



Trade Compliance Program – OES

Boon Bee, Sim • Regional Trade Compliance Manager

14 • Oct • 2019

Agenda

1 Rockwell
Automation At a
glance

2 Build and
Maintain Your
ICP

3 Risk Assessment

4 System Control

Rockwell Automation at a glance

Our strategy is to bring The Connected Enterprise to life.
We integrate control and information across the enterprise to help industrial companies and their people be more productive.

\$6.7B

FISCAL 2018 SALES

23,000

EMPLOYEES

80+

COUNTRIES

ABOVE-MARKET GROWTH | PRODUCTIVITY | INTELLECTUAL CAPITAL > VALUE CREATION

Build and Maintain your ECP

Having Experts inside different parts of your organization will help tremendously in capturing the specific day-to-day **export processes & import** processes and identifying with them any **trade compliance vulnerabilities**.

- Rockwell Automation has weave in Regional Trade Compliance operation into our daily operations to best manage our day-to-day trade compliance vulnerabilities.
- Trade Compliance Vulnerabilities also includes import compliance concerns.

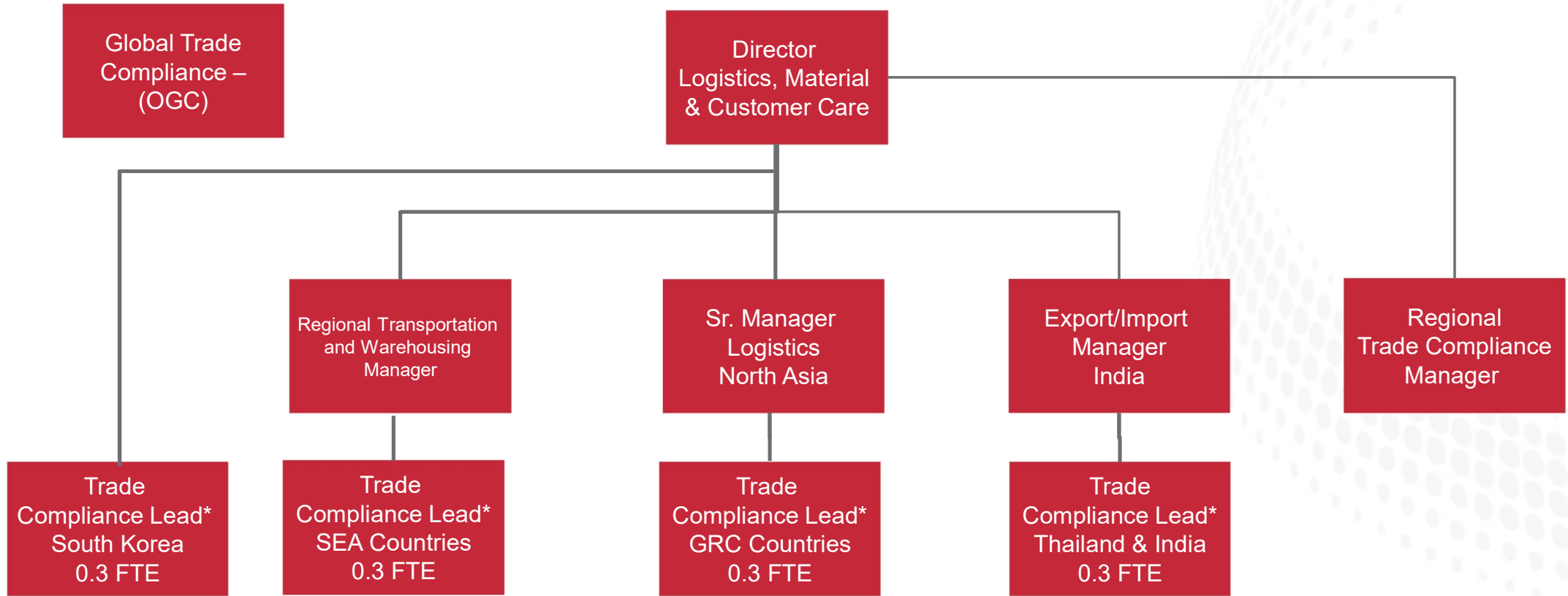
e.g: VN has implemented similar regulations to US EAR on the import procedures known as Cryptography Import license.

The Elements of an Effective Export Compliance Program (ECP)

The Bureau of Industry and Security (BIS) has identified the following elements as critical for an effective ECP for items subject to the EAR. These elements provide a foundation for the basic structure of your ECP, but they do not necessarily constitute an exhaustive list. The Elements are:

1. Management Commitment
2. Risk Assessment
3. Export Authorization
4. Recordkeeping
5. Training
6. Audits
7. Handling export violations and taking corrective actions
8. Build and maintain your ECP

Asia Pacific Trade Compliance Organization Structure



Regional Trade Compliance Operation is an Embedded Compliance Function within Operations & Engineering Services (OES).

Global Trade Compliance

Rockwell Automation | SharePoint

Global Trade Compliance Department | Export Compliance | Import Compliance | Contacts

Global Trade Compliance

Search this site | Send by email | Published 4/13/20

Welcome to Global Trade Compliance

Operating Principals

To passionately champion the long-term success of our one client, Rockwell Automation, we will:

- Know the company, its business strategies, and its worldwide trade compliance needs, through early involvement in business planning
- Provide proactive advice on trade compliance solutions to business objectives
- Solve problems creatively and identify practical alternatives to address trade compliance obstacles and mitigate risks
- Communicate clear and decisive advice
- Educate employees about how to comply with laws, regulations, company policies, and contracts
- Protect the company's reputation and model the highest standards of ethics
- Balance our role as independent counselor with our role as business partner
- Strive to provide quality service in a cost-effective way

Nathan Eilers - Director, Global Trade Compliance

- Global Trade Compliance Contacts
- Export Compliance
- Import Compliance
- Global Trade Compliance Training
- Global Trade Compliance Resources
- GTC Yammer Channel
- GTC Video Channel

Global Trade Compliance Program

Rockwell Automation, Inc.



Risk Assessment

24 by 7 automated screening on customer – US SPL and export license determination by System.

Rockwell Automation utilizes Global Trade System in SAP to screen every transaction on an on-going basis.

- Internal Classification Team will fully classifies our products for US ECCN, US & local HS Codes & COO.
- System blocks for export licensing requirements (mandatory).
- Import licensing requirements are optional and can be activated by our Regional Trade Compliance Team.
 - Based on our internal risk assessment balancing customer delivery lead time **without** compromising local regulatory requirements.
- GTS Systems screens for an excessive list of local sanction party lists but AP Trade Compliance team will release orders blocks that are not related to the US SPL due to the extraterritorial¹ nature of US EAR.

¹**Extraterritorial jurisdiction** (ETJ) is the legal ability of a government to exercise authority beyond its normal boundaries. Any authority can claim ETJ over any external territory they wish.

SAP & IFS System Control on SO & PO with Products Requiring Export Control.

- Based on US EAR.
- License Strategy : Control list is compared to US CCL. No differences between US CCL & SGCA CCL.

e.g: IN SCOMET 8A502 is mapped to 5A002.

Scope of control	Export/Re-export/extra-territorial	Export/Re-export	Export/Re-export	Export/Re-export	Export/Import/Re-export	Export/Import/Re-export	Export/Re-export/extra-territorial	Export/Re-export	Export/Re-export	Import
Export/Import Regulation	US EAR	Strategic Goods Control Act (SGCA)	AU Defense Export Control (DEC)	IN-SCOMET	HK - Strategic Control System	TW Export Control (SHTC)	MY Strategic Trade Act (STA)	JP - Export Control Framework	KR - Strategic Export Regulation	VN - General Cryptography Licence

SO – Sales Orders

PO – Purchase Orders

3. SAP & IFS System Control on SO & PO with Products Requiring Export Control.

- Licensing Strategy is determined by our internal Classification Team based on product specifications.

USECCN		INSCOMET	
3A001	3A001 Electronic components and “specially designed” “components” therefor, as follows (see List of Items Controlled).	7A005	7A005 Microprocessor microcircuits, microcomputer microcircuits, microcontroller microcircuits, storage integrated circuits manufactured from a compound semiconductor, analogue-to-digital converter, and digital-to-analogue converter, printed circuit boards or modules, electro-optical or optical integrated circuits designed for signal processing, field programmable logic devices, neural network integrated circuits, custom integrated circuits for which either the function is unknown or the control status of the equipment in which the integrated circuit will be used is unknown, Fast Fourier Transform (FFT) processors, electrical erasable programmable read-only memories (EEPROMs), flash memories or static random-access memories (SRAMs), having any of the following
3A225	3A225 Frequency changers (a.k.a converters or inverters) and generators, except those subject to the export licensing authority of the Nuclear Regulatory Commission (see 10 CFR part 110), that are usable as a variable frequency or fixed frequency motor drive and have all the characteristics described in the ECCN (see List of Items Controlled).	4A011	Frequency changers or generators having all of the following characteristics: a. Multiphase output capable of providing a power of 40W or greater; b. Capable of operating in the frequency range between 600 and 2000 Hz; c. Total harmonic distortion better (less) than 10%; and d. Frequency control better (less) than 0.1%
5A002	5A002 “Information security” systems, equipment “components” therefor, as follows (see List of Items Controlled).	8A502	8A502 Information security systems, equipment and components as follows: Designed or modified to use cryptography for data confidentiality having in excess of 56 bits of symmetric key length or equipment where the cryptography is usable without cryptographic activation or has been activated
5A992	5A992 Equipment not controlled by 5A002 (see List of Items Controlled).	NCTRL	No Control under the SCOMET
EAR99	Items subject to the Export Administration Regulations (EAR)	NCTRL	



Thank you



www.rockwellautomation.com