforcement – a comparison	22
Luxembourg's trade controls regime: a look at current and future legislation	25
Intra-company data exchange: a breeding ground for export control violations?	27
THE WORLDECR AWARDS 2017	33



WorldECR

BIS guidance on Russia due diligence	3
3D printer gun firm in 'free speech' challenge	4
Export control issues for academia	8
Enforcement of trade controls in Germany	10
More effective enforcement of export control rules in Sweden	18
Same but different: the U.S. and EU capital markets sanctions on Russia	20
China's new military procurement website	24
THE WORLDECR AWARDS 2015	27
C-TPAT: a programme in transition	44



WorldECR

More non-U.S. banks hit with sanctions fines	3
The tricky business of de-risking	8
Canada: new dual-use General Export Permit	11
Talking export controls with Kathleen Palma	16
EU Court rules in favour of Mr Portnov	18
'Facilitation': A new tool for extra-territorial sanctions enforcement?	21
How awesome are Australia's AUSGELs?	24
Profile: Baker & McKenzie's Trade and Commerce Practice Group	28
Colombia: compliance challenges as nation ascends to world economic stage	32



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WorldECR

Young Practitioner of the Year

Winner: Yvo Amar

Together with Sebastiaan Bennink, **Yvo Amar** founded B&A Law in 2014, having left one of the region's leading law firms to focus exclusively on export controls and sanctions. From the beginning, Amar says, their aim was 'to become the number 1 law firm in the Netherlands in relation to sanctions and export controls'. It's clearly very early days for the two-lawyer firm, but they have certainly set off in the right direction.

In a short period, Amar has built a client base drawn from a wide range of industry sectors, including companies in mining, defence, drones and communications, and from a host of financial institutions, advising on sanctions and export control matters. Some of his instructions have been particularly high profile. He successfully represented the NPSA, the Dutch delegation of the International Practical Shooting Association, in a groundbreaking court case testing whether the temporary export of the arms to a shooting competition falls within the scope of the EU arms embargo on Russia. The case was covered by Dutch, Austrian and Russian press, and by *WorldECR*.

Demonstrating initiative and a savvy business sense, he joined the first Dutch trade mission to Iran, accompanied by the Dutch Minister of Economic Affairs. The mission focused on oil and gas and agribusiness opportunities and included some of the largest Dutch companies, such as Air-France KLM, Philips, Unilever and Shell. His experiences on the trip have enabled him to build a network of contacts in industry and also in the law and finance in Iran as well as with European businesses looking to take



Yvo Amar

High-profile cases, strong business sense, and an ambition to build a leading practice mark him out for attention.

advantage of new business opportunities. A bright young man, going places.

Runner-Up: Mac Fadlallah

Mac Fadlallah, the youngest partner at Akin Gump, must have big shoulders. He made partner in 2017, but was already well used to the responsibility that goes with the title. In 2012, Mac relocated from DC to the firm's office in Dubai, from where he runs a highly regarded trade practice focused on the application of US export controls and sanctions laws to non-US entities, including subsidiaries of US companies.

Examples of Mac's work include managing and successfully resolving a large-scale investigation with criminal implications for a global manufacturing company, which involved site-visits to its Chinese manufacturing plants to conduct *de minimis* analyses, as well as raids of its Dubai subsidiary to collect relevant data; and conducting legal feasibility studies on behalf of non-US affiliates of US companies looking to launch business operations in Iran under General License H. The firm categorises Mac's practice as 'unique'. Certainly, we don't know of many young lawyers

who can put on their CVs that they trained the Ethiopian government on how multilateral nonproliferation sanctions should factor into the country's anti-money laundering framework, and then advise on the legislation to give it effect.

Highly commended



Lindsey Roskopf is a member of the trade team at the Joiner Law Firm in Texas. Name partner Jamie Joiner says of her: 'Lindsey is in my experience truly

unique in her professional maturity, insights, and ability to apply the law in a useful and practical manner to her client's issues and concerns. She has operated at a level beyond her years of experience since the very beginning of her legal career.' In the past year, Lindsey has assisted companies in the oil and gas sector that include UK-based companies with global operations in the US, Asia-Pacific, the Middle East and elsewhere on US sanctions and export control investigations. She has also handled an OFAC investigation for a US-based organisation in the medical and academic arena.



Mac Fadlallah

'has firmly planted himself as a leader within the firm, helming its international trade practice in Dubai.'

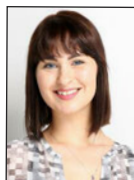


Roy Liu is a senior associate in the DC office of Hogan Lovells.

In the past year, he served as the lead senior associate for the firm's representation of a

publicly traded Chinese manufacturer under a US export enforcement investigation. The case was particularly challenging because of the Entity List designation of two entities

within the company group, the company's heavy reliance on US parts and components, and its complex corporate structure and extensive intra-company interactions. Roy helped the company through an internal investigation, in establishing a compliance programme, and in its discussions with US suppliers on the continuation of business relationships.



Arielle Boulanger-Houde, a Classification, Export Controls and Customs Specialist at Siemens Canada Limited, is a champion for export control compliance in her own organisation and beyond. Despite her young age (not yet 30), she is regularly called upon to take part in

panel discussions where her insight and enthusiasm are highly appreciated.

She has a 'passion for her work', her 'enthusiasm for export control is contagious and her positive attitude is inspiring,' reports the Export Compliance officer of another company, who goes on to ask: 'How often does it happen that your mentor is 16 years younger than you are?'

Export Controls Law Firm of the year, U.S.A.

Winner: Clifford Chance

It is one of the biggest export control stories of recent years. When Chinese telecommunications company ZTE Corporation ('ZTE') was placed on the BIS Entity List, effectively cutting it off from its US suppliers and customers, Clifford Chance secured the first ever 'Temporary General License' ('TGL'), enabling ZTE to stay in business during the pendency of a multi-agency export control investigation.

Although ZTE received one of the largest penalties ever imposed in this type of case (\$1.19bn), the resolution was founded upon Clifford Chance demonstrating to the US agencies involved that ZTE had turned the corner, and that the company's cooperation and commitment to compliance deserved a second chance.

Clifford Chance worked with ZTE to obtain multiple extensions of the TGL and secured ZTE's removal from the Entity List, while conducting an in-depth investigation based out of the company's headquarters in Shenzhen, China. Innumerable legal, cultural, and language differences were overcome so that ZTE could cooperate fully with the investigation after ZTE had initially misled the US government about shipments of US-origin goods to Iran and to North Korea.

Clifford Chance secured a settlement for ZTE despite hostility and mistrust towards a Chinese company that had misled the US government. Ultimately, ZTE agreed to plead guilty to obstruction of justice and providing false statements, as well as to export controls and sanctions violations. The settlement with the US Department of



Wendy Wysong of Clifford Chance

The firm secured the first ever 'Temporary General License', enabling its client ZTE to stay in business during the pendency of a multi-agency export control investigation.

Justice ('DOJ'), the US Department of Commerce Bureau of Industry and Security ('BIS'), and the US Department of the Treasury Office of Foreign Assets Control ('OFAC'), concluded a five-year investigation into allegations that ZTE had violated US export controls and sanctions laws.

As ZTE Corp. moves forward, it is focused on implementing a robust and best-in-class export compliance programme developed by Clifford Chance.

The Clifford Chance team was led by Wendy Wysong (Washington, DC and Hong Kong) and included team members from the firm's Hong Kong, DC, New York, Singapore, Beijing, and Shanghai offices.

Runner-Up: Jacobson Burton Kelley

For a small outfit, DC/New York firm **Jacobson Burton Kelley** enjoys a massive reputation. The firm has three partners – Doug Jacobson, Michael Burton and Glen Kelley – who each have substantial experience in working with US and non-US companies on all aspects arising out of dual-use and defence-related export controls. Among other

instructions, the firm is providing all US export controls and economic sanctions compliance advice relating to a large potential project in Iran, to build and operate infrastructure facilities with an Iranian joint venture partner. Advice covers, among other areas, compliance with US export and re-export controls potentially applicable to articles and technologies located outside the United States to be exported to Iran as a part of the project, and advice on:

- whether such items are subject to the the EAR, and if so how they are classified under the EAR
- deemed export issues for proposed technology transfers to non-US persons as part of the project
- the overall structure for the investment and the proposed business activities in Iran
- the proposed project partners, banks providing financing and other parties involved in the project.
- general advice regarding the dynamic US and EU regulatory landscape relating to Iran, and the potential for changes in relevant export controls and sanctions.

In a word: awesome!

Highly commended

Akin Gump has one of the world's largest export controls practices, with team members based in offices in the US, Asia, the Middle East and Europe.

In the past year, the firm has been successful in recruiting high-profile lawyers to its partnership – Kevin Wolf, as mentioned above, and Jasper Helder from Baker McKenzie in Europe. Other highly regarded team members include Thomas J. McCarthy, Wynn H. Segall and Jonathan C. Poling in DC, and Tatman R. Savio in Hong Kong.

Among the year's instructions, the team helped a company obtain a favourable EAR classification ruling on a novel information security product. The team worked with the company to develop accurate and complete information and then drafted and submitted the classification request. The ruling allowed the company to execute its business plan by obtaining certainty on licensing requirements and reducing burdens through the use of exceptions where appropriate and possible.

Winner in this category in 2015 and 2016, **Steptoe** prides itself on practical advice that takes into account business needs; quick response time; expertise throughout the ranks of associates, counsel, and partners; deep expertise across

multiple regulatory disciplines; and its ability to handle US and non-US export control regimes.

High-profile instructions have included advising the Coalition for Responsible Cybersecurity, which represents a broad cross section of US- and EU-based cybersecurity companies, including Symantec, Philips, Microsoft, Ionic Security, FireEye, and Raytheon. In 2015-2016, Steptoe was at the forefront of the Coalition's efforts to educate US and non-US policymakers on the perceived negative effects of the Wassenaar Arrangement's rules on intrusion software, including comments on the proposed rule, presentations at numerous BIS Technical Advisory Committee meetings, and congressional outreach, resulting in the US government's agreement to seek renegotiation of the rule with other Wassenaar Arrangement members in 2016, and again in 2017. Beginning in 2016, this effort expanded to include a broadened focus on the EU's proposed changes to its dual-use regulations as those relate to cyber-related activity, with Steptoe's offices in London and Brussels fully integrated into this effort.

Hogan Lovells has a strength in depth in its export controls practice that few firms can match. With highly regarded practitioners in DC and

Brussels, the firm is 'at the forefront of virtually all cutting-edge export control issues'.

This is a truly international practice, as a glimpse at just two of a long list of instructions from the past year illustrates.

- The firm assisted Corporacion Nacional de Telecomunicaciones ('CNT'), the largest Ecuadorian telecommunications services provider, in seeking removal from the BIS Entity List. Under the restrictions imposed by BIS, exports to CNT of certain telecommunications infrastructure components and equipment require an export licence (which would otherwise not be the case). The firm is advising the company in the review of transactions and enhancing CNT's trade compliance programme, and working with the client to seek its removal from the list and support the approval of US government licences.
- The firm represented a major US defence company in a range of matters, such as novel jurisdictional issues related to commercial communications satellites and their components, and the relationship between trade controls laws and required reporting to the SEC and other government agencies.

Export Controls Law Firm of the year, Europe

Winner: HFW

HFW (née Holman Fenwick [&] Willan) has a worldwide focus acting for companies in the commodities, mining, energy and resources, shipping, aviation and insurance sectors, including providing them with export controls expertise.

Anthony Woolich, global head of the firm's Competition and Regulation group, and Daniel Martin, are key contacts based in the London office. In the past year, two lawyers with strong export control and sanctions practices, Pauline Arroyo in Paris and Sarah Hunt in Geneva, were elected to the partnership and the group also includes six associates across the Paris, Geneva and London offices.

The firm displays laudable



Anthony Woolich and
Daniel Martin of HFW

initiative in servicing its clients, as it showed when acting for a major European shipowner reviewing requests from its charterer to carry numerous military and dual-use cargoes to a variety of destinations. Having originally been asked to review individual requests on an ad hoc basis (checking cargoes, licences and associated documents), the firm

set about devising a streamlined process which clients could themselves follow, in order to reduce the costs of compliance, and speed up the process. And working with a major provider of IT solutions to the shipping industry on a product which will allow controlled cargoes to be identified and managed more proactively within the transport

process, the firm has helped clients reduce delays and costs.

Other instructions have seen the firm assist a multinational on EU/US and Canadian export controls impacting a proposed supply of drilling equipment to Iran. The team advised on the position under EU law and coordinated the advice on the US and Canadian aspects, including engaging a Canadian classification expert. Elements included advice on structuring trade flows to ensure compliance with export control requirements, including US deemed export rules.

Runner-Up: Baker McKenzie

Swapping places on the podium, last year's winner in this category is this year's runner-up. Baker McKenzie is a giant in export controls advice. With trade lawyers in Amsterdam, Frankfurt, London, Brussels, Zürich, Barcelona, Stockholm, Rome, Moscow, Paris, Warsaw and Budapest (and more offices than we have space for here), the depth of its European presence is unmatched. Many of the firm's non-US attorneys specialising in export controls in their jurisdictions are well-grounded in US export controls, particularly with respect to their extraterritorial application.

In the past year, the firm

- Provided trade compliance assistance to one of the world's leading military defence companies based on a global agreement to support its business around the world. Advice includes both military and dual-use advice and spans trade compliance, brokering and sanctions. The work is coordinated by the Stockholm office but involves practitioners in more than 20 jurisdictions.
- Advised a leading German automotive supplier on the implementation of a new global compliance programme for the German headquarters and all group companies worldwide; the client instructed the firm to identify export control requirements in those countries where it maintains group companies.
- Advised a leader in the global packaging solutions sector as to

potential issues under the Turkish trade sanctions and export controls regarding Syria.

- Advised a technology giant on a diverse range of issues relating to 'cyber' exports, imports and sanctions across the EMEA region and globally.

Highly commended

Pillsbury's international trade practice in Europe is based out of the firm's London office. The firm assists clients in the preparation of licence applications and in the use of general licences and exemptions, in compliance planning, training, in export audits, on voluntary disclosures of export control violations, internal investigations, negotiating settlements, and defends companies in both administrative enforcement proceedings and criminal prosecutions.

A rich and varied workbook has seen the firm

- Represent a global technology and online services company in two separate UK government export audits, resulting in no negative findings on both occasions.
- Work closely with in-house counsel on updates to business-wide ITAR, EAR, and European export control procedures for one of the world's largest defence companies.
- Provide ongoing advice as outside export counsel to a Fortune 100 global technology and social media company on EU export control issues.
- Advise a Japanese consortium on EU and Norwegian software and equipment export controls for a major Russian energy project.
- Advise an Asian company on EU export controls applying to use of software for an Iranian energy field.

Baker Botts has deep export control expertise in both its London and Brussels offices, with the two offices working closely together on a variety of mandates. The team is led by Georg Berrisch in Belgium and Chris Caulfield in the UK.

The firm acted for a major global helicopter operator in a particularly sensitive licensing matter – the client had already made one self-disclosure

to the UK authorities a few years earlier in respect of unlicensed exports. The firm was engaged to assist in determining whether unauthorised exports had been made (they had), investigate the extent of those unauthorised exports, and advise on the best tactics with the UK authorities in respect of making a voluntary disclosure. The firm assisted the in-house legal team in drafting the voluntary disclosure and in achieving a successful resolution for the client vis-a-vis the UK authorities.

In another instruction, the firm advised one of the world's largest aircraft leasing companies in respect of a review of its export control processes, helping it to streamline and consolidate existing processes and providing in-house training in both Ireland and the US to commercial and legal teams.

Hogan Lovells' extensive network of offices in Brussels, Amsterdam, London, Moscow, Munich, Paris and Rome, lets it address export control issues that span EU Member States and beyond. Lourdes Catrain in Brussels is a much-liked and highly regarded practitioner.

A glimpse at the past year shows the capabilities of the team in Europe:

- Advised a US multinational technology and social media company on the export control and import aspects of their products into the EU from the US and China.
- Acted for major US/UK defence company, Meggitt, in its acquisition of the global composites business of Cobham plc. Conducted a due diligence on UK, EU, and US trade controls and economic sanctions of Cobham plc.
- Advised a leading European automotive supplier on export control matters, including assessing the exposure to EU export control laws of new products. Assisted the company in strengthening its export compliance policies.
- Assisted a leading life sciences company with export control matters, from a UK affiliate to a Russian joint venture.
- Advised a leading Spanish company developing a communications platform in Iran.

Export Controls Compliance team of the year, U.S.A.

Winner: Accenture

Accenture's Global Trade Compliance team ("GTCT") looks to the future. Not content with its runner-up position in this award last year, the team has pushed forward in its ambition to become 'one of the most effective in-house compliance teams in the world' and during the past 12 months set about putting together a four-point plan to take its game to the next level (see below).

Led by managing director of Global Trade Compliance, John Pisa-Relli, the team regularly receives plaudits from the marketplace: 'terrific'; 'combines deep knowledge of the US and EU regulations with a very practical approach to export control compliance'; 'takes a plain English, common-sense approach to trade compliance'; 'highly innovative in coming up with new ways to communicate a complex system within their organisation'.

Comprising seven trade compliance professionals – four lawyers who support specific geographic areas, a global director of asset classification and trade logistics, and two programme managers who oversee key compliance functions, such as denied party screening and who provide vital administrative support – the team supports a 400,000-employee global giant. The team is committed to diversity, inclusiveness, and corporate citizenship – 60% of the GTCT is female and its ranks span ethnic and cultural backgrounds.

Pisa-Relli is keen to explain the efforts the team is taking to improve further: 'Accenture completed a risk assessment in 2016 in which expert outside counsel concluded that its trade compliance programme is "effective" and "well-tailored" to the company's risk profile today. Nevertheless, Accenture leadership challenged the team to find ways to anticipate international trade control trends and the next wave of risks to remain fit for purpose tomorrow. Based on the risk assessment findings, the GTCT presented a four-point plan to Accenture leadership to enhance the effectiveness of its trade compliance program: SEAL (Simplify, Educate, Automate, and Leverage).



John Pisa-Relli, Accenture

'The multinational group led by Pisa-Relli is knowledgeable, practical, and nimble enough to address the most difficult trade controls challenges,' reports one market peer.

'Simplify: A revamped trade compliance policy replaced two lengthy policies with a single short and clear mission statement. Instead of dense technical language and citations to statutes and regulations, the current policy explains international trade controls to the vast Accenture workforce, using the simple concept of WHERE, WHO and WHAT. Trade controls regulate WHERE we do business, WHO we are permitted to do business with, and WHAT industries and technologies are subject to enhanced controls. Employee response to this simplified policy was overwhelmingly positive and empowered an army of issue spotters to raise matters that require special handling to the deep subject matter experts on the GTCT.

'Educate: In 2017 the GTCT streamlined the computer-based trade compliance training course that a significant portion of its 400,000 person workforce is required to take and increased its use of internal social media platforms to increase awareness of international trade controls in a more interactive and agile manner. In addition to being able to communicate changes in the law to key business stakeholders immediately, the GTCT uses these platforms to demystify trade compliance and make it interesting to the broader Accenture community.

'Automate: The GTCT has launched an ambitious effort to use the innovative technologies that Accenture is developing for its clients to drive its own compliance. For example, the GTCT is designing ways to automate screening for trade compliance issues during the opportunity intake and management process. Our ambition is to automate wherever possible, to free up the subject matter experts and their

support teams to handle the complex matters that require human intervention and decision-making.

'Leverage: Though managed by a small team, trade compliance is very visible to Accenture's vast workforce. To extend its reach and amplify its voice, the GTCT works closely with key stakeholders in the company's legal department, who serve as force multipliers. Emerging initiatives include fostering a closer collaboration with intellectual property lawyers and R&D labs to ensure that Accenture is able to classify its technologies for export controls early in their lifecycle.'

WorldECR applauds the team for its forward-thinking approach and for its pursuit of excellence.

Runner-Up: 3M Trade Compliance

3M Global Trade Compliance is responsible for the operational management of import and export compliance of 3M Company and all of its subsidiaries around the world. It oversees annual cross-border trade of over \$12.6 billion, which includes trade in over 1,500 export-controlled commodities.

The core corporate export compliance team consists of a Global Manager and seven export controls specialists and analysts, located at 3M corporate headquarters in St. Paul, Minnesota, United States. The Global Manager responsible for 3M export compliance is Pierre J. LaMere, a 3M employee of more than 27 years.

In 2016 and 2017, the 3M team embarked on a bold initiative to deploy a single-instance ERP system based on SAP throughout its global operations and to standardise and modernise its

business processes. Working closely with 3M's IT specialists, this business transformation team set about ensuring that 3M's export compliance-related controls that were built and customised in legacy IT systems over many years were not only transferred to a new platform, but enhanced and made capable of taking advantage of technological advantages of the new ERP system.

The open design of the ERP system, which is based on servers located in the United States and is intended to provide global transparency to manufacturing data, presented 3M's team with unique and unprecedented challenges in securing access to 3M export-controlled technical data. Restrictions on the collection of personal data based on the data privacy laws of certain countries further complicated the task of ensuring appropriate access control restrictions to controlled technical data. A 3M colleague from outside the team commented: 'The 3M Trade Compliance team has risen to the occasion, inventing and implementing a new IT access control strategy that appropriately balances risks of unauthorised access to export-controlled data against data privacy concerns.'

Other achievements for the team in the past year have included

- Successful engagement with the US Department of Commerce to obtain an advisory opinion on whether intra-company transfers of controlled technical data covered by end-to-end encryption constitute exports giving rise to licensing requirements;
- Due diligence and management of export compliance risks in several significant acquisition and divestiture projects; and
- Effective regular engagement with and training of division technology control managers, who perform the roles of export control extension officers in 3M's 26 business divisions.

The contribution of the team to the company's success is recognised outside the department. As a member of another department notes: 'The contributions of 3M's export controls compliance team have also been an important enabler of 3M business. Historically, the team has been able to



The team at 3M Global Trade Compliance; Pierre LaMere is on the far right.

efficiently support business by navigating numerous complex areas of export control and embargo and sanctions compliance with a relatively small commitment of resources and in the context of ever-changing business and foreign policy environments. Today, in addition to their traditional business-enabler role, the export controls compliance team is enabling the company's process of business transformation, by obtaining critical government authorisations and guidance, and finding innovative solutions to ensure compliance in the single-instance ERP environment.'

Highly commended

Weatherford is one of the world's largest oil and natural gas service companies. The company provides products and services for drilling, evaluation, completion, production and intervention of oil and natural gas wells, along with pipeline construction and commissioning. Headquartered in Switzerland, Weatherford operates in more than 100 countries across the globe and employs more than 35,000 people.

In 2013, the company made a payment of \$253 million to settle sanctions and anticorruption violation allegations. Four years on, the company is widely seen to have turned things around and now enjoys an excellent reputation for its commitment to trade compliance. Natalia Shehadeh, vice president and chief compliance officer, leads the Trade Compliance Program Team which also includes Melissa Bohannon and Randi Heuser (both Houston), Patrick Crawford (Zurich), and Sergio Penna (Rio de Janeiro).

The team sits within Weatherford's compliance function, providing support to all departments involved in

international business in 80+ countries. These would include the following and more:

- classification data management and denied party screening within trade automation
- drafting, issuing and training on formal trade guidance and policies
- creating and auditing trade procedures
- providing oversight to all trade-related government enquiries
- and mitigating trade risk

The team's focus is very much a global one, with a trade compliance manager/counsel in each region in which the company operates, supported by members in Houston and Switzerland. All of the regional trade compliance managers and counsel 'are fluent in import, exports, export controls, antiboycott and sanctions compliance as it relates to their geographic responsibilities. We view this as delivering the highest quality, real-time service to our business, rather than cultivating siloed experts in imports versus export controls.'

The importance of a good understanding of the markets and cultures that the business operates in underpins the staffing in compliance and team members have 'expertise specific to the regions they support, while we also look for opportunities for career development and expose our team to cross-regional training, development and career opportunities.'

With a commitment to good training and investment in systems – 'We have implemented some best-in-class automation tools that raise the service quality bar of our support to the business and greatly reduce our regulatory' – the problems of the past have been put well and truly behind them.

Export Controls Compliance team of the year, Rest of the World

Winner: Celestica, Logistics & Trade Compliance team

'The *WorldECR* Awards recognise outstanding work, vision, best practice, commercial benefit to the company, and contribution to international security, of organisations and individuals working in the fields of export control and sanctions compliance and non-proliferation.' Whilst the *raison d'être* of these awards may seem sensible and straightforward, many organisations still struggle to understand that good trade compliance practice need not inhibit sales and exports – instead, it can positively boost productivity and profits. The winner of this award decided a year ago that a significant investment in the company's export compliance effort could only be a win-win. They have been proven right.

Headquartered in Toronto, Canada, **Celestica** employs more than 25,000 people across 25 sites in the Americas, Europe and Asia. The company provides design, engineering, electronics manufacturing and supply chain management services, and globally is involved in over 11,000 export transactions each week.

The Logistics & Trade Compliance team is home to 19 people supporting the commercial activities of the company, mainly based in offices in Toronto, Hong Kong and the UK – a structure which, according to Dominic Carabine, Senior Director Global Logistics & Trade Compliance, ensures that the business receives 24-7 export compliance advice. The company is committed to compliance with trade regulations around the world and that by its nature puts pressure on the effective operations of the compliance team. To ensure even greater success in its trade compliance efforts, last year Carabine's team embarked on an automation project which would ensure that each and every one of the 11,000 weekly exports was compliant.

'The successful export of these shipments, and their compliance with local legislation,' says Carabine, 'is imperative to the responsiveness of our global supply chain. Previously,



our trade compliance processes were manual, and differed from site to site. These varying processes put Celestica at risk for cash penalties as well as limiting the company from successfully entering into key markets with high control requirements.'

Working with an external consultant, the team set out to automate the company's compliance with international trade laws and regulations governing the export of cross-border transactions by introducing the SAP global trade services ('GTS') module into its existing SAP framework in 23 sites around the world.

From the start, the Celestica project team was firmly focused on the international nature of the business and this informed their decision as how best to approach the challenge. As Carabine says, 'While Celestica is a North American-based company, we chose to engage with a partner that had a global software solution that allowed Celestica to meet the export requirements of all the countries we currently operate in.'

'In addition to the European export licensing requirements, Celestica was subject to the Malaysian Strategic Trade Act and developed a compliance programme within GTS to comply with Malaysia's export requirements. We have also successfully implemented the import and export controls for Hong Kong with GTS. We are currently in discussions with our partner about the proposed export regime implementation of Thailand.'

The new system enables:

- Automation of sanctioned party

lists screening for all in- and outbound shipments

- Automation of licence management
- Mass HS classification upload
- Audit trails for both internal and external sources
- Automation and standardisation of transactional denied party screening and export licence determinations

According to Carabine, a further benefit of the process was to remind other areas of the company of the importance of compliance. 'The implementation of GTS drove significant change within Celestica,' he says, 'directly or indirectly impacting employees on the customer-facing side as well as in SCM, Operations, Logistics and Trade Compliance Teams. GTS ensures all international shipments are screened and that the correct trade licences are in place. If the correct licences are not in place, or a party is blocked by the sanctioned party screening, the shipment is blocked. The compliance risk is reviewed and where possible resolved to allow the shipment to proceed.'

Throughout the project, the team 'focused on aligning all the levels within the company, including the executive team through regular communication.'

Carabine is pleased with the impact of the new system: 'As a result of the GTS implementation, we have increased our speed to adopt export compliance regulatory changes while continuing to ensure the highest levels of trade compliance. This allows Celestica to continue to flourish within its core markets as well as in growth markets, such as aerospace and defence which have strict export compliance requirements. We now have 100% of our SAP export transactions screened and the applicable licence determinations automatically assigned. In 2016, Celestica's SAP-

GTS completed sanctioned party listing reviews for over 400,000 purchase orders and over 230,000 sales orders. This advanced licensing strategy allows Celestica to differentiate itself in the market segments in which we operate.

'In addition, it further enhances Celestica's overall supply chain security programme in that it ensures controlled parts are only moved by validated and approved carriers.

Celestica has incorporated best-in-class security over the years to attain certification in the supply chain security programmes of the EU, Canada, Mexico, United States, China, and Thailand.

'By incorporating GTS into our order management system and therefore ensuring compliance to the export regulations of countries we operate in, we are confident that we are dealing with known parties that

are approved to receive and handle controlled goods. Coupling this with Celestica's participation in security programmes such as C-TPAT, PIP and AEO, we are further safeguarding the controlled product by shipping the goods with partners that have demonstrated similar commitment to overall security.'

WorldECR congratulates Carabine and his team on what is clearly a good job well done.

Export Controls Compliance team of the year, Europe

Winner: Meggitt

'Meggitt is committed to maintaining full compliance with the laws and regulations governing trade controls in all jurisdictions in which it operates.' Charged with delivering on this is the winner of this year's award for Export Controls Compliance team (Europe), Trade Compliance at Meggitt.

A multi-million pound business, the company has five divisions – including a number of market leaders: Aircraft Braking Systems, Control Systems, Polymers & Composites, Sensing Systems and Equipment Group – mainly supporting defence and aerospace clients, such as Airbus, Boeing, BAE Systems and the US government.

Natasha Allen, Head of Trade Compliance, Europe & Asia, leads the team whose mission statement is 'To serve the Meggitt business community by providing support, guidance and direction in the application of appropriate trade compliance regulations while facilitating the legitimate business of the company and its partners.' A more succinct brief is to 'ensure end-to-end compliance in coherence with national, EU and US laws and regulations'.

The company is committed to trade compliance. 'In 2003 Meggitt implemented the import compliance section of our trade compliance programme which complements the 10+ years spent on implementing the export compliance aspects,' notes Allen. 'We believe that Trade Compliance is now "institutionalised" within Meggitt.'

Undoubtedly, this is why the team receives positive comment: 'Those I've



Natasha Allen, Meggitt

The Meggitt team seeks to 'ensure end-to-end compliance in coherence with national, EU and US laws and regulations'.

met from Meggitt have impressed me greatly,' says one consultant. 'They clearly know their stuff and seem to go about their business in a no-nonsense and reassuring manner.'

Trade Compliance has roughly 50 people within Europe and Asia, full- and part-time, seven at the corporate level and the remainder site-based. Allen explains: 'Corporate personnel are responsible for the implementation of trade compliance business systems, internal audit (trade compliance) and import/export compliance to ensure continued implementation of the in-house trade compliance programme in line with corporate objectives and best practice, while sites are responsible for the daily activities relating to all aspects of import, export and trade compliance.'

The team supports Meggitt businesses in the UK, France, Spain, Germany, the Netherlands, Denmark, Switzerland, Vietnam, Singapore, China and Australia and offers full end-to-end compliance processes for each business, in line with the company's global compliance policy and procedures.

Allen is an advocate for strong compliance within the business: 'Our

greatest success,' she says, 'has been changing the perception of our function within the business and our customers. With the work of our dedicated and fully trained team, we are now seen as a facilitator of business, where each function recognises the need to work with Trade Compliance to achieve the desired goals, being proactive rather than reactive. This has helped the business to be both more commercially and financially responsible.' Three regional council meetings a year are the time and place to invite other functions to interact with Trade Compliance.

Having got the rest of the company on board, there is no standing still. 'The Trade Compliance function continues to evolve to meet the ever-changing demands of the complex regulatory and challenging business environment,' says Allen. The company has invested in SAP Global Trade Services (SAP GTS) at 24 facilities across four countries. The system provides an automated solution to mitigate the risk of transacting directly and/or indirectly with entities including end-users who are debarred, subject to sanctions or located in an embargoed country.

New from WorldECR – *The Export Compliance Manager's Handbook*

The publishers of *WorldECR* are pleased to announce the publication of ***The Export Compliance Manager's Handbook***, a new guide designed to act as both an introduction to some of the key areas of export control compliance practice and also as a helping hand in dealing with typical challenges.

The Handbook (264 pages) falls into 26 chapters plus Foreword and Glossary, and includes insight from a number of popular and highly respected *WorldECR* regular contributors.

Writing in the Foreword to the Handbook, *WorldECR* editor, Tom Blass, notes: 'Our mission in commissioning the chapters that constitute this book has been to provide a common-sense overview of the key issues pertinent to a complex subject.'

'In its conception, we saw it as a helpmate for the export controls compliance practitioner, whether a long-in-the-tooth veteran who remembers the CoCOM ('Coordinating Committee for Multilateral Export Controls') but needs a refresher on a fast-changing area of law, or a newcomer, born, plausibly, even after the fall of the Berlin Wall, and excited to be entering an area of practice which reflects the great seismic shifts in political geography that continue to enliven, though occasionally imperil, our lives.'

Content

The chapters and contributing authors are:

- The multilateral export control regimes: an introduction by *Laura Rockwood, Executive Director of the Vienna Center for Disarmament and Non-Proliferation*
- The United States Export Control Reform Initiative by *Bruce H. Leeds and Jennifer Horvath, Braumiller Law Group*
- The U.S. Export Administration Regulations ('EAR'): an introduction by *Olga Torres, Torres Law, PLLC*
- Navigating the ITAR by *Olga Torres, Torres Law, PLLC*
- Dual-use export controls in the European Union by *John Grayston, Grayston & Company*
- Export controls beyond the United States and European Union by *Jay Nash, SECURUS Trade*
- Export controls adopted as trade sanctions measures by *Glen Kelley, Jacobson Burton Kelley PLLC*
- U.S. antiboycott laws: overview and compliance strategies by *Kim Strosnider and Christine Minarich, Covington & Burling LLP and Raytheon Company*
- Implementing an Internal Compliance Programme ('ICP') by *Stacey Winters, Deloitte*

- A step-by-step overview of U.S. commodity jurisdiction by *Olga Torres and Matt Fogarty, Torres Law, PLLC*
- Developing and implementing a restricted party screening programme by *Kevin J. Cuddy, GE Corporate*
- Global Trade Automation: an introduction by *Pablo LeCour, Deloitte*

- Record-keeping and export control compliance: what to, how to, and why you must by *Lila Rose, PolyOne*

- Re-exportation Part 1: The EAR by *Kevin DiBartolo, Latham & Watkins*

- Re-exportation Part 2: ITAR and OFAC by *Kevin DiBartolo, Latham & Watkins*

- Key elements of technology transfers under U.S. export controls by *Michael Burton and Glen Kelley, Jacobson Burton Kelley PLLC*

- Export controls and sanctions in the cloud: a U.S. perspective by *Joseph Schoorl, Hughes Hubbard & Reed*

- Export controls and cryptographic items by *Richard Tauwhare, Dechert LLP*

- Intra-company transfers by *Ajay Kuntamukkala, Lourdes Catrain, Roy Liu and Christopher Lock, Hogan Lovells*

- Compliance for exporters and freight-forwarders: a shared approach by *Jamie Joiner and Ashley Moore, Joiner Law Firm PLLC*

- U.S./EU defence brokering: an introduction by *Jack Hayes, Steptoe & Johnson*

- U.S. export controls and sanctions risks in the manufacturing supply chain by *Timothy P. O'Toole and Abigail E. Cotterill, Miller & Chevalier Chartered*

- Recognising and responding to 'red flags' by *Robert Shaw, James Martin Center for Nonproliferation Studies, Middlebury Institute of International Studies at Monterey*

- Anatomy of an export control investigation by *Ryan Fayhee and Alexandre Lamy, Baker McKenzie*

- Disclosures in the United States – when to, what to consider, and how to do it by *Alexandra Baj, Steptoe & Johnson*

- Disclosure: a global approach by *Tristan Grimmer and Daniel Lund, Baker McKenzie*



How to order

The Export Compliance Manager's Handbook will be available from mid-May 2017 directly from *WorldECR*. Copies cost £45 (plus postage and packing). For further information and to order your copy, please email **info@worldecr.com** with your order requirements. Discounts for bulk orders are available.

Sanctions Law Firm of the year, Europe

Winner: HFW

Capping off a very good year for its trade practice *WorldECR*-wise, **HFW** (Holman Fenwick Willan as was) has 'done the double' and is both our Sanctions Law Firm (Europe) of the year and Export Controls Law Firm (Europe) of the year. Congratulations to the team, steered by Anthony Woolich and Daniel Martin in London.

The firm's focus is on commodities, construction, energy, shipping, aviation and insurance, with lawyers in Europe, the Middle East, the Far East and Australia advising on sanctions issues impacting clients in these sectors. It offers 'innovative, creative and progressive advice' in the sanctions area and 'a particular focus on utilising technology and other streamlining processes as clients seek to meet the competing demands of ensuring compliance with complex international regulations, whilst satisfying the requirements of their customers for prompt and accurate decision-making.'

The firm's creative approach was on view in a recent instruction which saw it carry out sanctions checks for shipowners and operators in connection with particular voyages to and from ports in sanctioned countries: 'The service is provided on the basis of a fixed fee, so that the clients can factor in the "cost of compliance" when deciding whether to enter into negotiations for a particular voyage,' it reports.

Other instructions included advising a bank on proposed changes to the rules of a commodities exchange with reference to sanctions – difficulties and delays were arising from the exchange's failure to ensure compliance with sanctions by parties using the exchange. 'This was a rare opportunity to influence the development of the exchange's rules to recognise the significance of sanctions for international trade.'

The sanctions team was also busy supporting the corporate effort, carrying out due diligence on a multi-million pound acquisition of a business in the oil and gas sector, so as to determine whether the target



company had engaged in any transactions with countries in sanctioned countries, the impact of those transactions, and suitable warranties in the share purchase agreement.

Finally, the firm's energy sector expertise was brought to bear when advising a multinational on the proposed supply of liquefied natural gas ('LNG') in Cuba for an integrated LNG to power project being procured by the Cuban government. The project, says the firm, 'is an example of potential opportunities for Western companies in Cuba using leading-edge technology'.

Runner-Up: Clyde & Co

The sanctions group at **Clyde & Co** consists of more than 25 lawyers spread across the firm's global network of 47 offices in six continents. The group wins mandates to advise on high-profile and sensitive sanctions matters due to its 'unrivalled expertise in this area of law and its in-depth knowledge of its core sectors' of insurance, trade and commodities, energy, transport and infrastructure. Initiatives such as an Iran desk, set up in Autumn 2015 across its MENA offices, have reportedly proven popular with clients.

In the insurance sector, the group advised an international car manufacturer as to the reporting obligations arising under UK sanctions and counter-terrorism legislation in respect of insurance cover sold as a package with its vehicles. In the construction sector, the group advised investors in two multi-million-dollar port developments in Iran on the sanctions implications of their investments.

In other areas, the firm advised an east Asian shipping company on the implications of performing a container liner trade with Iran; advised a European mobile virtual network operator on the sanctions implications of its entry into Iran; and advised a ship-owner on the sanctions implications of a charterparty for the carriage of goods to and from Iran and Sudan.

Highly regarded team members include John Whittaker, Nigel Brook and Chris Hill in London, and Patrick Murphy in Dubai.

Highly commended

Baker McKenzie's advice was instrumental to the re-establishment of two major European airlines' flights to Tehran. Lawyers from the London, Amsterdam, Washington, and Palo Alto offices worked with multi-disciplinary teams within the clients' organisations, including general aviation, engineering, logistics, finance, and sales, all the way up to the C-suite. The lawyers had to carefully map out the operational needs and challenges going into a new market, and be forward-thinking to anticipate and resolve the associated legal and regulatory hurdles in order to make the market entry commercially and financially viable. A significant degree of policy work was also involved in dealing with regulators and policy makers on both sides of the Atlantic and getting them to talk to each other at a diplomatic level.

Hogan Lovells provided one of the world's leading diversified mining and smelting groups ongoing operational legal advice on economic sanctions, including sensitive questions relating to operations and financials. The firm assisted the company's treasury department in the negotiation of a credit line with an EU subsidiary of a Russian state-owned bank subject to EU financial sanctions. Other instructions for the firm included

- Assisting an international oil and gas Europe-headquartered company in connection with the

compatibility of the development of a large oilfield in Iran with EU and US sanctions. The company has US nationals in key management positions and the firm developed 'a comprehensive carve-out / Chinese wall which would allow the company to develop the Iranian oil field with US nexus'.

- Providing sanctions and cybersecurity advice to various European affiliates of a diversified global manufacturer.
- Assisting on trade-related M&A due diligence involving transactions with sanctions-sensitive countries and conducting an anti-boycott internal

investigation involving both German and US affiliates, assessing the merits of a voluntary disclosure.

The team at **Debevoise & Plimpton**, well known for its advice to financial institutions, also enjoyed a busy year advising on sanctions matters, which included:

- Providing transactional structuring advice for Russian clients potentially subject to EU sanctions restrictions.
- Assisting a client with identifying and reporting historic sanctions breaches, and making licensing applications to (at the time) the

newly formed Office of Financial Sanctions Implementation.

- Advice to fund sponsors on the impact of EU and US sanctions on portfolio companies transactions.
- Advice to clients on issues related to US and EU persons serving on boards of directors.
- Advising Russian clients on engagements with Western counterparts in a sanctions-compliant manner.
- Providing ongoing advice to various major corporates, banks, insurers and other financial institutions regarding the ability to engage in Iranian, Russian and other transactions without violating EU and US sanctions.

Sanctions Law Firm of the year, U.S.A.

Winner: Akin Gump

In what came to be one of the most talked about sanctions matters in the US in the last year, **Akin Gump** helped facilitate an historic partnership between the US Roswell Park Cancer Institute and the Cuba-based Center of Molecular Immunology ('CIM'), successfully securing a first-of-its-kind US government licence that authorises a commercial joint venture between a US company and a Cuban state-owned organisation. This aim of the joint venture is to push forward biotech developments and help bring a groundbreaking Cuban lung cancer vaccine and other unique cancer treatments developed in Cuba to US patients.

Akin Gump helped Roswell Park obtain the historic Office of Foreign Asset Control ('OFAC') licence, approved by the US Department of the Treasury, authorising the institute to enter into a joint business venture with the CIM – this marked the first time OFAC has authorised a US-Cuban joint venture. As a result, Roswell Park is now partnering with CIM to develop the lung cancer treatment vaccine CIMAvax-EGF®. In addition, the firm also assisted Roswell Park to obtain related OFAC licences to conduct clinical trials in collaboration with CIM as well as export licences for the export to CIM



Wynn Segal and Nnedinma Ifudu Nweke of Akin Gump

Key members of the team advising Roswell Park, which also included Dallas Woodrum, Dan Feldman, Steve Kho and Johann Strauss.

of equipment and technology essential to the joint medical research efforts of the two institutions.

Also, with assistance from Akin Gump, Roswell Park received authorisation from the US Food and Drug Administration ('FDA') to begin offering CIMAvax to US patients through a clinical trial, making the National Cancer Institute-designated comprehensive cancer center the first American institution to receive FDA permission to sponsor testing of a Cuban medical therapy in the United States.

The firm's achievement is significant: not only did this partnership mark the first US-Cuban joint venture since the Cuban revolution, but it brought US citizens one step closer to potentially life-saving cancer treatments. The path that led to the Akin Gump team's success included extensive meetings, advocacy and briefings of officials at OFAC, BIS, the NSC and more senior White House officials, and a cross

section of Democratic and Republican Members of Congress to gain support for the joint venture.

Roswell Park's president and CEO Dr. Candace Johnson said of the firm: 'Our legal team has been incredible. We were going where no one has gone before. There are only a few law firms in the country [with a practice] devoted to Cuban affairs, and Akin Gump in Washington provided us with incredible service.'

Runner-Up: Pillsbury

The sanctions and embargoes team at **Pillsbury** boasts 'deep experience advising clients on compliance with economic sanctions and embargoes imposed by the US government under the International Economic Emergency Powers Act and the Trading with the Enemy Act, including sanctions regulations administered by the Treasury Department's Office of Foreign Assets

Control (OFAC) with respect to countries such as Cuba, Iran, Sudan, Syria, Russia, Crimea (Ukraine) and North Korea, as well as terrorists, drug traffickers and other designated entities.' Highly regarded team members include partners Nancy Fischer and Christopher Wall and counsel Aaron Hutman.

In a busy period, recent instructions have included:

- Advising Sony Pictures Entertainment on economic sanctions matters (e.g., matters involving Cuba, Iran, Russia, etc.).
- Advising Chevron on a wide range of international trade-related matters, including economic sanctions, export controls (including technology transfers, encryption and deemed exports), anti-boycott, and customs matters.
- Advising a European bank in relation to enhancements to US and EU sanctions and AML procedures for operations in multiple jurisdictions, and providing ongoing counsel support for US and EU sanctions matters.
- Advising a nuclear power company active in Turkey on US and EU sanctions relating to Russia.

Highly commended

In a fine example of how sanctions

can impact corporate activity, **Skadden** advised Nokia Corporation in connection with its acquisition of Alcatel-Lucent and issues arising from that acquisition when it was found that a pair of minority shareholders were designated under US Cuba sanctions. Skadden lawyers succeeded in getting the US Securities and Exchange Commission ('SEC') to exclude the sanctioned persons from the tender offer, and also obtain a licence from OFAC to deal with the sanctioned persons in the context of the offer, allowing the deal to go through. (See *WorldECR* issue 54 for the full story.)

Hogan Lovells assisted Nissan/Infiniti in obtaining a licence for the temporary export of an Infiniti Q60 car from the US to Cuba for use in news stories and video productions by various media companies focusing on the design of Cuban-American Infiniti executive design director, Alfonso Albaisa. Through extensive analysis of the Cuban Assets Control Regulations, the firm 'demonstrated that the Commerce Department's Bureau of Industry and Security's ('BIS') licensing of the temporary export was consistent with US foreign policy interests, including that the export was integral to a journalistic project that would promote contact with the Cuban people, provide valuable cultural and educational exchange between the people of the

United States and Cuba, and support Cuban civil society, as well as lead to the creation of informational materials. We crafted the legal and policy arguments, spoke several times with BIS to clarify the project, and ultimately filed the licence application. We also were able to obtain the licence in approximately three weeks due to a shortened timeframe for completion of the project.'

Stephoe advised a Belarus-based design institute serving the mining and chemical industries whose funds had been 'blocked' by a US bank on the ground that the client was owned by a Specially Designated National Belarusian energy conglomerate, believed to be closely associated with Belarusian President Lukashenko. The 'blocking' measure against the client essentially cut it off from the US financial system and risked its international business activity denominated in US dollars (which typically clear through US-based banks). The firm's representation resulted in OFAC issuing a licence unfreezing the funds of the client.

The firm assisted a global leader in the extractive industry with regard to sanctions compliance associated with authorised Iranian-related operations, including firewalls for ensuring no US person involvement and assessing its globalised IT systems for consistency with OFAC requirements under General License H.

Export Controls Controls Consultant of the Year

Winner: Strong & Herd

Manchester, UK-based, **Strong & Herd LLP** ('S&H') was set up in 1995 to operate as an external support to businesses in the areas of export control and customs compliance. It has a reputation for being practical and hands-on in serving clients' trade compliance needs.

S&H was born out of the legal department of Ferranti International, an international business heavily involved in aerospace and defence, after the group had been defrauded during a merger with a US company. S&H was set up initially to support former Ferranti International businesses that were still viable after the corporate group was disbanded

under administrative receivership. Since 1995, the team has grown and S&H has also introduced training, consultancy and a cost-effective helpline service. Key team members are Sandra Strong, Anthony Griffiths, Bernard O'Connor and Steve Berry. Sandra Strong is a popular speaker at trade compliance events who 'knows her nuts, bolts and widgets'.

The team assists clients in compliance with UK, EU and US export controls and in dealing with embargoes and sanctions. It works with clients to ensure they are compliant with the law and also helps introduce efficiencies into their export and import services.

With the planned UK departure from the EU, S&H has introduced a



new consultancy service, 'Brexit: Supply Chain Planning', which focuses on various areas of trade compliance likely to be impacted, including export controls, sanctions, customs procedures. The team works with clients to analyse how they

currently operate under EU regulations so that when the changes are introduced, they are ready to adjust working practices accordingly.

Given that S&H rose out of the ashes of a leading defence business, it comes as small surprise that much – though not all – of the client base is drawn from that sector. A quick peek shows clients are from

- Military and defence
- Aerospace – civil and military
- Marine – civil and military
- Automotive – civil and military
- Industrial manufacturing and engineering
- Electronic/computer/software
- Chemical and pharmaceutical
- Textiles, clothing and household goods
- Food and drink

A couple of examples of recent work the team has been involved in illustrate its hands-on approach and the real benefits that can be gained from employing the right consultant.

A small UK business (18 staff) had traded with Iran when the sanctions were in place and though it had obtained licensing permission from the UK Export Control Organisation it failed to obtain Treasury permission to receive funds. The company received a letter from the recently formed OFSI (Office of Financial Sanctions Implementation) requiring an explanation as to why this had happened and advising a corrective action plan. The company was given 28 days to respond and threatened with high financial penalties and legal action.

S&H was recommended to the company by the Department of International Trade ('DIT') local business advisor but this was two weeks into its deadline. 'We reshuffled our diaries,' says Sandra Strong, 'so we could visit immediately, working for two full days pulling together the details for the reply and setting out the corrective action plan which includes a written compliance statement by the CEO, amended wording in distributor contracts and registration with key websites. OFSI is taking no further action and the business feels able to develop its export market with confidence.'

In a second example, S&H was contracted by a company that builds and services military vessels (hoping

to obtain a new lucrative contract that involved ITAR goods and technology) to train staff, including the engineers who would be working within the ITAR-controlled areas of the vessels, and to check and create ITAR procedures. S&H worked closely with the company, developing its compliance understanding and it won the order. According to S&H, 'They now feel confident to pursue other ITAR business.'

A final word is for its well-regarded training services. S&H offers training in person and on line and also provides offers an innovative telephone support subscription service called 'One call' by which, 'for a very reasonable fee, users can contact a consultant with an export (or import) query.'

Runner-Up: BPE Global

BPE Global is a women-owned, women-operated San Francisco, California-based global trade consultancy, offering 'on-demand, flexible and focused' services. Clients speak of the team's 'passion' for what they do. The company has four consultants: Beth Pride (president, a popular and well-known 'global trade evangelist') plus directors Julie Gibbs, Gabrielle Griffith and Renee Roe.

The team supports customers in every industry except government and has a truly global client base. Clients are leaders in aerospace, defence and industrials; consumer products and services; energy and power; financial; healthcare; high technology; materials/renewable commodities; telecoms and service providers.

The team offers expertise in

- Determining jurisdiction
- Country-specific controls

- Global product classification
- Export licence and export permit determination and applications
- Technology transfers / deemed exports
- Export declaration preparation and submission (EEI, AES)
- Restricted party screening
- Country research for country-specific export regulations
- Freight-forwarder standard operating procedures
- Voluntary self-disclosure preparation
- Selection and integration of a global trade management system
- Online and in-person export training development and delivery
- Policy and procedure development
- Auditing, M&A assessments

The team is committed to going the extra mile for its clients. Beth Pride says: 'One of my favourite experiences was getting a call on 4 July from a private equity firm telling me they were acquiring three divisions of a \$4 billion medical device company. They had just realised that trade compliance was an essential part of ensuring a successful close on 31 July. The divisions were exporting and importing from/to 159 countries. The private equity firm engaged BPE Global to set up their global trade compliance operations by 31 July. All three new companies were up and running without any supply chain disruptions on 1 August. We worked with each of the new companies, overseeing their global trade compliance operations for the next six months. We helped hire and train trade compliance personnel and each company was able to run their operations on their own within nine months of close.'

Now that's what we call impressive.



The team at BPE Global: from left to right, Julie Gibbs, Gloria Casey, Renee Roe, Beth Pride and Gabrielle Griffith.

Export Controls/Sanctions Law Firm of the year, Rest of the World

Winner: Clifford Chance

The past year has been unprecedented in the history of Chinese telecoms company ZTE. Its \$1.19bn settlement with US authorities for alleged sanctions violations is a landmark fine and a broadside for all non-US businesses wanting to have their cake and eat it. But ZTE carries on, it's still doing business in the US, it still has a future in the global telecoms market. And for that, it can thank Clifford Chance.

Equally, it's unprecedented in these pages to give two separate awards to the same firm for the same piece of work. Indeed, some readers will no doubt think that the fact that Clifford Chance has been chosen for our Export Controls Law Firm (USA) should preclude it from receiving this award. But we think not. The firm's achievement for ZTE was the product of first-class lawyering in the US and in Asia and that should be recognised. (See the Export Controls Law Firm (USA) award write-up for full details.)

The Clifford Chance team, led and coordinated by Wendy Wysong out of DC and Hong Kong, included experts in export control compliance, US sanctions laws and criminal investigations in the firm's Hong Kong, DC, New York, Singapore, Beijing, and Shanghai offices.

Basing itself in ZTE's Shenzhen HQ, Clifford Chance worked with the company's new management to correct the information provided to the US government concerning its historical compliance and sanctions issues, and guided the company in being fully transparent with the US government. The firm led ZTE in producing hundreds of thousands of documents, translating them from Chinese to English, and securing the vital clearance for their production under the China State Secrets Law, which had originally prevented disclosure during the course of the investigation.

ZTE is the most talked-about export export controls matter of the past 12 months. The scale of the company's previous violations and the size of the settlements are remarkable. As was the law firm's achievement. It was an

C L I F F O R D
C H A N C E

international matter which demanded a truly international effort and we recognise and applaud the lawyers in all of the firm's offices for that.

Runner-Up: Rajah & Tann

Rajah & Tann is one of Singapore's largest full-service law firms, with offices in Singapore, Malaysia, Thailand, Indonesia, Vietnam and Shanghai, and with lawyers on the ground able to speak the local language and qualified to advise on local law.

Export controls and sanctions work is carried out by the Trade Practice which offers a seamless service across the region and unbeatable local knowledge. Key members of the team are Kala Anandarajah, Dominique Lombardi, Tanya Tang and Kelvin Kho.

The firm offers expertise in the structuring and implementation of internal compliance programmes to ensure observance of both local and international export controls, managing controlled goods, employee training in compliance, obtaining permits, classification of goods, valuation, and other areas such as import verification.

The firm will coordinate matters for clients at a regional level and also advise on the extraterritorial impact of US controls locally and on any conflict with local regulations.

On the sanctions side, the team advises on embargoes involving countries such as Iran, Iraq, Liberia and Libya, and also on the imposition of export-import boycott requirements in trade agreements involving Israel.

The team is popular with multinationals as well as local companies. In the past 18 months, it was successful in getting a positive decision in relation to a voluntary disclosure made to Singapore Customs for a leading technology company, at the same time obtaining the necessary permit for the export of strategic goods. Currently, the firm is advising the client on simplifying its processes for export and obtaining end-user statement requirements. 'Much negotiation has gone on with the Singapore Customs and with the company and its customer to find the most effective way to manage this matter,' the team reports.

Another interesting instruction saw the firm advise the Singapore subsidiary of a US manufacturer of precision metal components on compliance issues arising out of US export controls and the laws of Singapore and Indonesia, the latter a possible site for manufacture.

Highly commended

Global law firm **Baker McKenzie**



Kala Anandarajah, Rajah & Tann

The firm's Trade Practice offers a seamless service across the region and unrivalled local knowledge..

has strength in trade compliance across Asia and Australia. Drawing on its well-known international expertise, the firm

- Advised a global aerospace and defence company in Australia on a series of suspected export control breaches and on steps to take in making disclosures to regulators in multiple jurisdictions. The matter involved consideration of recently enacted export controls for intangible transfers and was especially sensitive as it involves key government contracts.
- Advised an Australia-based IT cloud services provider with regard to changes to sanctions against Iran. The client provides software

services in industries that were previously subject to sanctions and the firm was instructed to advise on possible new opportunities arising in the lifting of the sanctions.

- Assisted a nuclear power company on the revising, drafting and rolling out of a trade compliance programme in China.

India's **Economic Laws Practice** received this award from *WorldECR* in 2016. Partner Sanjay Notani is 'the go to man' for anything SCOMET-related. During the past year, the firm

- Carried out a detailed review of the entire operations and activities of a leading multinational in the automobile sector, with a view to

identifying the export regulations which require compliance, followed by a comprehensive risk assessment of existing processes and practices.

- Offered handholding and assistance to various companies dealing in information technology, telecommunications and lighting to achieve clarification on their respective subjects of concern from the Directorate General of Foreign Trade. This involved preparation of applications, obtaining relevant technical opinions from various institutes in support of the applications, reviewing the global position on the subject, as well as providing necessary clarification as and when required.

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