UC San Diego
RESEARCH COMPLIANCE AND INTEGRITY

Research Compliance and Integrity Hot Topics Session
November 16, 2022
UC San Diego
RESEARCH COMPLIANCE AND INTEGRITY

- Conflict of Interest (COI)
- Dual Use Research of Concern (DURC)
- Export Control and Facility Security
- Institutional Animal Care and Use Committee (IACUC)
- Research Ethics and Integrity (Research Misconduct)
- ClinicalTrials.Gov, NIH Good Clinical Practices (GCP) and Responsible Conduct of Research (RCR) Compliance
- General Research Compliance Activities
  Website: RCI.UCSD.EDU
  Helpline: (858) 822-4939
  Email: rci@ucsd.edu
INTERNATIONAL SHIPPING CONSIDERATIONS
WITHIN AN ACADEMIC RESEARCH ENVIRONMENT

NOVEMBER 16, 2022

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RESEARCH COMPLIANCE AND INTEGRITY
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outboundshipping@ucsd.edu
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OBJECTIVES

• Understand the general processes of International Shipping
• Learn about the resources available to you at UC San Diego
• Explore the roles & responsibilities of each party in an Int’l Shipment
  • Shipper, Recipient, Export Control, HazMat, Freight Forwarder
• Understand the various types of shipping documentation
• Learn which customs and trade regulations to consider and when
• Learn considerations for the unique type of shipping done at UC San Diego
• Gain awareness of some general considerations when importing
WHY IT MATTERS

- Delays – Can impact research timeline
- Fines – loss of research dollars or export privileges:
  - False export declarations
    - EEI: $10,000+ per violation
  - Failure to obtain an export license
    - BIS: $250,000+ per violation and 10 years in prison
    - ITAR: $1 Million per violation and 20 years in prison
  - Hazardous materials violations/fines
- Jail time
- Customs fines vary by country, can also include seizure or detention of goods
INTERNATIONAL SHIPPING LIFECYCLE

SHIPPER

EXPORT CONTROL

FORWARDING AGENT / BROKER
both domestic and foreign

COLLABORATOR / RECIPIENT

DESTINATION

CERTIFIED HAZMAT SHIPPER (AS REQUIRED)
ELEMENTS OF INTERNATIONAL SHIPPING

- Planning Ahead
- Choosing a Shipping Method
- Classifying your items
  - ITAR vs ECCN
  - Schedule B or HTS Codes
- Export Controls
- Documentation
- Customs (U.S. and Foreign)
- Brokers / Forwarding Agents & Power of Attorney
- Shipping Dangerous Goods (Hazmat)
BEST PRACTICES FOR SHIPPING

• Plan, Plan, Plan
• Involve participating parties early to clarify requirements
  • Collaborators – Ask about local laws / shipping procedures
  • Forwarding Agent/Broker – Quote; outline services needed (licenses, carnets, hazmat, etc.)
  • Export Control—Determines export classification and licensing obligations, and apply for licenses as required
• Complete all necessary documentation
• Include some cushion in your timing for possible delays
HOW TO SHIP: SHIPMENT/CARRIER CONSIDERATIONS

- Is it freight, does it need to be carried on a semi-truck or shipped on a specialized cargo aircraft?
- Will the shipment need to take multiple modes of transit (air, vessel, rail, ground)?
- What is the value of my shipment?
- Will the material be returning to the United States or is it staying in the foreign country?
- Do I require special permits and/or authorizations for the shipment?
- Does my material need to be maintained at a specific temperature?
- Does my shipment need “white glove” service?
INTERNATIONAL SHIPPING DOCUMENTATION

- Commercial / Pro Forma Invoice
- Shipper’s Letter of Intent
- Logistics Request Form
- Electronic Export Information (EEI) Filing
- Carnet
- Permits
- Export License
- Import Permit/License
DOCUMENTATION - INVOICE

INTERNATIONAL SHIPMENTS REQUIRE A COMMERCIAL OR PRO FORMA INVOICE
• Shipper’s information
• Consignee information
• Date of Export
• Incoterms
• Itemized list of goods
• Destination Control Statement
• Shipper's name, date, signature

EACH LINE ITEM REQUIRES:
• **Description of goods** (detailed, identifying, without jargon or shorthand, include manufacturer and model/serial number where appropriate)
• **Value** (purchase price or replacement cost)
• **Weight**
• **Country of Origin** (COO) – where it was made
• **Export Control Classification Number** (ECCN)
• **Commodity Classification** (Schedule B or Harmonized Tariff Schedule Code)
<table>
<thead>
<tr>
<th><strong>Shipper/Exporter (complete name and address)</strong></th>
<th><strong>Ultimate Consignee (complete name and address)</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>University of California San Diego</td>
<td>Great Barrier Reef Research Centre</td>
</tr>
<tr>
<td>9500 Gilman Drive, Mail Code 0001</td>
<td>155 Reef Road</td>
</tr>
<tr>
<td>La Jolla, CA 92093-0001</td>
<td>Townsville, QLD Australia 5Y6 D88</td>
</tr>
<tr>
<td><strong>POC:</strong> Joe Engineer</td>
<td><strong>POC:</strong> Dr. Corelle Reaffe</td>
</tr>
<tr>
<td><strong>Phone:</strong> 858-534-0000</td>
<td><strong>Phone:</strong> +44 (1) 450 5555</td>
</tr>
<tr>
<td><strong>E-mail:</strong> <a href="mailto:jengineering@ucsd.edu">jengineering@ucsd.edu</a></td>
<td><strong>E-mail:</strong> <a href="mailto:drcoral@gbrrc.co.au">drcoral@gbrrc.co.au</a></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Country of Export:</strong></th>
<th><strong>Intermediate Consignee</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>UNITED STATES OF AMERICA</td>
<td>N/A</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Country of Ultimate Destination:</strong></th>
<th><strong>POC:</strong></th>
<th><strong>Phone:</strong></th>
<th><strong>E-mail:</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>AUSTRALIA</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Itemized list of items with required information

<table>
<thead>
<tr>
<th>Package Info (qty, type, dims)</th>
<th>Full Description of Goods</th>
<th>Country of Origin</th>
<th>ECCN</th>
<th>Schedule B</th>
<th>QTY</th>
<th>Unit of Measure</th>
<th>Unit Weight (kg)</th>
<th>Total Weight (kg)</th>
<th>Unit Value $ (USD)</th>
<th>Total Value $ (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wood Crate #1 48&quot; X 48&quot; X 40&quot;</td>
<td>Teledyne ACDP, S/N 125 (Oceanographic Research Equipment)</td>
<td>US</td>
<td>6A001</td>
<td>9015,80,8080</td>
<td>1</td>
<td>EA</td>
<td>5</td>
<td>5</td>
<td>$10,000.00</td>
<td>$10,000.00</td>
</tr>
<tr>
<td>36 kg (gross wt.)</td>
<td>2&quot; Instrument Floats (Syntactic Foam)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fluke 73 III Multimeter, S/N 730011</td>
<td>US</td>
<td>EAR99</td>
<td>9030,31,0000</td>
<td>1</td>
<td>EA</td>
<td>1</td>
<td>1</td>
<td>$200.00</td>
<td>$200.00</td>
</tr>
<tr>
<td></td>
<td>Dell Inspiron 2200 Laptop Computer with Windows 7</td>
<td>CN</td>
<td>5D992</td>
<td>8471,30,0100</td>
<td>2</td>
<td>EA</td>
<td>3</td>
<td>6</td>
<td>$550.00</td>
<td>$1,100.00</td>
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<tr>
<td>Wood Crate #2 48&quot; X 48&quot; X 40&quot;</td>
<td>Teledyne ACDP, S/N 132 (Oceanographic Research Equipment)</td>
<td>US</td>
<td>6A001</td>
<td>9015,80,8080</td>
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<td>EA</td>
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<td>5</td>
<td>$10,000.00</td>
<td>$10,000.00</td>
</tr>
<tr>
<td>36 kg (gross wt.)</td>
<td>2&quot; Instrument Floats (Syntactic Foam)</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fluke 73 III Multimeter, S/N 7306558</td>
<td>US</td>
<td>EAR99</td>
<td>9030,31,0000</td>
<td>1</td>
<td>EA</td>
<td>1</td>
<td>1</td>
<td>$200.00</td>
<td>$200.00</td>
</tr>
<tr>
<td></td>
<td>Dell Inspiron 2200 Laptop Computer with Windows 10</td>
<td>CN</td>
<td>5D992</td>
<td>8471,30,0100</td>
<td>2</td>
<td>EA</td>
<td>3</td>
<td>6</td>
<td>$550.00</td>
<td>$1,100.00</td>
</tr>
<tr>
<td><strong>Total PKGS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>Total kg 60</strong></td>
<td><strong>Total Value $28,600</strong></td>
</tr>
</tbody>
</table>

Total kg: 60

Total Value: $28,600
These items are controlled by the U.S. Government and authorized for export only to the country of ultimate destination for use by the ultimate consignee or end-user(s) herein identified. They may not be resold, transferred, or otherwise disposed of, to any other country or to any person other than the authorized ultimate consignee or end-user(s), either in their original form or after being incorporated into other items, without first obtaining approval from the U.S. government or as otherwise authorized by U.S. law and regulations.

Signature

Name: Joe Engineer    Title: Development Engineer    Date: March 11, 2019
• **Shipper’s Letter of Intent (SLI)** – Document provided to the Forwarding Agent giving detailed information about the shipment and direction on how to process it.

• **Logistics Request Form** – Internal UCSD document, used for requesting services from UCSD Shipping Department, provides info to Export Controls, acquiring Transit Insurance through UCSD’s Risk Assessment, and audit recordkeeping.

• **AES**—Filing the Electronic Export Information (EEI) in the **Automated Export System (AES)** for items valued $2,500 or more (by Commodity Code) – formerly known as Shipper’s Export Declaration (SED). Value determined by Commodity Code.
• Carnets (for temporary exports of 1 year or less)
• DGD – Dangerous Goods Declaration for Hazmat
• Certificate of Origin
• Permits (Fish and Wildlife, CITES, FDA, EPA, CDC, etc.)
• Export Licenses
• Import Permits/Licenses (at destination country)
U.S. law requires retention of all documents related to International Shipments for a minimum of 5 years from the date of export.
CUSTOMS

- Prepare for Inspection
- Make descriptions clear for lay audiences
- Duty / Taxes / VAT / Fees
INTERNATIONAL SHIPPING LIFECYCLE

SPEAK WITH YOUR COLLABORATOR / RECIPIENT

- Does the collaborator have a broker or agent they want us to use?
- Do they have a recommended shipping method or company?
- Are import permits required?
- Are there any special shipping requirements?
- Special language requirements on documentation?
INCOTERMS: WHO PAYS FOR WHAT?

INCOTERMS 2020
Point of Delivery and Transfer of Risk

- EXW: EX WORKS
- FCA: FREE CARRIER
- FAS: FREE ALONGSIDE SHIP
- FOB: FREE ON BOARD
- CFR: COST & FREIGHT
- CIF: COST, INSURANCE & FREIGHT
- CPT: COST PAID TO
- CIP: CARRIER & INSURANCE PAID TO
- DPU: DELIVERED AT PLACE UNLOADED
- DAP: DELIVERED AT PLACE
- DDP: DELIVERED DUTY PAID

SELLER'S OBLIGATION
TRANSFER OF RISK
BUYER'S OBLIGATION
TEMPORARY SHIPMENTS

• Carnets (Merchandise Passport)

• Temporary In-Bond (Temporary shipments)

• CBP Form 4455 (Certificate of Registration)

• No EEI Per 30.37(q) or 30.36 (Canada)
SPECIAL CONSIDERATIONS WHEN IMPORTING

- Regulations of the destination country
- Permits
- Veterinary health documents (live animals)
- CDC / APHIS for infectious materials
- Convention on International Trade in Endangered Species (CITES)
  - Export/import of Endangered Fauna and Flora, living or deceased including specimens, is highly regulated
- Ocean Shipments inbound to the U.S. require ISF filing BEFORE vessel departs foreign country – coordinate with the Agent/Broker ahead of time
- Clearing Customs (formal clearance required for value over $2500)
EXPORT CONTROL

SHIPPER

EXPORT CONTROL

FORWARDING AGENT / BROKER
both domestic and foreign

COLLABORATOR / RECIPIENT

DESTINATION

CERTIFIED HAZMAT SHIPPER (AS REQUIRED)
WHAT THE EXPORT CONTROL OFFICE DOES

• Core Mission: to identify and manage export risks and provide guidance in support of the research activities of university faculty, staff, and students.

• Export Reviews for International Shipments and other areas

• Apply for Export Licenses when required

• Training Videos available at http://export.ucsd.edu/
The U.S. Government restricts exports of certain technologies that it considers strategically important for national security and foreign policy.

**REASONS FOR CONTROL:**
- National Security Reasons
- Nuclear Non-Proliferation Reasons
- Missile Technology Controls
- Anti-Terrorism
- Chemical & Biological Controls
- Regional Stability
- Crime Control Measures
- Anti-boycott Reasons
... but I’m not exporting anything

If information, technology, data, or commodities leave the U.S., it’s considered an EXPORT under U.S. law.

Also includes:

• TEMPORARY shipment of goods
• HAND CARRIED items, including laptops taken on travel
• INTERNATIONAL WATERS (12 nautical miles)
• TERRITORIAL WATERS of another country
• MEXICO and CANADA
CLASSIFICATION: WHAT AM I SHIPPING?

EXPORT CONTROL

• Export Control Classification Number (ECCN)
  • Commerce / EAR Controlled items (e.g. 6A001, 5A992)
  • EAR99 – Not specifically listed on the CCL, but still subject to Export Controls
• ITAR Classification
  • USML list – Roman numeral categories (e.g. XII, XX, etc.)

CUSTOMS & TRADE COMPLIANCE

• Schedule B (U.S. Exports)
• HS-Harmonized System Tariff code (mainly for imports)
  • Internationally standardized system of names and numbers for classifying traded products.

Improper classification can lead to fines and delays
INTERNATIONAL TRAFFIC IN ARMS REGULATIONS (ITAR)

- Controls items designed for military application
- ITAR items listed on the U.S. Munitions List (USML) by Category
- ITAR items will require an export license to take outside the U.S. (in most situations)
- Licenses can take 6-8 weeks or longer to be approved, so plan ahead!
EXPORT ADMINISTRATION REGULATIONS (EAR)

- Covers “DUAL USE” items
- Has both commercial and military applications
- EAR99 items are still controlled for export
As part of the Export Control License reviews, the Export Control Office will advise on available license exceptions

**TMP (Temporary exports)**

- Useful for research equipment shipped or hand carried outside the US temporarily
- Must meet the definition of “Tools of the Trade,” stay under your “Effective Control,” and return to the US within 1 year
- Does not apply to all types of controls (e.g. missile technology) or to all destinations

Others available, depending
RESTRICTED PARTY SCREENING (RPS)

• Various U.S. and Foreign agencies maintain lists of individuals and entities, called Restricted Parties, who have been denied export privileges.

• Shipping to a Restricted Party without an export license (when required) is against the law.

• Screen all parties to a shipment, including recipient, collaborators, intermediate consignees, agents, etc. prior to shipped to ensure none are listed as a Restricted Party.

• Universities and Research Institutions are listed – be sure you’re not shipping to one of them!

• Send all RPS alerts to export@ucsd.edu for review.

• Sign up for an account at VisualCompliance.com to perform screenings.
COMMOM EXPORT CONTROLLED ITEMS AT UC SAN DIEGO

- Autonomous Vehicle technology (UAS, drones, AUVs)
- Navigation or Positioning technology (GPS, IMU, INS, Accelerometers)
- Acoustic sensors (ADCPs, hydrophones, transducers, etc.)
- Infrared / SWIR cameras
- Seismic / Geophysical Instruments
- Computer and Networking equipment
- Integrated Circuit technology (doped wafers)
- Encryption technology
- Source code software / Product Design Kits
- Toxic or infectious biological agents (Shiga toxin producing e. Coli, Monkeypox virus, etc.)
CERTIFIED HAZMAT SHIPPER

- Shipper
- Export Control
- Forwarding Agent / Broker (both domestic and foreign)
- Certified Hazmat Shipper (as required)
- Collaborator / Recipient
- Destination
WHAT IS A HAZARDOUS MATERIAL?

- Items and products we use every day that pose some type of danger or risk
- The DOT (Department of Transportation) defines regulated hazardous materials as “any item that poses an unreasonable risk to health, safety, and property when transported in commerce”
- Only legally trained and certified hazmat shippers can package, mark, label, and ship regulated hazardous materials both domestically and internationally per United States Federal Law (49 CFR)
EXAMPLES OF HAZARDOUS MATERIALS

- Lithium batteries
- Cell phones/Laptops
- Biological substances
- Chemicals/Compounds
- Glues/Adhesives
- Compressed gases
- Dry ice
- Liquid nitrogen
- Fuel
- Paints
- Acids/Bases
- Hydraulic fluid
- Genetically modified organisms
- Refrigerators/Freezers
• A person who knowingly violates a requirement of the Federal hazardous material transportation law...transportation of hazardous materials or the causing of them to be transported or shipped is liable for a civil penalty of not more than $89,678 for each violation, except the maximum civil penalty is $209,249 if the violation results in death, serious illness or severe injury to any person or substantial destruction of property (49 CFR 107.329 (a))

• A person who knowingly violates §171.2(l) of this title or willfully or recklessly violates a requirement of the Federal hazardous material transportation law or a regulation, order, special permit, or approval issued thereunder shall be fined under title 18, United States Code, or imprisoned for not more than 5 years, or both, except the maximum amount of imprisonment shall be 10 years in any case in which the violation involves the release of a hazardous material which results in death or bodily injury to any person (49 CFR 107.333)
FREIGHT FORWARDERS, CUSTOMS BROKERS, & CARRIERS

SHIPPER

EXPORT CONTROL

FORWARDING AGENT / BROKER
both domestic and foreign

CERTIFIED HAZMAT SHIPPER (AS REQUIRED)

COLLABORATOR / RECIPIENT

DESTINATION
FREIGHT FORWARDERS

Freight Forwarders and their agents act as stewards of the shipment. They see to it that your cargo gets through all the gates to ensure its delivered safely and on time.

- Coordinate logistics of the shipment
- Books freight with carrier’s planes, trains, trucks or ships.
- Arrange pickup and delivery
- Coordinate door-to-door carriage
CUSTOMS BROKERS

- Brokers act on behalf of Shipper in interactions with Customs to clear shipment
- Brokers possess Power of Attorney (legal document)
- Only Brokers with Power of Attorney for the University of California can clear UC shipments through customs
- Only the Board of Regents has the authority to sign documents giving UC Power of Attorney to another party – UCSD faculty and employees cannot sign these documents
In addition to brokerage, ACS is a Forwarding Agent offering freight and other services (EEI filing, Carnet applications, etc.)

UC Customs Broker must be notified when importing into the U.S.

Shipments valued $2,500 or higher or conducted under a license/permit (CITES, FDA, USDA, CDC) will require a formal customs clearance with a broker.

You can use other freight forwarders, but ACS is currently the only entity with UC Power of Attorney.
Questions?

<table>
<thead>
<tr>
<th>Contact Type</th>
<th>Email</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Export Control</td>
<td><a href="mailto:export@ucsd.edu">export@ucsd.edu</a></td>
<td>(858) 246-3300</td>
</tr>
<tr>
<td>Shipping</td>
<td><a href="mailto:outboundshipping@ucsd.edu">outboundshipping@ucsd.edu</a></td>
<td>(858) 534-5737</td>
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</table>
RCI COMMUNICATIONS

- Research Compliance and Integrity Helpline: (858) 822-4939, rci@ucsd.edu
  - RCI Office Hours, Tuesdays from 11-12: https://calendly.com/ucsdrcioffice
- Conflict of Interest Helpline: (858) 534-6465, info-coi@ucsd.edu
- Export Control Helpline: (858) 246-3300, export@ucsd.edu
- IACUC Helpline: (858) 534-6069, iacuc@ucsd.edu
- Unannounced Governmental and Law Enforcement Hotline: (858) 246-4600
- Hot Topics Eblasts and Newsletters: http://blink.ucsd.edu/sponsor/rci/news.html

- RCI Hot Topics Training Program: https://blink.ucsd.edu/sponsor/rci/research-compliance-hot-topics.html
- To be added to the RCI list serv, please email rci@ucsd.edu