



# Automated Export System

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Acting Director  
Office of Technology Evaluation, BIS



## **The Automated Export System (AES) From a BIS Perspective**

**Gerry Horner**  
**Acting Director, Office of Technology Evaluation**  
**Bureau of Industry and Security**



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## Agenda Topics

- Introduction to the Automated Export System
- AES Export Control Statistics
- AES Compliance on BIS Export Control Items
- Recent BIS Changes to AES
- BIS Proposed Changes to AES
- Potential BIS Enhancements in AES



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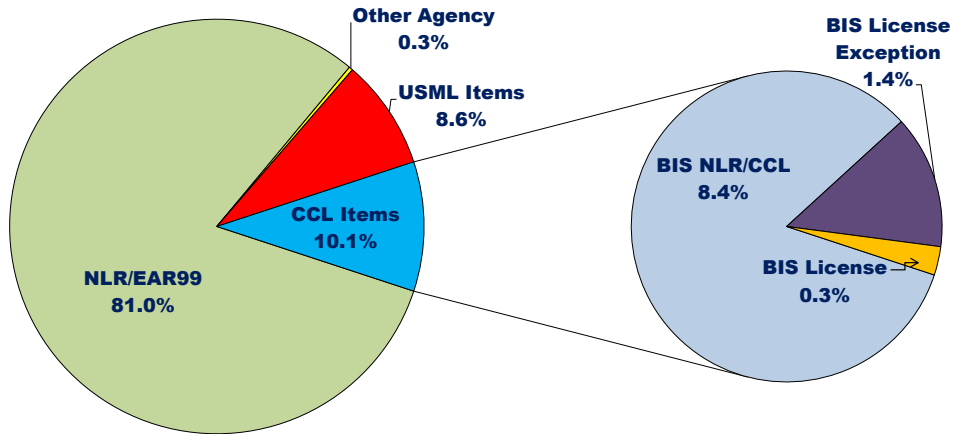
## Automated Export System

- Implemented on July 3, 1995
- Made mandatory in June 2008
- In 2011, 47,639 AES filers reported over 35.8 million electronic export records for \$1.5 trillion
  - AES*Direct* system = 46,695 filers report 23.8 million records
  - AES = 944 filers reported 12 million records
- Approximately 158,000 unique exporter IDs are utilized annually



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### 2011 Breakdown of Export Value

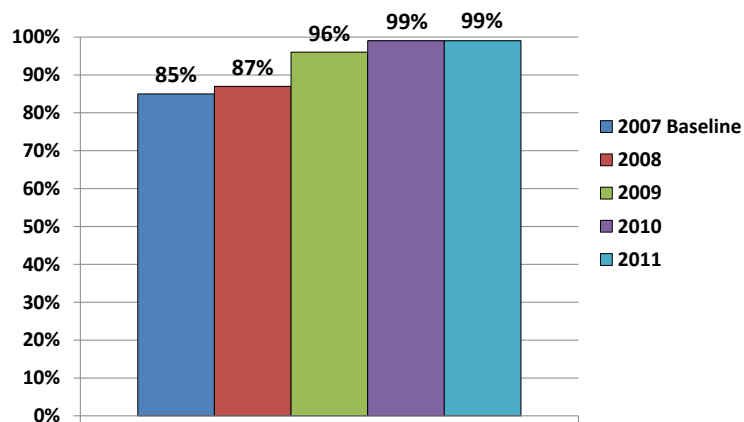


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### Compliance of the EAR in AES Reporting

- Review items shipped against under a license, license exception or no license
  - ✓ Proper classification
  - ✓ Proper use of license
  - ✓ Proper use of license exception



Records Subject to Licensing Requirements



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## Compliance with the EAR in AES Reporting

- April 2008 – Mandatory ECCN in AES for all license exceptions, except TMP
- October 2009 – Edit to allow only eligible ECCNs with License Exceptions
- March 2012 – Edit to prohibit EAR99 with license type C32 – No License Required
- April 2012 – Improved Edits on Licenses and License Exception AGR exports



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## Proposed New Data Elements in the FTR

- License Value – Allows for more accurate license decrementation
- Ultimate Consignee Type – Allows for improved identification of the Ultimate Consignee
  - Direct Consumer
  - Government Entity
  - Other
  - Unknown



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## Other BIS Changes to AES

- Post-Departure Filing – BIS will no longer allow BIS **licensed** exports to be reported post-departure.
- The following are reportable in AES regardless of value or destination:
  - License Exception STA
  - Authorization VEU
  - All 600 Series ECCNs



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## Potential BIS Enhancements to AES

- BIS License Decrementation
  - Will be based on comments to a Notice of Inquiry regarding shipping tolerances on BIS license values
- Additional edits in AES enabling exact matches between BIS licenses and BIS license exceptions and the AES Electronic Export Information



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## Contact Information

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## BIS Update 2012 Automated Export System

***Paul Newman***  
***Chief, Automated Export System Branch***  
***Foreign Trade Division***

## Today's Topics

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- AES Compliance and Fatal Error Reports
- Accessing Your EEI
- AESDirect Shipment Manager
- AESDirect – Looking Ahead

## AES Compliance Reports

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- AES Compliance Reports are issued monthly
- AES Compliance Alerts and Unresolved Fatal Errors affect your compliance rate
- Census calculates the monthly compliance rate

## AES Compliance Reports

- Ultimate Goal is a 100% Compliance Rate
- Shipments found out of compliance are subject to fines, penalties and seizures
- If the Compliance Rate falls below 100%
  - Filers will need to address filing issues
  - Review AES Best Practices
- Census follows up with companies with lower Compliance Rates
- Account for all late shipments with proper documentation

## AES Compliance Reports

- To maintain a high Compliance Rate, filers should:
  - Make sure your AES Compliance and AES Fatal Error Reports are sent to the appropriate person in your company
  - Minimize the total number of monthly AES Compliance Alerts
  - Monitor and resolve outstanding Fatal Errors as soon as they are received
  - Properly suppress or resubmit rejected shipments
  - Familiarize yourself with Appendix A – Commodity Filing Response Messages to correct Fatal Errors



## AES Fatal Error Reports

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- If applicable, filers with unresolved Fatal Errors will receive an AES Fatal Error Report approximately 2 weeks following the AES Compliance Report
- The report will contain any unresolved Fatal Errors remaining from the AES Compliance Report along with any new unresolved Fatal Errors

## AES Fatal Error Reports

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- Filer may be suspended from filing if found non-compliant
- Postdeparture privilege may be revoked if applicable

## Accessing Your EEI

- Non – AESDirect filers may submit a Data Request to the Foreign Trade Division
  - Reason for request
  - EIN(s) and names of the requesting company and all business units
  - Indication of whether your company is a USPPI or Authorized Agent
  - Contact information including Name, Address, Phone Number, and Email Address
  - Copy of signed Certification of Authority

## Accessing Your EEI

- One no cost Data Request covering a 12 month period of time per 365 Day Period
- \$125 per month for every month over the first 12 months
- Send Data Request To:
  - Mr. Joe Cortez
  - Chief, Regulations, Outreach and Education Branch
  - U.S. Census Bureau
  - 4600 Silver Hill Road – Room 6K125
  - Suitland, MD 20746 (if sent by FedEx)
  - Washington DC 20233 (if sent by Regular Mail)

## Accessing Your EEI

- [AESDirect filers](#) may retrieve their EEI from the AESDirect Shipment Manager
- EEI filed within the past 5 years is available
- Only EEI filed through the AESDirect program is available
- Only the AESDirect filer has access to the EEI

## AESDirect Shipment Manager

All Shipments    Accepted (5)    Rejected (1)    [Print](#)    [Download](#)    [Show More Shipment Details >](#)

	Shipment Reference Number	Status	AES ITN	Date of Filing	Date of Export
I want to ... Retrieve Delete Print Save as a Template I want to ...	03111	Accepted/Verify	X20110311000011	03/11/2011	06/20/2011
	031111B	Accepted	X20110311000026	03/11/2011	03/11/2011
	031111C	Accepted	X20110311000027	03/11/2011	03/11/2011
	03111A	Accepted/Verify	X20110311000012	03/11/2011	06/14/2011
I want to ...	3811A	Accepted/Verify	X20110308000064	03/08/2011	03/08/2011
I want to ...	CLASS117	Rejected/Fatal		03/09/2011	03/20/2011

## AESDirect Shipment Manager

- Features of the AESDirect Shipment Manager
  - Search directly by ITN or Shipment Reference Number
  - Search for EEI by the Filing Date or Date of Export
  - Sort results to your preference
  - Filter your search – Search under additional criteria
    - USPPI ID Number
    - USPPI Name
    - Consignee Name
    - Country of Destination
    - Port of Export
    - Carrier SCAC/IATA code
    - License Type
    - Username that created the shipment

## AESDirect Shipment Manager

- Save up to 5 frequently used searches
- Manage EEI with easy to use drop down menu
- View detailed AES response messages and description
- Preview shipment details
- Export report to a spreadsheet
- Training Video available at:  
<http://www.census.gov/foreign-trade/aes/exporttraining/videos/>

## AESDirect - Looking Ahead

- FTD is working with the Census Bureau's Human Factors and Usability Research Team and the AESDirect Contractor to improve the overall interface of AESDirect
- Two year project
- Improved usability, accessibility, and overall experience for our 47,000 AESDirect filers

## AESDirect - Looking Ahead

- New Interface Highlights
  - Single web based system with single sign-on incorporating functionality of all current AESDirect program applications
  - Save partial or complete EEI
  - Print complete or custom EEI
  - Dynamic feedback of errors or incomplete fields through on-screen notifications during input of EEI
  - Improved Help Text for guidance to field requirements
  - Improved navigation and look and feel
  - Live Chat Help and Online Feedback Form

## AESDirect - Looking Ahead

- Testing and Acceptance
  - Usability Reviews throughout the development cycle
  - External Focus Groups consisting of current export filers to provide further evaluation throughout major development milestones

## For More Information

- **FTD Call Center: 800-549-0595**
  - Option 1 – AES Assistance
  - Option 2 – Commodity Classification Assistance
  - Option 3 – Foreign Trade Regulations Assistance
  - Option 4 – Data Dissemination Assistance
- **Secure Fax: 301-763-8835**
- **E-mail: [ASKAES@census.gov](mailto:ASKAES@census.gov)**
- **FTD Blog: <http://globalreach.blogs.census.gov/>**
- **Broadcast Message Subscriptions via AESDirect Homepage at [www.aesdirect.gov](http://www.aesdirect.gov)**



## Questions and Answers



## U.S. Census Bureau Foreign Trade Division

### Notice of Proposed Rulemaking for the Foreign Trade Regulations & Best Practices

**Omari Wooden**  
Trade Ombudsman

## Today's Topics

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- **Proposed changes to the Foreign Trade Regulations (FTR)**
  - Post Departure
  - Household Goods
  - Used Self Propelled Vehicles
- **Data Element Changes**
- **Clarification**
- **Best Practices**
- **Training Tools and Outreach**



## Major Highlights

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### Post Departure Filing

#### Current requirements

- **Approved filers – Report Electronic Export Information (EEI) within 10 calendar days after departure**
- **Approved based on company, not commodity**

#### Proposed changes

- **Selected commodities only – agriculture/bulk**
- **Approved filers – Report EEI within 5 calendar days after departure**
- **Tighter criteria levels**





## Major Highlights

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### Household Goods

#### Current requirements

- Limited commodity reporting in the AES
- Valued over \$2,500
- Canadian shipments are exempt

#### Proposed changes

- Limited commodity reporting in the AES
- Regardless of value and country of destination



## Major Highlights

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### Used Self Propelled Vehicles

#### Current requirements

- Valued over \$2,500
- Canadian shipments are exempt
- Filing times based on method of transportation

#### Proposed changes

- Regardless of value and country of destination
- Proof of filing must be at least 72 hours prior to export



## Data Elements

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### Added or Revised Data Elements

- License Value
- Country of Origin
- Ultimate Consignee Type
- Transportation Reference Number (TRN)
- Shipment Reference Number (SRN)
- Equipment & Seal Number



## Additional Clarifications

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- Port of Export
- Value
- Split Shipments
- International Waters



## CBP Penalty Guidelines

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- **Penalties may be mitigated**
- **CBP Published Guidelines on Jan. 2, 2009**
- **Effective Date**
  - February 1, 2009
- **Highlights:**
  - Penalties for failure to file, late filing, and other violations
  - Mitigating and Aggravating Factors
  - Guidance for CBP officers
  - Carrier Penalties



## Mitigating Factors

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### Including, but not limited to:

- First-time USPPI or authorized agent, FPPI, carrier, etc.
- Voluntary self-disclosure of the violation
- Clear documentary evidence of remedial measures undertaken to prevent future violation
- Exceptional cooperation with CBP, Census or BIS
- Demonstration by party of having a systematic export compliance effort.



## Aggravating Factors

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### Including, but not limited to:

- Several violations in the same export transaction
- Circumstances suggest the intentional nature of the violation
- High number of violations in preceding 3 year period
- Evidence of criminal conviction for related violation, i.e. BIS violation
- The party exports as a regular part of its business, but lacks a systematic export compliance effort.



## Corrections (FTR 30.9)

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- Filer must submit corrections, cancellations, or amendments as soon as possible
- Failure to correct EEI is a violation



## Implement Best Practices

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- Document!!! Document!!! Document!!!
- Correct information as soon as possible
- Maintain compliance
  - Education & cross training
  - Automation & Procedures
- Attend Seminars & Workshops



## Implement Best Practices

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- Perform Cross Training
- Implement mentoring program
- Know your US authorized or forwarding agent
- Develop training manual
- Perform yearly audits



## Develop Training Manual

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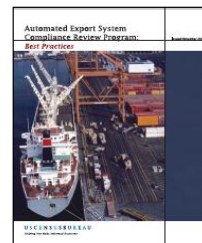
- Export Related Regulation
- Classifying Commodities
- Include FAQs, Websites, and Contacts
- Create Export Checklist
- How to File Export Information Using AES
  - Resolve Fatal Error
  - Review Warning, Compliance and Verify messages



## FTD Compliance Outreach

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- AES Compliance Seminars (English and Spanish)
- AES Compliance Review Program
- AES Best Practices Manual
- Company Training



## Training Tools

- Export training videos
- Webinars
- Global Reach Blog  
<http://globalreach.blogs.census.gov>

**Foreign Trade**

Main | About Foreign Trade | Data | AES | Regulations | Reference | Definitions

**Important Links**

- Global Reach Blog
- Newsletters
- AESDirect
- DropBox
- Guide to Foreign Trade
- Foreign Trade Products
- USA Trade Online

**Related Sites**

- Business and Industry
- Briefing Room

**VIDEOS**

- Export Compliance and Regulations
- Reporting Electronic Export Information (EEI)
- Using Trade Data for Export Planning and Strategy
- Trade Agreements
- Mandatory AES

**March 2012 Trade Numbers**

Deficit: \$51.8 Billion  
Exports: \$106.8 Billion  
Imports: \$230.6 Billion

Next release: June 8, 2012  
[Complete Release Schedule](#)

**Upcoming Seminars and Workshops**

June 5-6, 2012  
AES Compliance, Glen Elyn, Binds

## FTD Training Tools

- AES Newsletters
- TradeSource



## For More Information

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**Nick Orsini - Chief, Foreign Trade Division**

**[Nick.orsini@census.gov](mailto:Nick.orsini@census.gov) - (301) 763-6959**

**Joe Cortez – Chief, Regulations, Outreach and Education Branch**

**[Joe.a.cortez@census.gov](mailto:Joe.a.cortez@census.gov) – (301) 763-1413**

**Omari Wooden – Trade Ombudsman**

**[Omari.s.wooden@census.gov](mailto:Omari.s.wooden@census.gov) – (301) 763-3829**



## Resources

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**FTD Website: [www.census.gov/trade](http://www.census.gov/trade)**

**FTD Blog: [blogs.census.gov/globalreach/](http://blogs.census.gov/globalreach/)**







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## Automated Export Manifest System

**Cynthia Allen**  
**Executive Director**  
**ACE Business Office**  
**U.S. Customs and Border Protection**  
Draft: 070212-V3



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## Agenda

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- ACE Project Priorities
- Development of the Automated Export Manifest
- Document Image System (DIS) Pilot Update



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## ACE Project Priorities

Priority      Delivered      Remaining		
Category	Priority Rank	Functionality
Manifest		ACE e-Manifest: Truck
	<b>1</b>	ACE e-Manifest: Rail & Sea
		Air Manifest
		Integration of Multi-Modal Manifest
		Vessel Management System
Cargo Release	2A	Simplified Entry, Phase I
	2B	Document Image System
	<b>2C</b>	PGA Message Set
	<b>2D</b>	PGA Interoperability
	<b>2E</b>	Future Phases of Simplified Entry
Entry Summary		ACE Accounts and Reports
		Periodic Monthly Statement
		Entry Summary (Type 01 and 11)
		Antidumping/Countervailing Duty Entries (Type 03)
		Post Summary Corrections
	<b>3</b>	Entry Summary Edits



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## ACE Project Priorities

Priority      Delivered      Remaining		
Category	Priority Rank	Functionality
Entry Summary		Remaining Entry Summary Types
		Mail Entry Writing System
		Importer Activity Summary Statement (Simplified Summary)
		Drawback
		Reconciliation
		Protest
		Entry Liquidation
Exports	<b>5</b>	Exports
Financial		Integration of all financial capabilities in ACE
Operations and Maintenance	<b>4</b>	Priority fixes (Problem Reports)
		Ongoing fixes and enhancements
		ACS re-hosting
		AES re-hosting
		Reducing O&M costs
		Transition to target architecture
Other		SEI assessment and integration planning
		System Migration (LIMS, SEACATS, etc.)



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## Automated Export Manifest Objectives

- Establish ACE as the single automated processing platform for all export manifest and commodity transactions for all modes of transportation (air, rail, truck, sea)
- This effort includes working with the trade and other U.S. Government Agencies to:
  - Determine their export data needs and user requirements;
  - Determine their automation requirements, appropriate business processes, legal and regulatory authority;
  - Determine their licensing/permitting requirements; and
  - Determine what enforcement actions are appropriate for violations of U.S. export control requirements.



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## Work Done To Date

- High level user requirement documents were prepared based on comments from CBP, trade, and Participating Government Agencies:
  - Operational Requirements Document (ORD)
  - Concept of Operations Document (CONOPS)
  - Common Appendices Document
  - Automated Export Business Process Scenarios



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## **Next Steps**

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- Detailed functional requirements will be developed
- Additional meetings with trade and PGAs to develop more detailed functional requirements will be conducted
- Additional coordination with USEXPORTS on export control and licensing processes will be conducted



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## **Interim Export Manifest Pilot Project**

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- Pilot started on March 28, 2012
- The initial phase of the pilot is being conducted within the Atlanta Field Office at the following ports:
  - Norfolk
  - Newport News
  - Wilmington
  - Beaufort-Morehead City
  - Georgetown
  - Charleston
  - Savannah
  - Brunswick



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## Interim Export Manifest Pilot Project- cont'd

- 18 carriers are currently participating in the DIS pilot
- Replaces physical paper documents with a readable PDF attachment to an e-mail into the Document Image System
- Participants will not have to present paper copies of CBP Form 1302A
- The pilot is an interim step to the full pre-departure electronic export manifest
- One carrier has projected cost savings of \$20,000 per month for printing and courier costs



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## Expansion of Export Manifest Pilot

- The Interim Export Manifest Pilot Project is being expanded to all ports and will be open to all ocean carriers
- Expansion plans are as follows:

<b>July 2012</b>	Florida and all Gulf Ports to Brownsville, Texas
<b>Mid August 2012</b>	All East Coast ports, and Buffalo, Chicago and Detroit
<b>End of August</b>	All West Coast Ports including Alaska and Hawaii

- The World Shipping Council (WSC) is encouraging additional carriers to participate in the pilot
- The WSC target is to have 90% of export manifests filed with CBP electronically by DIS pilot carriers by the end of August



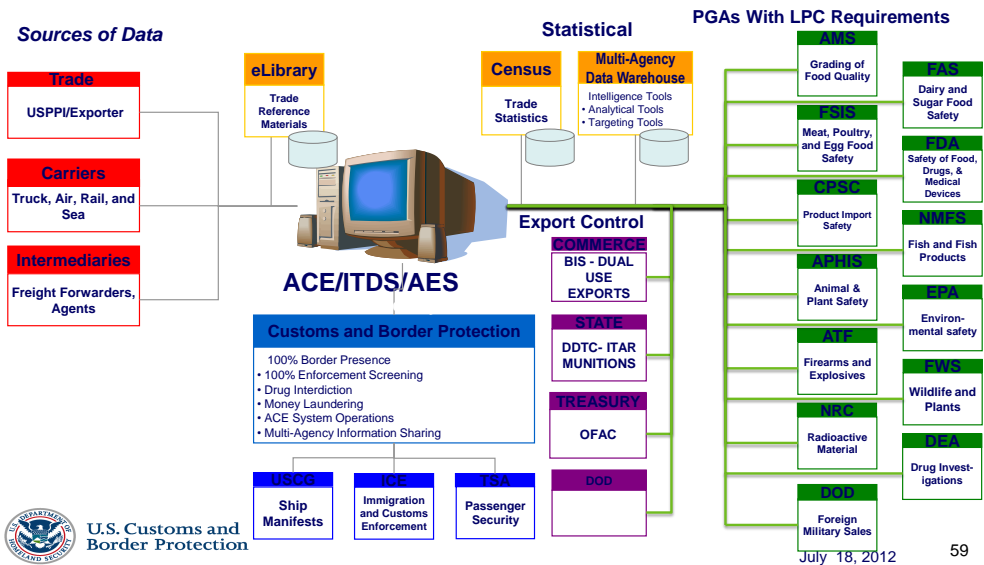
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# EXPORT SYSTEM CONTROL



*Questions?*