



INTERNATIONAL GRANTS

Case studies

Agenda - 3 Case Studies

- North Korea
- Syria
- Sudan

Quick overview of Carnegie

- Education
- International Peace
- Democracy

OFAC general vs special

- A license = authorization from OFAC to engage in a transaction that otherwise would be prohibited.
- Two types: general licenses and specific licenses.
- General license - authorizes a particular type of transaction for a class of persons without the need to apply for a license.
- Special or specific license - document issued by OFAC to a particular person or entity, authorizing a particular transaction in response to a written application.

OFAC compliance

- New staff
- Encouraged to send letter to OFAC.
- Received guidance – translated into English
- Learned much of what we did falls within general license. Add language to grant agr.
- Review all budgets and proposals for any indications
- Trained staff to highlight potential issues



North Korea

TRACK II

- Unofficial diplomatic engagement with govt officials to:
 - Open lines of inquiry
 - ID areas of exploration
 - Send timely warnings
 - Esp. imp if channels of comm w/ official diplomatic aren't open

North Korea

- Sponsor mtgs w/ North Koreans
- Sponsor travel to North Korea?
- New Exec Order
- Dismayed!
- Spoke with OFAC
- Advised to:
 - Write letter with overview of purpose of meetings
 - Descriptions of grantees current and pending
 - Descriptions of work being undertaken
 - Including possible meeting dates – to expedite

North Korea – Results

- Got special license quickly – less than 3 wks
- Amended current grant agreements
- Added language to pending grantees
 - Ack of special license
 - Conf of desc in letter sent to OFAC of grantee work
 - Promise to maintain records
 - Cooperate with any investigation

SYRIA: 2 different grants



SYRIA: Conference for scientists

Grant to US public charity for a conference for scientists from several Middle Eastern countries including Syria

Did this fall within general license?

- Yes if we add to usual language
- No blocked persons
- Can't violate economic sanctions
- Grantee engaged counsel to develop policies and procedures to ensure compliance with economic sanctions

Syrian Students

- General license = yes
- Schools, universities closed
- Support Syrian students outside country w/out access to education or continue academic work

Unexpected Turn of Events

- Banks!
- Thwarted at time of payment. International bank would not wire the payment - Syrian Students name of organization - internal policy.
- Resolution – sent a hardcopy check and it worked.

SUDAN: 2 different cases

Funding U.S. university conducting research in Sudan on Role of Women in peacebuilding in Africa.

Grant agreement :

- Grantee must engage counsel to develop policies and procedures
- All findings non commercial use - publicly available
- Indemnify and hold Carnegie harmless for any non-compliance
- Screen recipients of grant funds against OFAC's SDN list



Take aways

- Special license process
- Flag issues as early as possible
- Train staff to help with this
- Partnership approach
- Be creative in your approach
- Don't give up! Try asking more general questions

QUESTIONS?

