Agenda - 3 Case Studies

- North Korea
- Syria
- Sudan
Quick overview of Carnegie

- Education
- International Peace
- Democracy
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
Houston, we have a problem…
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
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.
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?