



2024-2025

Export Controls & Sanctions
Compliance Webcast Series

International Trade Compliance and Lessons Learned from Recent Enforcement Trends

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1.0 CPE Credit In The Field Of Specialized Knowledge

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CPE PLACEHOLDER SLIDE

Agenda



Introductions



Learning Objectives



Panel Discussion with Q&A

With You Today

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Learning Objectives

- ▶ Discuss recent trends in enforcement from an in-house perspective and a practitioner's perspective, and draw from lessons learned best practices in addressing those trends
- ▶ Identify potential blind spots and articulate creative solutions for managing risks
- ▶ Identify areas of collaboration with other areas of the organization to proactively prepare for enquiries by enforcement agencies
- ▶ Apply procedures that draw from investigative methodologies and innovation to leverage data and other sources of information to effectively and efficiently execute their compliance programs



Discussion



Recent Enforcement Actions

International trade sanctions and export controls grew in complexity in 2023. Significant enforcement actions include:

- ▶ \$300 million penalty against Seagate and Seagate Singapore related to their continued shipment of millions of hard disk drives to Huawei.
- ▶ \$2.77 million penalty on a 3D printing company related to its sending export-controlled blueprints for aerospace and military electronics to China.
- ▶ \$3.3 million combined penalty against Microsoft Corporation for alleged and apparent violations of U.S. export controls and sanctions laws.
- ▶ \$5.8 million penalty against a PA company for shipments of low-level items to parties tied to China's hypersonics, UAV, and military electronics programs (8/15/2024).



Trends in Enforcement

- ▶ Regulatory agencies:
 - Enhanced resources
 - Inter-agency cooperation
 - Collaboration with industry
- ▶ Geopolitical and market risks
- ▶ Operational supply chain challenges
- ▶ Continuing developments in regulations:
 - Regulations against forced labor
 - Growing ESG obligations



Solutions for Managing Risks

- ▶ Integrate compliance functions into business operations
- ▶ Deploy a multi-disciplinary team that includes personnel closest to the action
- ▶ Leverage technology to strengthen compliance operations
- ▶ Make intelligent use of data
- ▶ Be strategic about identifying potential red flags
- ▶ Explore using artificial intelligence to help build efficiency and effectiveness in compliance



Export Control Requirements And Challenges in Other Industries

Export control compliance is important in non-high-tech industries as well.

LIFE SCIENCES



NATURAL RESOURCES



APPAREL



Q&A



IMMEDIATE FOLLOW UP POLLING QUESTION

Would You Like to Speak to Any of Our Presenters on the Content From Today's Webinar?



A

Yes, I'd like to speak to **one of the speakers.**

B

No, not currently, Thank you.

THANK YOU



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