

ALBANY AMSTERDAM ATLANTA AUSTIN BOSTON CHICAGO DALLAS DELAWARE DENVER FORT LAUDERDALE HOUSTON LAS VEGAS LONDON* LOS ANGELES MIAMI **NEW JERSEY** NEW YORK ORANGE COUNTY ORLANDO PALM BEACH COUNTY PHILADELPHIA PHOENIX SACRAMENTO SAN FRANCISCO SHANGHAI SILICON VALLEY TALLAHASSEE TAMPA TYSONS CORNER WASHINGTON, D.C. WHITE PLAINS Strategic Alliances with Independent Law Firms**

MILAN ROME

TOKYO ZURICH

OFAC Continues to Push Open Lines of Communication in Iran, Sudan and Cuba

The U.S. Department of Treasury, Office of Foreign Assets Control (OFAC) has announced another step in the effort to bring free, open communications to Iran, Sudan and Cuba. On March 8, 2010, OFAC issued new General Licenses that authorize the export of certain Internet-based communications services, thus directly encouraging the free flow of information and communications from Iran, Sudan and Cuba.

The new General Licenses continue the trend of liberalizing economic sanctions to promote more open communication to, from, and within these countries, as we previously highlighted in our *GT Alert* of September 2009, <u>U.S. Opens Lines of Communication to Cuba – Revisions to Cuba Regulations Provide Opportunities for Telecom Industry</u>.

The new General Licenses authorize the export of services and software to Iran and Sudan incident to the exchange of personal communications over the Internet, such as:

- instant messaging;
- chat and email;
- social networking;
- sharing of photos and movies;
- web browsing; and
- blogging.

To be eligible for the new General Licenses, the software must either:

- be classified as EAR99 under the Export Administration Regulations (EAR);
- be classified as "mass market software" under the EAR; or
- not be subject to the EAR at all.

Finally, the services and software must also be publicly available at no cost to the user.

The new General License for Cuba authorizes only the export of the services described above, and includes the condition that the service must be provided at no cost to the end-user. The Cuba license does not authorize exports of software, as such exports fall under the jurisdiction of the Department of Commerce under the EAR.



The General Licenses do not authorize the direct or indirect export of specified services or items, including:

- Internet connectivity services;
- telecommunications satellite facilities (such as satellite links or dedicated lines); and
- web-hosting services that are not for personal communications.

Similarly, the General Licenses do not authorize export of any subject services or software, either directly or indirectly, to the Government of Iran, the Government of Sudan, the Government of Cuba or certain members of the Communist Party of Cuba.

OFAC also announced that specific licenses may be issued on a case-by-case basis to authorize the export of software or services not covered by the General Licenses, including software or services that are not free and publicly available, thus furthering the same general policy of increasing communication to and within the sanctioned countries.

This *GT Alert* was prepared by Kara Bombach, Michael Marinelli and Renee Latour. Questions about these regulatory changes, or other export controls or U.S. sanctions matters, can be directed to the <u>GT Export</u> <u>Controls Group</u>:

- <u>Kara Bombach</u> 202.533.2334 (<u>bombachk@gtlaw.com</u>)
- <u>Michael Marinelli</u> 202.533.8503 (<u>marinellimx@gtlaw.com</u>)
- <u>Renee Latour</u> 202.533.2358 (<u>latourr@gtlaw.com</u>)
- Jennifer Maki 202.533.2368 (makij@gtlaw.com)
- Or your Greenberg Traurig attorney



Export Controls

MARCH 2010

Albany 518.689.1400

Amsterdam +31 20 301 7300

Atlanta 678.553.2100

Austin 512.320.7200

Boston 617.310.6000

Chicago 312.456.8400

Dallas 214.665.3600

Delaware 302.661.7000

Denver 303.572.6500

Fort Lauderdale 954.765.0500

Houston 713.374.3500

Las Vegas 702.792.3773

Los Angeles 310.586.7700

London* +44 (0) 203 349 8700

Miami 305.579.0500

New Jersey 973.360.7900

New York 212.801.9200

Orange County 949.732.6500

Orlando 407.420.1000

Palm Beach County North 561.650.7900

Palm Beach County South 561.955.7600

Philadelphia 215.988.7800

Phoenix 602.445.8000

Sacramento 916.442.1111

San Francisco 415.655.1300

Shanghai +86 21 6391 6633

Silicon Valley 650.328.8500

Tallahassee 850.222.6891

Tampa 813.318.5700

Tysons Corner 703.749.1300

Washington, D.C. 202.331.3100

White Plains 914.286.2900

This Greenberg Traurig Alert is issued for informational purposes only and is not intended to be construed or used as general legal advice. Please contact the author(s) or your Greenberg Traurig contact if you have questions regarding the currency of this information. The hiring of a lawyer is an important decision. Before you decide, ask for written information about the lawyer's legal qualifications and experience. Greenberg Traurig is a service mark and trade name of Greenberg Traurig, LLP and Greenberg Traurig, P.A. ©2010 Greenberg Traurig, LLP. All rights reserved. *Operates as Greenberg Traurig Maher LLP. **Greenberg Traurig is not responsible for any legal or other services rendered by attorneys employed by the Strategic Alliance firms.