



**Bureau of Political-Military Affairs
Directorate of Defense Trade Controls
Office of Defense Trade Controls Compliance**

**International Traffic in Arms Regulations (ITAR)
Compliance Program Guidelines**

ELEMENT 5: ITAR TRAINING

A. ITAR Training Programs

ITAR Training Programs Basics

ITAR training programs should be tailored, dynamic, up-to-date, and adequately resourced. They should also clearly identify the job-specific export control responsibilities for all employees. Programs should allot sufficient time for employees to complete their training, and they should offer training on a recurring basis, at a minimum annually. Organizations should maintain accurate training records to verify that employees have completed all relevant compliance-related training sessions. In addition to offering formal ITAR training sessions on a recurring basis, organizations should make available ITAR training resources that employees may consult at any time.

Tailoring ITAR Training Programs

Organizations should ensure that ITAR training programs are tailored to address their specific compliance risks. Some of the risks that organizations should consider when designing an ITAR training program include the following and discussed in detail in Element 6 of this document:

- The nature and scope of their defense articles and defense services being provided;
- The parent, subsidiaries, affiliates, suppliers, customers, clients, business partners and other relevant parties with which they interact, directly or indirectly;
- The geographic regions in which they operate; and
- The duties and responsibilities of the employees and other personnel being trained.

Implementing Dynamic and Up-to-Date ITAR Training Programs

ITAR training programs should be dynamic and reviewed periodically for updates and revisions based on changes in the organization's commodities and their end uses and end users, as well as any changes to the ITAR or guidance from DDTC. Organizations should monitor the *Federal Register* and DDTC's website routinely for ITAR-related updates that should be integrated into recurring training sessions. Organizations should also establish a mechanism to disseminate ITAR-related

updates to personnel in a timely manner in between training sessions, such as through organization-wide email updates.

Organizations should also stay informed of export compliance best practices and monitor relevant publications that may describe export compliance enhancements and lessons learned from export control violations by other organizations. For instance, upon learning of an ITAR violation or “close call” within one’s own organization, or identifying vulnerabilities in the organization’s ICP, or obtaining a negative testing result or audit finding, organizations should use such incidents to provide specific training to relevant personnel within the organization, in addition to taking corrective action.

Hiring Knowledgeable and Experienced Trainers

An effective ITAR training program requires knowledgeable, experienced trainers. Organizations should ensure their trainers are subject matter experts on the ITAR who keep well-informed regarding the latest changes to the ITAR, guidance from DDTC, and industry best practices. Internal trainers should pursue their own continuing education to ensure that they remain subject matter experts in the field.

B. Tiered Training Based on Each Employee’s Functions



Organizations should adopt a tiered ITAR training program based on the responsibilities of each employee and other personnel within the organization. Organizations should tailor their ITAR programs as specifically as possible to help employees and other personnel understand their specific export control responsibilities in light of the organization’s risk profile. Organizations should provide their employees and other personnel with different levels and types of ITAR

training depending on the knowledge and skills needed to perform their job functions and the compliance risks that arise in each position. For example, training programs could be divided into four tiers, directed at four categories of positions within the organization, as reflected in the pyramid diagram above and described below. Smaller organizations may adopt this tiered approach or

provide comprehensive ITAR training to all personnel.

Tier 1: General ITAR Training for All Personnel

For the first and bottom tier – all personnel – training should cover the basics of export controls and should be comprehensible for a broad audience with little or no background in export controls or the ITAR. Generally, this level of training is provided to all personnel within organizations. Organizations should provide the training to all new hires and contractors during the onboarding process and then reinforce that training through periodic education and awareness activities to those with little or no exposure to exports.

Tier 1 training should provide all personnel within the organization a basic understanding of the ITAR and a clear understanding of everyone’s shared export compliance responsibilities within the organization. Tier 1 training should, at a minimum, cover the following topics:

- Basic ITAR overview, including:
 - Regulated activities;
 - Key ITAR definitions, including export, foreign person, technical data, defense service, and defense article, and provide real world examples specific to the organization's business;
 - Licenses or other approvals; and
 - How ITAR violations occur.
- Overview of the organization’s ICP
- Recordkeeping procedures
- Red flags specific to the organization’s business
- Screening requirements
- Practical advice and case studies to address real-life scenarios
- Company-specific risk profile and high-risk compliance areas
- Reporting ITAR violations
- Potential consequences of violating the ITAR:
 - Strict liability for civil violations;
 - Civil and/or criminal monetary penalties;
 - Imprisonment for criminal violations; and
 - Debarment
- Enhancing ITAR-compliance processes
- Organization charts and contact information for key export compliance personnel, Empowered Officials, and other relevant personnel.

Tier 2: Senior Management

For the second tier – senior management – training should be more detailed and include more than just the basics of export controls. Senior management must have a thorough understanding of export controls to properly comprehend the compliance risks associated with the organization’s activities and risk profile. Organizations with a Board of Directors or a Board of Trustees should conduct the same type of top-level briefing for them as well.

Tier 2 training should provide senior management with an intermediate level of understanding of the ITAR and a clear understanding of the critical role senior management plays in ITAR compliance within the organization. In addition to topics covered in Tier 1, Tier 2 training should, at minimum, include an intermediate ITAR overview and the following topics:

- Detailed description of the organization’s ICP;
- The importance of communicating management commitment to complying with U.S. export controls;
- Allocating appropriate resources and hiring adequate staff to ensure ITAR compliance;
- Creating and maintaining a culture of ITAR compliance within the organization; and
- A detailed description of the potential consequences of violating the ITAR.

Tier 3: Positions with Export Functions

The specific personnel that fall in the third tier – positions with export functions – will vary from one organization to another, depending on the organization’s activities. For most companies, it will likely include program management, technical, and/or engineering personnel with access to ITAR-controlled defense articles, shipping and receiving, supply chain, business development, human resources, and IT.

For universities, it will likely include administrative staff, researchers, faculty and/or principal investigators involved in activities, including, e.g., contracts and grants, product development, and research labs, as well visiting foreign students and scholars participating in controlled research. Organizations should provide more detailed and targeted ITAR training to such personnel, at a minimum, on an annual

basis.

Tier 3 training should provide relevant employees with export functions with an advanced- level understanding of the ITAR and their significant export compliance responsibilities within the organization. In addition to topics covered in Tiers 1 and 2, as appropriate, Tier 3 training should, at minimum, cover the following additional topics:

- How to handle technical data, including marking procedures;
- Deemed exports;
- Jurisdiction and classification;
- Pertinent USML Categories;
- Export authorization approval process;
- License conditions and exceptions;
- Exemptions applicable to business;
- Agreement and license types;
- Non-Disclosure Agreements;
- Recordkeeping; and
- Targeted training to individual roles.

Tier 4: Export Compliance Team

The final and top tier of the training program comprises the export compliance team, including the EO, export compliance manager, compliance supporting staff, and legal counsel advising on export compliance issues. Training for this group should be thorough and detailed and include not only the organization's ICP but training on all export control regulations that could impact the organization's exporting activities.

Compliance managers and their team also need to receive training on potential future needs for their organization, including mergers, acquisitions, or divestitures, development of a new product line, expansion into a new region of the globe, or new developments in U.S. foreign policy.

Tier 4 training should provide the export compliance team with an expert-level understanding of the ITAR and their export compliance responsibilities within the organization. In addition to topics covered in Tiers 1, 2, and 3, as appropriate, Tier 4 training should, at minimum, cover the following additional topics:

- Establishing and maintaining ITAR policies and procedures, including the ICP.
- Obtaining and tracking the use of the organization's licenses and other approvals.
- Establishing TCPs.
- Other detailed training in specific areas of export regulations relevant to the organization, such as:
 - Export document preparation,
 - Country-specific diversion risks,
 - Recordkeeping requirements, and
 - Self-assessments and internal audits.
- Attending DDTC seminars and other outside training programs as appropriate.

Employee Accountability

Organizations should include ITAR training as a requirement in performance plans and reviews and ensure that employees and other personnel complete their ITAR training on time. Organizations should also hold employees and other personnel accountable for both completing their ITAR training in a timely manner and for completing refresher training to retain their knowledge from their initial training. Further, at the end of each ITAR training session, organizations should test employees on the materials and issue a certificate of completion when they successfully complete the test.