



Background: How authorities are learning about export violations

What are the chances that licensing authorities and other State officials are discovering export control violations? In other words, if someone exports illegally, will the Government learn about it and will it take enforcement or other actions? Sources where public administrations can get information are multiple. Here are the essential ones:

Customs controls. Customs authorities are checking physical goods at the national borders and/or in the respective countries. These checks may be more or less targeted and include random checks. The aim is to verify the compliance of customers declared transactions with regulations applicable to declared goods, and especially if these are restricted or prohibited goods. Controls are carried out on the documents and/or on goods when they are declared or within 3 years following acceptance of the customs declaration. Some controls are based on a risk analysis using computerized data processing procedures. They may include physical examination, inspection of the means of transport, collection of samples, and inquiries.

Outreach by licensing authorities. Checks similar to customs controls may be done by licensing authorities, even on company's premises. These may happen during the examination phase of a license application, at the time of the export or post-export (for example, after having received company's reporting on exports made the previous year).

Disputes with employees or customers. Angry or dismissed employees, or unhappy customers, may inform authorities of possible export violations they are getting aware of.

Competitor complaints and commercial litigation. In order to achieve a level playing field, some companies are not reluctant to notify authorities about their competitors' behaviour, and especially about export violations. This may also happen in the course of commercial litigation and export violations are often part of a threat to use them as a leverage to settle the case.

Diversions. You have sold your product to a specific country and end-user. If the product, without your knowledge, later on ends up in a different, often sensitive, country and at a different end-user, perhaps a sanctioned or otherwise listed entity, even if your initial export was perfectly legal, you may be approached by your competent authorities to answer to investigations, because your end-use check and diversion risk assessment was not fully compliant and processed.

In some countries, Government officials are obliged to notify facts of possible export violation to the public prosecutions office as soon as they get knowledge of those. Administrative sanctions may be enforced against companies and responsible staff, and often heavy criminal penalties are foreseen by applicable legislation.

A good business practice for exporting companies is to dedicate part of their internal compliance program to establish internal proceedings on how to deal with possible violations of export control laws and regulations.



```
    'replace_interests' => false,  
    'send_welcome'     => false,  
  });  
  
  if (err) {  
    result = array ('response' => 'error', 'message'  
  );  
  } else {  
    result = array ('response' => 'success');  
  }  
  
  res.render('index', {result: result});
```