



# EIB World Trade Headlines

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## Treasury and Commerce Announce Further Amendments to Cuba Sanctions Regulations

10/14/2016 *Amendments Expand Venues for Scientific Collaboration, Facilitate Increased Humanitarian Support, and Bolster Trade and Commercial Opportunities*

**WASHINGTON** – Today, the Department of the Treasury’s Office of Foreign Assets Control (OFAC) and the Department of Commerce’s Bureau of Industry and Security (BIS) are announcing new amendments to the Cuban Assets Control Regulations (CACR) and Export Administration Regulations (EAR), respectively. These amendments help create more economic opportunity for Cubans and Americans, further implementing the direction toward Cuba that President Obama laid out in December 2014. The changes will take effect on October 17, 2016, when the regulations are published in the Federal Register.

“President Obama’s historic announcement in December 2014 charted a new course for a stronger, more open U.S.-Cuba relationship,” said Treasury Secretary Jacob J. Lew. “The Treasury Department has worked to break down economic barriers in areas such as travel, trade and commerce, banking, and telecommunications. Today’s action builds on this progress by enabling more scientific collaboration, grants and scholarships, people-to-people contact, and private sector growth. These steps have the potential to accelerate constructive change and unlock greater economic opportunity for Cubans and Americans.”

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“These amendments will create more opportunities for Cuban citizens to access American goods and services, further strengthening the ties between our two countries,” said U.S. Secretary of Commerce Penny Pritzker. “More commercial activity between the U.S. and Cuba benefits our people and our economies.”

These changes are intended to expand opportunities for scientific collaboration by authorizing certain transactions related to Cuban-origin pharmaceuticals and joint medical research; improve living conditions for Cubans by expanding existing authorizations for grants and humanitarian-related services; increase people-to-people contact in Cuba by facilitating authorized travel and commerce; facilitate safe travel between the United States and Cuba by authorizing civil aviation safety-related services; and bolster trade and commercial opportunities by expanding and streamlining authorizations relating to trade and commerce. These amendments also implement certain technical and conforming changes. OFAC and BIS are making these amendments in support of the process of normalizing bilateral relations with Cuba.

To see the Treasury regulations, which can be found at 31 Code of Federal Regulations (CFR), part 515, please see [here](#). To see the Commerce regulations, which can be found at 15 CFR parts 730-774, please see [here](#). Significant changes in the revised Treasury and Commerce regulations are outlined below:

#### **Health-related Transactions –** *Expanding Opportunities for Scientific Collaboration and Access to Medical Innovations*

- Joint medical research. OFAC is issuing a new authorization that will allow persons subject to U.S. jurisdiction to engage in joint medical research projects with Cuban nationals. This authorization will encompass both non-commercial and commercial research.
- Cuban-origin pharmaceuticals. OFAC is issuing a new authorization that will allow transactions incident to obtaining U.S. Food and Drug Administration (FDA) approval of Cuban-origin pharmaceuticals. An additional authorization will allow the importation into the United States, and the marketing, sale, or other distribution in the United States, of FDA-approved Cuban-origin pharmaceuticals.
- Bank accounts. Persons subject to U.S. jurisdiction engaging in the aforementioned health-related activities will also be authorized to open and maintain bank accounts in Cuba for use in conducting the authorized business.

(\*Continued On The Following Column)

#### **Travel-related Transactions –** *Supporting People-to-People Contact by Facilitating Authorized Travel and Commerce*

- Importation of Cuban-origin merchandise as accompanied baggage for personal use. OFAC is removing the monetary value limitations on what authorized travelers may import from Cuba into the United States as accompanied baggage. This includes the value limitation on alcohol and tobacco products. Persons subject to U.S. jurisdiction will be further authorized to import Cuban-origin merchandise acquired in third countries into the United States as accompanied baggage, again without value limitations. OFAC is also removing the prohibition on foreign travelers importing Cuban-origin alcohol and tobacco products into the United States as accompanied baggage. In all cases, the Cuban-origin goods must be imported for personal use, and normal limits on duty and tax exemptions will apply.
- Remittances. Persons subject to U.S. jurisdiction will be authorized to make remittances to third-country nationals for travel by third-country nationals to, from, or within Cuba, provided the travel would be authorized by general license for a person subject to U.S. jurisdiction.

#### **Civil Aviation –** *Supporting International Aviation and Passenger Safety*

- Safety-related services. OFAC is adding a new authorization that will allow persons subject to U.S. jurisdiction to provide civil aviation safety-related services to Cuba and Cuban nationals aimed at promoting safety in civil aviation and the safe operation of commercial aircraft.

#### **Trade and Commerce –** *Bolstering Trade and Commercial Opportunities and the Growth of Cuba’s Private Sector*

- Export-related transactions. OFAC is amending its general license authorizing certain transactions incident to exports and reexports authorized by the BIS to eliminate references to “100% U.S.-origin items.” This is intended to minimize and clarify the circumstances in which an export or reexport authorized by BIS requires additional licensing by OFAC.
- Consumer goods for personal use. BIS will generally authorize exports of certain consumer goods that are sold online or through other means directly to eligible individuals in Cuba for their personal use.

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#### **Humanitarian-related Transactions –**

*Providing Additional Grant Opportunities and Strengthening Cuban Infrastructure*

(\*Continued On The Following Column)

- Grants, scholarships, and awards. OFAC is expanding the authorization for grants, scholarships, and awards to Cuba or Cuban nationals to include grants, scholarships, and awards related to scientific research and religious activities.

- Services related to Cuban infrastructure. OFAC is adding a new authorization that will allow persons subject to U.S. jurisdiction to provide services to Cuba or Cuban nationals related to developing, repairing, maintaining, and enhancing certain Cuban infrastructure in order to directly benefit the Cuban people.

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*Supporting People-to-People Contact by Facilitating Authorized Travel and Commerce*

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*Bolstering Trade and Commercial Opportunities and the Growth of Cuba’s Private Sectors.*

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- Consumer goods for personal use. BIS will generally authorize exports of certain consumer goods that are sold online or through other means directly to eligible individuals in Cuba for their personal use.
- Imports of previously exported items. OFAC is adding an authorization that will allow the importation into the United States or a third country of items that were previously exported or reexported to Cuba pursuant to a BIS or OFAC authorization. This authorization will also permit persons subject to U.S. jurisdiction to service and repair such items. Exporting or reexporting replacement items or items that have been repaired or serviced must be separately authorized by OFAC and/or BIS as appropriate.
- Contingent contracts. OFAC is adding an expanded general license that will authorize persons subject to U.S. jurisdiction to enter into certain contingent contracts for transactions currently prohibited by the embargo, provided that contract performance is made expressly contingent on prior authorization by OFAC and any other relevant Federal agency, or on authorization no longer being required. Transactions ordinarily incident to negotiating and entering into such contracts will also be authorized.

- Financing. OFAC is making a technical correction to clarify that agricultural items, such as pesticides and tractors, authorized by BIS for export or reexport to Cuba are not subject to restrictions on payment terms. As required by the Trade Sanctions Reform and Export Enhancement Act, authorized exports and reexports to Cuba of agricultural commodities, such as poultry and corn, remain subject to the limited payment and financing terms of cash in advance or third country financing.
- Certain vessel transactions. OFAC is issuing a general license that will waive the restriction prohibiting foreign vessels from entering a U.S. port for purposes of loading or unloading freight for 180 days after calling on a Cuban port for trade purposes if the items the vessel carried to Cuba would, if subject to the EAR, be designated as EAR99 or controlled on the Commerce Control List for anti-terrorism reasons only.
- Transit of cargo. BIS will generally authorize air cargo to transit Cuba, complementing an existing general authorization for cargo transiting Cuba aboard vessels.



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## DOT Bans All Samsung Galaxy Note7 Phones from Airplanes

WASHINGTON – The U.S. Department of Transportation (DOT), with the Federal Aviation Administration (FAA) and the



Pipeline and Hazardous Materials Safety Administration (PHMSA), today announced it is issuing an emergency order to ban all Samsung

Galaxy Note7 smartphone devices from air transportation in the United States. Individuals who own or possess a Samsung Galaxy Note7 device may not transport the device on their person, in carry-on baggage, or in checked baggage on flights to, from, or within the United States. This prohibition includes all Samsung Galaxy Note7 devices. The phones also cannot be shipped as air cargo. The ban will be effective on Saturday, October 15, 2016, at noon ET.

“We recognize that banning these phones from airlines will inconvenience some passengers, but the safety of all those aboard an aircraft must take priority,” said Transportation Secretary Anthony Foxx. “We are taking this additional step because even one fire incident inflight poses a high risk of severe personal injury and puts many lives at risk.”

Device owners have experienced documented incidents of dangerous evolution of heat with both recalled and replacement Samsung Galaxy Note7 devices. Samsung and the U.S. Consumer Product Safety Commission (CPSC) acknowledged this imminent safety hazard with the company’s September 15, 2016 and October 13, 2016 recalls. Additionally, on October 11, 2016, Samsung suspended the manufacture and sale of the Samsung Galaxy Note7 device.

“The fire hazard with the original Note7 and with the replacement Note7 is simply too great for anyone to risk it and not respond to this official recall,” said CPSC Chairman Elliot F. Kaye. “I would like to remind consumers once again to take advantage of the remedies offered, including a full refund. It’s the right thing to do and the safest thing to do.”

### What air travelers should know

- If passengers attempt to travel by air with their Samsung Galaxy Note7 devices, they will be denied boarding.
- Passengers who attempt to evade the ban by packing their phone in checked luggage are increasing the risk of a catastrophic incident. Anyone violating the ban may be subject to criminal prosecution in addition to fines.

- Passengers currently traveling with Samsung Galaxy Note7 phones should contact Samsung or their wireless carrier immediately to obtain information about how to return their phones and arrange for a refund or a replacement phone. Samsung has provided guidance for customers about refund and replacement options, as well as how to contact wireless carriers, at <http://www.samsung.com/us/note7recall/> [external link]. Samsung is also answering customers’ questions at 1-844-365-6197.
- If an airline representative observes that a passenger is in possession of a Samsung Note7 device prior to boarding an aircraft, the air carrier must deny boarding to the passenger unless and until the passenger divests themselves and their carry-on and checked baggage of the Samsung Galaxy Note7 device. Passengers absolutely should not pack the phones in their checked luggage.
- If a flight crew member identifies that a passenger is in possession of a Samsung Galaxy Note7 device while the aircraft is in flight, the crew member must instruct the passenger to power off the device, not use or charge the device while aboard the aircraft, protect the device from accidental activation, including disabling any features that may turn on the device, such as alarm clocks, and keep the device on their person and not in the overhead compartment, seat back pocket, nor in any carry-on baggage, for the duration of the flight.

The Emergency Order will be on display in the Federal Register display on Friday, October 14, 2016, and the ban will be effective on Saturday, October 15, 2016, at noon ET. For additional information on the recall, visit the CPSC website at [www.cpsc.gov](http://www.cpsc.gov).

For additional information on returning your recalled Galaxy Note7 device to the manufacturer, call 1-800-SAMSUNG or 1-800-726-7864 or visit the website: <http://www.samsung.com/us/note7recall/> [external link]

For additional information about safe travel with lithium batteries and other potentially hazardous materials, visit the DOT Safe Travel Website at <http://phmsa.dot.gov/safetravel/batteries>.

Additional passenger information from the FAA is available at: <http://www.faa.gov/Go/PackSafe>. For all other questions about the transportation of hazardous materials, contact PHMA’s Hazardous Materials Information Center at 1-800-467-4922 or [infocntr@dot.gov](mailto:infocntr@dot.gov)

## Southwest Airlines Is Making It Easier (And Cheaper) To Fly To Cuba

Start packing your bags.

Southwest Airlines announced Thursday that the budget airline will [launch its nonstop service to Cuba](#) beginning next month, making even more flights available for eager travelers wanting to visit.

The airline will offer two daily nonstop flights between Fort Lauderdale, Florida, and the northern Cuba city of Varadero



starting Nov. 13. About one month later, on Dec. 12, customers will be able to fly on two daily nonstop flights to Havana from both Tampa and Ft. Lauderdale. Southwest Airlines said it has plans for a third route from Ft. Lauderdale to Santa Clara, and will announce dates soon.

The news comes just a few months after JetBlue became the first U.S. commercial airline to fly a scheduled flight to Cuba in more than half a century. American Airlines followed soon after.

But what's most exciting about Southwest's announcement is that flights are starting for as low as \$59 each way. The airline said that in honor of its new service, the special low fare is available for travel between Nov. 13 and April 24, 2017. Customers need to book their flights before Nov. 20, and 14-days advance purchase is required.

Before booking a ticket, be sure to read through the various regulations pertaining to Americans visiting Cuba. While travel restrictions have been lifted, Americans need to have a valid passport and obtain a visa. Additionally, the U.S. government requires travelers to meet one of 12 general reasons for visiting the country.

Travelers should also keep in mind that the Centers for Disease and Control and Prevention has issued a warning for people visiting Cuba due to the active transmission of the Zika virus in the area. Head to the CDC's website to learn how to protect yourself from mosquito bites and for more information regarding the virus.

And once you've done all your research about booking your trip, start drooling over these 10 majestic-looking places.

Happy travels!

## Retired general quits Raytheon board after pleading guilty in leak case

Waltham defense contractor Raytheon Co. said Tuesday that retired general James E. Cartwright was resigning from its board after he pleaded guilty to lying to the FBI in connection with a leak of classified information.

Raytheon (NYSE: RTN) said in a regulatory filing that Cartwright — a retired U.S. Marine Corps four-star general — was resigning for "personal reasons." He served on the board since 2012.

According to the Washington Post, the leak to two reporters was about a covert U.S.-Israeli cyberattack on Iran's nuclear program. Those stories revealed information about the malicious computer software program known as "Stuxnet," aimed at crippling Iran's nuclear capabilities, Reuters reported.

Cartwright signed more than 36 non-disclosure agreements related to Department of Defense programs, according to the U.S. Department of Justice. The forms explain that the recipient is obligated by law and regulation not to disclose classified information without authorization. The forms also contain warnings that any breach of the agreement may violate

federal criminal law. In addition, Cartwright received annual training about handling classified information.



On Sept. 1, 2011, Cartwright retired from the U.S. Marine Corps. After his retirement, Cartwright maintained his top secret clearance. The clearance enabled him to engage in consulting and private employment, including sitting on a special committee of the board of directors of a defense contractor — Raytheon — which oversaw the company's classified U.S. government contracts.

According to the Justice Department, between January and June 2012, Cartwright disclosed classified information to two reporters — one from the New York Times and one from Newsweek — without authorization. Some of the information disclosed to the reporters was classified at the top secret level. Each reporter included the classified information in published articles, the Justice Department said. The classified information that Cartwright communicated to one reporter was included in a book.

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FBI agents interviewed Cartwright on Nov. 2, 2012. During the interview, Cartwright gave false information to the interviewing agents, including falsely stating that he did not provide or confirm classified information to the first reporter and was not the source of any of the quotes and statements in that reporter's book. In addition, Cartwright falsely stated that he had never discussed a particular country with the second reporter, when in fact, Cartwright had confirmed classified information about that country in an email to the reporter.

Cartwright faces a maximum sentence of five years in prison for making false statements to federal investigators. But with the plea, he would serve a sentence of between zero to six months, according to the Post..

## Germany, home of global automotive giants Mercedes-Benz and Volkswagen

Germany, home of global automotive giants Mercedes-Benz and Volkswagen, is on the road to banning gas and diesel engines from its highways and byways.

The Bundesrat, the upper house of Germany's parliament, passed a resolution on Monday that calls for the elimination of vehicles powered by gasoline and diesel engines by 2030.

The resolution is nonbinding and needs the approval of the European Union, as it would also apply to vehicles from other EU nations. But it marks a shift in thinking for a country whose automobile industry is one of the largest in the world and the driver of the German economy.

"If the Paris agreement to curb climate-warming emissions is to be taken seriously, no new combustion engine cars should be allowed on roads after 2030," Green Party lawmaker Oliver Krischer told news magazine Der Spiegel.

Germany has promised to reduce carbon dioxide emissions 95 percent by 2050. Despite large subsidies available for electric car buyers in EU states, sales of zero-emission vehicles have been slow. About half of all vehicles on Europe's roads are diesel fueled.

The resolution calls for EU automakers to "review the current practices of taxation" to stimulate emission-free mobility, as creating a tougher tax burden on manufacturers could encourage carmakers such as Mercedes-Benz, Volkswagen, and BMW to push electric vehicles into production sooner.

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All three automakers have at least one electric car model on the road. Mercedes-Benz' parent company, Daimler, announced at the Paris Motor Show that it will launch more than 10 electric cars by 2025, and zero-emission vehicles will make up between 15 and 25 percent of Mercedes sales by then.

"The emission-free automobile is the future," Daimler executive Dieter Zetsche said in Paris.

The United States' target is to reduce greenhouse gas emissions 80 percent by 2050. Transportation is responsible for more than a quarter of all the nation's greenhouse gas emissions.

"Electric vehicles can meet the needs of drivers today," said Luke Tonachel, director of the Natural Resources Defense Council's clean vehicles and fuels project. "We need to deploy more infrastructure to make it easier to charge up, but the challenge is not with the capabilities of the vehicles."

A recent study found that the electric cars available today have sufficient range for most people's needs. A slew of new models, such as the Chevrolet Bolt, are set to go on the market at costs competitive with gasoline vehicles and featuring more than double the range of current electric vehicles.

If all U.S. drivers switched to electric cars today, emissions from transportation would drop 30 percent.

"To prevent the worst impacts of climate change, we need to move our cars to predominantly zero emissions," Tonachel said. "We can do it by driving on electricity produced by renewable power that never runs out from the sun and wind."

## The Bay State's Unemployment Rate

The Bay State's total unemployment rate dropped to 3.6 percent in September from 3.9 percent in August — marking the lowest rate since June 2001.

That's according to the state Executive Office of Labor and Workforce Development, which also reported that preliminary estimates show the Bay State gained 5,100 jobs over the month.

## Department of Justice

FOR IMMEDIATE RELEASE WEDNESDAY OCTOBER 26, 2016

### TWO MEN SENTENCED IN SCAM TO ILLEGALLY EXPORT GOODS TO SYRIA

SCRANTON - The United States Attorney's Office for the Middle District of Pennsylvania announced today that Harold Rinko, age 74 of Hallstead, Pennsylvania and Ahmad Feras Diri, age 43, of London, United Kingdom were sentenced by United States District Court Judge Malachy E. Mannion in Scranton for their involvement in a conspiracy to illegally export goods to Syria.

According to United States Attorney Bruce D. Brandler, Diri, age 39, of London, United Kingdom, was sentenced yesterday to a 37-month term of imprisonment, a \$100 special assessment, and ordered to forfeit \$45,698 to the government. Diri was arrested by the Metropolitan Police in London on March 14, 2013, and extradited to the United States on charges in the Middle District of Pennsylvania.

On October 13, 2016, Rinko was sentenced to a term of time served, 12 months of home confinement, a fine of \$2,600, a term of supervised release of 2 years, and was ordered to forfeit \$45,698 to the government.

A third defendant, Moawea Deri, a citizen of Syria, remains a fugitive from justice.

Rinko operated an export business in Hallstead, Pennsylvania and conspired with Diri to ship items purchased by customers in Syria in violation of United States law. The three men conspired to export various items from the United States, through third party countries to customers in Syria. The conspirators prepared false invoices which undervalued and mislabeled the goods being purchased and also listed false information as to the identity and geographic location of the purchasers of the goods. The items would be shipped from the United States to Jordan, the United Arab Emirates, and the United Kingdom, and thereafter transshipped to Syria. One such item is described in communications between the conspirators as "it is a portable multi-gas scanner for the detection of chemical warfare agents. Nerve, blood and lung warfare agents are detected using a highly sensitive ion mobility spectrometer."

"HSI's counter proliferation measures are in place to safeguard our borders and defend our interests across the world. The defendant's willful circumvention of those interests is inexcusable and today's sentencing is an example of the significant repercussions for such action," said Brian Michael, acting special agent in charge of HSI Philadelphia.

Special Agent in Charge Jonathan Carson, Office of Export Enforcement, New York Field Office, Bureau of Industry and Security, US Department of Commerce. "This case demonstrates the outstanding collaboration among law enforcement agencies, and I commend our colleagues at HSI and the Justice Department, as well as our counterparts in the United Kingdom, for bringing this case to a successful conclusion. Shutting down illegal and dangerous trade with anyone who would threaten our national security is the sole focus for Special Agents of the Office of Export Enforcement. We will continue to pursue violators of our nation's export control laws wherever they are located."

The case was investigated by Homeland Security Investigations and the Department of Commerce, Office of Export Enforcement. Assistant U.S. Attorney Todd K. Hinkley and Heather Alpino, Trial Attorney with the Department of Justice, National Security Division, Counterintelligence and Export Control Section prosecuted the case.



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## State Department News

### **Web Notice:** IT System Outage (11.04.16)

All DDTC systems, including DTrade and EFS, will be unavailable to industry from 5:30PM (EST) Friday November 4, 2016 through 9:30PM (EST) Friday November 4 due to scheduled system maintenance.

### **Industry Notice:** Commodity Jurisdiction (CJ)

Submission through EFS (10.21.16)

Effective Wednesday, November 16th at 5PM EST, The Department of State will no longer use the Electronic Form Submission (EFS) application to accept Commodity Jurisdiction (DS-4076) applications. Beginning Monday, November 21st at 8AM EST users will submit CJ applications via the Defense Export Control and Compliance (DECCS) CJ application.

### **Web Notice:** IT Modernization Webinar:

Commodity Jurisdiction, DECCS Release 1 (10.25.16)

The webinar presented October 14, 2016 regarding the upcoming deployment of Defense Export Control and Compliance System (DECCS) Release 1 is available for review. The webinar provided a brief overview of the status of the IT Modernization effort and a demonstration of the new Commodity Jurisdiction (CJ) (DS-4076) interface. <http://www.pmdt.c.state.gov/document/s/10.2016-Webinar-Slides.pdf>

## **CBP Launches the Electronic Visa Update System for Early Enrollments**

**Release Date:** October 31, 2016

***Nationals of the People's Republic of China with a 10-year visa will update their information every two years using EVUS***

**WASHINGTON**—U.S. Customs and Border Protection (CBP) announced today the launch of the Electronic Visa Update System (EVUS) [website](#) for early enrollments. All individuals with a People's Republic of China issued passport bearing a 10-year B1/B2, B1 or B2 (visitor) visa will be required to have a valid EVUS enrollment when traveling to the United States beginning on November 29. EVUS is the online system used by

CBP will not collect a fee for an EVUS enrollment at this time, but anticipates that an EVUS enrollment fee will eventually be implemented. Until the fee is implemented, travelers can complete their EVUS enrollment without charge.

Travelers can submit an EVUS enrollment at any time and will typically receive a response from the system within minutes after submitting their information; however, some responses may take up to 72 hours. CBP encourages travelers to enroll in EVUS when they begin planning their trip to the United States to avoid delays.

Beginning November 29, nationals of the People's Republic of China holding 10-year visas will not be able to travel to the United States without a valid EVUS enrollment. For travelers taking more than one flight to reach the United States, the EVUS enrollment will be verified when they check-in for their first flight. Nationals of the People's Republic of China who hold a 10-year visa and are seeking to enter the U.S. through a land or sea port of entry must also have a valid EVUS enrollment. Until November 29, travelers may continue to travel to the United States without an enrollment.

CBP operates an EVUS call center with Mandarin-speaking operators that travelers can call or email if they are experiencing technical difficulties or have questions about their enrollment. Travelers can contact the call center at 1-202-325-0180 or via email at [evus@cbp.dhs.gov](mailto:evus@cbp.dhs.gov). The call center is available 24 hours a day, 7 days a week, but will be closed on U.S. federal holidays.

The EVUS process is similar to the process that travelers from 38 other countries must follow before traveling to the United States. If Chinese travelers do not update their information at least every two years, or upon obtaining a new passport after EVUS becomes effective, they will not be able to use their 10-year visas.

The latest EVUS information is available at [CBP.gov/EVUS](http://CBP.gov/EVUS). To enroll, go to [www.EVUS.gov](http://www.EVUS.gov).

*U.S. Customs and Border Protection is the unified border agency within the Department of Homeland Security charged with the management, control and protection of our nation's borders at and between the official ports of entry. CBP is charged with keeping terrorists and terrorist weapons out of the country while enforcing hundreds of U.S. laws.*

**Last published:** October 31, 2016

## Tenth Anniversary of SAFE Port Act

**Author:** R. Gil Kerlikowske

**Publication Date:** Thursday, October 6, 2016

October 13 marks the 10th anniversary of the SAFE Port Act. This landmark legislation was a major step forward in helping CBP achieve its mission of securing our ports and strengthening our nation's supply chain security.

Since 90 percent of the world's trade is transported in cargo containers, the SAFE Port Act has had far-reaching impact. First, the SAFE Port Act required all containerized cargo entering the United States to be screened for radiation. As a result, DHS established the Radiation Portal Monitor (RPM) Program. RPMs are passive radiation detection devices that can scan cargo containers and vehicles to detect illicit sources of radiation. More than a twelve-hundred RPMs are now deployed at our ports of entry, at express mail facilities, along our borders, and at certain foreign locations. Since the SAFE Port Act, RPMs have scanned approximately 67 million containers and conveyances for the presence of radiological material.

CBP, in coordination with the Domestic Nuclear Detection Office and Pacific Northwest National Laboratory, has optimized RPM technology to incorporate increased efficiencies and security. For example, we've analyzed the equipment's settings and set the RPM thresholds to reduce alarm rates while improving performance. Now, our RPMs are more sensitive to weapons-grade radiological materials and less sensitive to "normal" or naturally-occurring sources of radiation. These sources can include items as innocuous as cat litter, bananas, certain types of fertilizers, and granite countertops. The recalibrations have resulted in a 77 percent, average, decrease in "nuisance alarms" across sea and land ports of entry where the optimizations are deployed. That has freed up CBP officers to conduct other important security and trade facilitation duties, expediting the flow of lawful commerce coming into the United States.



The SAFE Port Act of 2006 also codified several important programs into law. One of these is the Customs-Trade Partnership Against Terrorism, or C-TPAT. Through this voluntary public-private sector partnership program, CBP can provide the highest level of cargo security thanks to close cooperation with the principle stakeholders of the international supply chain, such as importers, carriers, consolidators, licensed customs brokers, and manufacturers. Certified member companies enjoy expedited screening of their cargo. Launched in 2001 with only seven members, today C-TPAT has more than 11,000 members.

Another program covered by the 2006 SAFE Port Act is CBP's Container Security Initiative (CSI). CBP has stationed teams of CBP officers in foreign seaports to work together with our host foreign government counterparts. Through CSI, CBP officers work with host customs administrations to establish security criteria for identifying high-risk containers. Those administrations use X-rays and radiation detection technology to screen high-risk containers before they are shipped to U.S. ports. CSI is operational in 60 ports and 35 countries, prescreening approximately 80 percent of all maritime containerized cargo imported into the United States.

Thanks to the SAFE Port Act of 2006, the security of our supply chain has never been more secure.

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