

Bureau of Industry and Security

July 30, 2014



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U.S. Census Bureau



U.S. Department of Commerce
Economics and Statistics Administration
U.S. CENSUS BUREAU

Today's Topics

- Informed Compliance
- Updates to the Foreign Trade Regulations (FTR)
- Advanced Export Information
- International Trade Data System (ITDS)
- Outreach & Training



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Informed Compliance

Ends October 2, 2014

Applies only to revised sections of the FTR

Data Elements Added

[FTR 30.6]

Mandatory

- Ultimate Consignee Type
 - Direct Consumer
 - Government Entity
 - Reseller
 - Other/Unknown



Conditional

- License Value

Exclusions

[FTR 30.2(d)]

New Exclusion

- AES filing is not required for licensed goods where the country of ultimate destination is the United States - [30.2(d)(2)]
- Goods destined to international waters where the person(s) or entity assuming control of the item(s) is a U.S. citizen or permanent resident alien of the United States - [30.2(d)(5)]

NOTE: The exclusion legend must be reported on commercial loading documents



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5

Exemptions

[FTR 30.37]

New Exemptions:

- Exports of technical data and defense service exemptions as defined in 22 CFR 123.22 (b)(3)(iii) - [30.37(u)]
- Vessels, aircraft, cargo vans, and other carriers and containers when shipped as tools of international trade - [30.37(v)]
- Shipments to Army Post Office, Diplomatic Post Office, Fleet Post Office - [30.37(w)]
- Exemptions related to EAR 15 CFR 740 - [30.37(x) & 30.37(y)]



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6

Changes to FTR Exemptions

Removed :

- In-bond (in-transit) shipment exemption [30.37(e)] is now covered by exclusion - [30.2(d)(1)]
- Temporary exports - [30.37(q)]
- Goods under a Temporary Import Bond - [30.37(r)]

EAR Requirement

[FTR 30.2 (a)(1)(iv)]

Additional AES Filing Requirement

- Any shipment identified under §758.1(b) of the EAR must be reported in the AES regardless of value or destination.

Split Shipments

[FTR 30.28]

Filing Timeframes for Split Shipments:

24 hours:

- Vessel cargo

7 days:

- Air cargo (including air express)
- Truck cargo (including cargo departing by express consignment courier)
- Rail cargo



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9

Postdeparture Filing

[FTR 30.4 & 30.5]

- Postdeparture filing time frame - from 10 calendar days to 5 calendar days
- The moratorium on new applications will continue.



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10

AEI Pilot Program

Federal Register Notice

- Published January 31, 2014
- April 1, 2014 deadline for applying
- Status Update



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11

International Trade Data System (ITDS)

- **Security and Accountability of Every Port Act of 2006 (Safe Port Act)**
 - Mandated the creation of a "single window" through which businesses will transmit data required by participating agencies for the importation or exportation of cargo
- **Executive Order - Streamlining the Export/Import Process for America's Businesses**
 - Directs 47 federal agencies with a role in trade to complete development of an electronic "single window" by December 2016
- **Benefits**
 - Reduces costs associated with moving goods in and out of the country
 - Harmonizes requirements
 - Reduces redundancy
 - Increases percentage of entries with complete and accurate information



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12

The Basics of Export Compliance Summer Webinar Series

For more information or to sign up for our next webinar go to:

www.census.gov/foreign-trade/outreach

All Webinars are FREE and begin at 2pm EST.

- **Sanctions and Embargoes: What it means to you? – Office of Foreign Assets Control – August 5, 2014**
- **Utilizing the Features in the Automated Export System – US Census Bureau – August 26, 2014**

Missed a part of the series? Archived recordings are available for:

Understanding the Foreign Trade Regulations, Classifying your Product, Export Administration Regulations, and Complying with the ITAR.



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16

Export Compliance Seminar & Workshops

- **Buffalo, NY** – August 20-21
- **Dallas, TX** – September 9-10
- **New Orleans, LA** – October 22-23
- **San Diego, CA** – November 4-7
(English & Spanish)
- **Newark, NJ** – December 10-11



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17

Foreign Trade Division

Call Us: (800) 549-0595

- Automated Export System Opt. 1 askaes@census.gov
- Commodity Analysis Opt. 2 ftd.scheduleb@census.gov
- Regulations Opt. 3 ftdregs@census.gov
- Data Dissemination Opt. 4 ftd.data.dissemination@census.gov

Secure Fax: 301-763-8835

Website: www.census.gov/trade

Blog: <http://globalreach.blogs.census.gov/>



UPDATE 2014
CONFERENCE ON EXPORT CONTROLS AND POLICY

Export Control Reform Requirements/Changes to AES

Teresa Telesco
Assistant Director, Office of Enforcement Analysis
International Operations Division


U.S. DEPARTMENT OF COMMERCE
BUREAU OF INDUSTRY AND SECURITY

Agenda

- Automated Export System (AES) Filing Requirements
- Edits to AES
- Post-Departure Filing Restrictions
- Export Documentation Requirements
- EAR Items Licensed Under the ITAR

17



Overview of EAR §758.1 Changes

- AES filing is required:
 - For all exports of items enumerated in paragraphs .a through .x of a 9x515 or “600 series” ECCN regardless of value or destination, including exports to Canada
 - For all exports under license exception Strategic Trade Authorization (STA)

18



Addition of “600 Series” ECCNs

New CCL ECCNs	Related USML Category
<i>Eligible to be reported in AES beginning October 15, 2013</i>	
9A610, 9B610, 9C610, 9D610, 9E610	VIII – Aircraft
9A619, 9B619, 9C619, 9D619, 9E619	XIX – Gas Turbine Engines
<i>Eligible to be reported in AES beginning January 6, 2014</i>	
0A606, 0B606, 0C606, 0D606, 0E606	VII – Vehicles
8A609, 8B609, 8C609, 8D609, 8E609	VI – Vessels
8A620, 8B620, 8D620, 8E620	XX – Submersibles
0A617, 0B617, 0C617, 0D617, 0E617	XIII – Aux Military Equipment

19



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Addition of “600 Series” and 9x515 ECCNs

New CCL ECCNs	Related USML Category
<i>Eligible to be reported in AES beginning July 1, 2014</i>	
0A604, 0B604, 0D604, 0E604, 9A604, 9B604, 9D604, 9E604	IV – Missiles
0A614, 0B614, 0D614, 0E614	IX – Training Equipment
1B608, 1C608, 1D608, 1E608	V – Explosives
1A613, 1B613, 1D613, 1E613	X – Protective Equipment
<i>Eligible to be reported in AES beginning June 27, 2014 and November 10, 2014</i>	
9A515, 9B515, 9D515, 9E515	XV - Satellites

20



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New AES License Type – C60 (DY6)

- Required for .y paragraph 9x515 or “600 series” items
- AES filing is exempt for shipments \$2,500 or less or destined to Canada
- ECCNs allowed but not required to be reported
- When a 9x515 or “600 series” ECCN is reported under C60, it must be eligible (See AESTIR, Appendix F for those eligible)
- “DY6” is required in the License Number field



21

AES Edits for “600 Series” ECCNs

- C30 (BIS License), C31 (SCL), C40 (TMP), C41 (RPL), C42 (GOV), C59 (STA)
 - All “600 Series” ECCNs permitted
- C32 (NLR with control other than AT)
 - All “600 Series” ECCNs permitted to Canada only
- C35 (LVS), C44 (TSU), C45 (BAG), C60 (DY6)
 - Only some “600 Series” ECCNs permitted



22

AES Edits for 9x515 ECCNs

- C30 (BIS License), C31 (SCL), C40 (TMP), C41 (RPL), C42 (GOV), C45 (BAG), C46 (AVS), and C59 (STA)
 - All “600 Series” ECCNs permitted
- C32 (NLR with control other than AT)
 - 9A515.e to destinations permitted by the EAR
 - 9A515 (other than .e), 9B515, 9D515, and 9E515 permitted to Canada only
- C35 (LVS), C44 (TSU), C60 (DY6)
 - Only some 9x515 ECCNs permitted



23

AES Broadcast

For updates on changes to AES, including “600 series” edits and updates:

- <http://www.census.gov/trade>

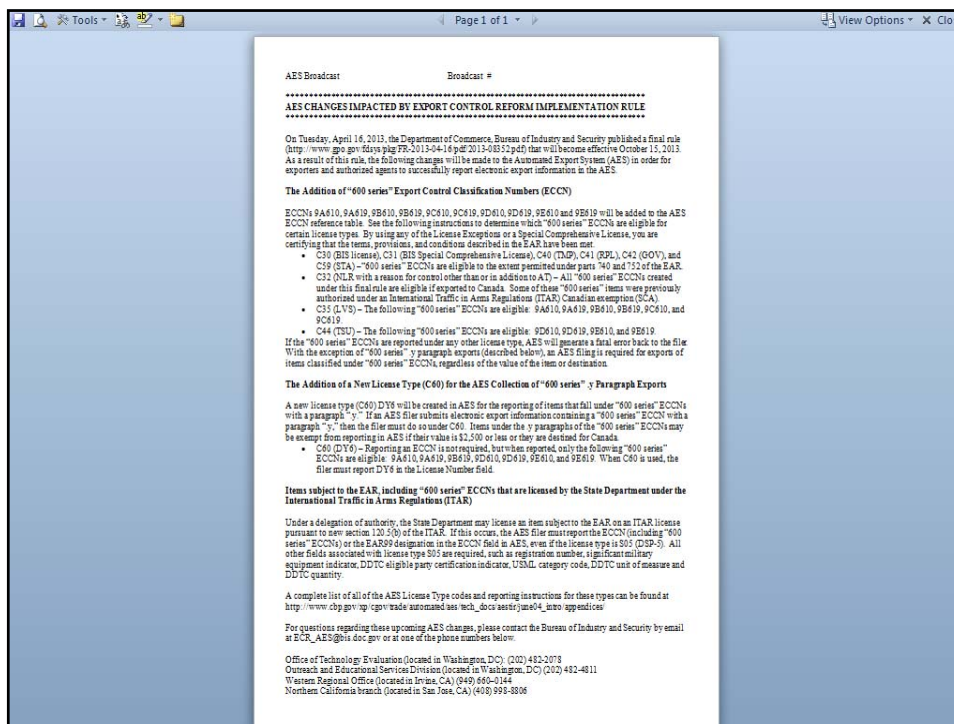
[Data](#) | **[AES](#)** | [Regulations](#) | [Reference](#) | [Definitions](#) | [Schedule B](#) | [FAQs](#)

Automated Export System (AES) [GET EMAIL UPDATES](#)

<p>AES</p> <ul style="list-style-type: none"> • What is the AES? • Who may participate in AES? • How to get started using AES 	<p>AES Reports and Broadcasts</p> <ul style="list-style-type: none"> • Reports and Notices • Notices • Broadcasts
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24



Overview of EAR §758.2 Changes

- Grounds for Denial for AES Post-Departure Filing include:
 - Exports made under BIS license exception STA; under authorization Validated End User (VEU); or are of 9x515 or "600 series" items
 - Exports to E:1 countries
 - Exports involving parties on the Proscribed Party Screening List
 - Exports of items licensed, items having an ECCN other than AT, or ENC items



Overview of EAR §758.6 Changes

Required on Invoices, Bills of Lading (BOLs), Air Waybills (AWBs), or other export control documentation:

- The ECCN of a 9x515 or “600 series” item
- Destination Control Statement



27

EAR Items Licensed under ITAR

- State Department may license an item subject to EAR for use in or with an ITAR-controlled item
 - ITAR section 120.5(b)
- AES filer must report the ECCN or EAR99 in the ECCN field
 - Even for license type S05 (DSP-5)



28

Contact Information

U.S. Department of Commerce
 Bureau of Industry and Security
 Office of Technology Evaluation
 1401 Constitution Ave., NW
 Room 1093
 Washington, DC 20230
 202-482-4933
 202-482-5361 (fax)
 ECR_AES@bis.doc.gov



29

BIS Contact Information

- Website: www.bis.doc.gov
- Exporter Services Offices:
 - Washington, D.C. (202) 482-4811
 - Southern California (949) 660-0144
 - Northern California (408) 998-8806
- Export Enforcement Offices
 - Nationwide (800) 424-2980



30

Automated Commercial Environment (ACE) and Exports

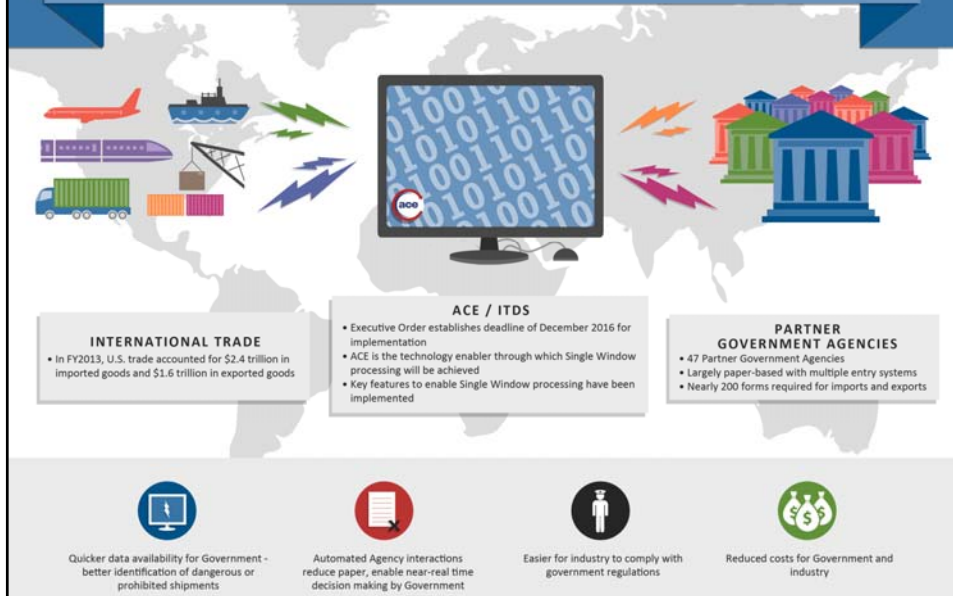
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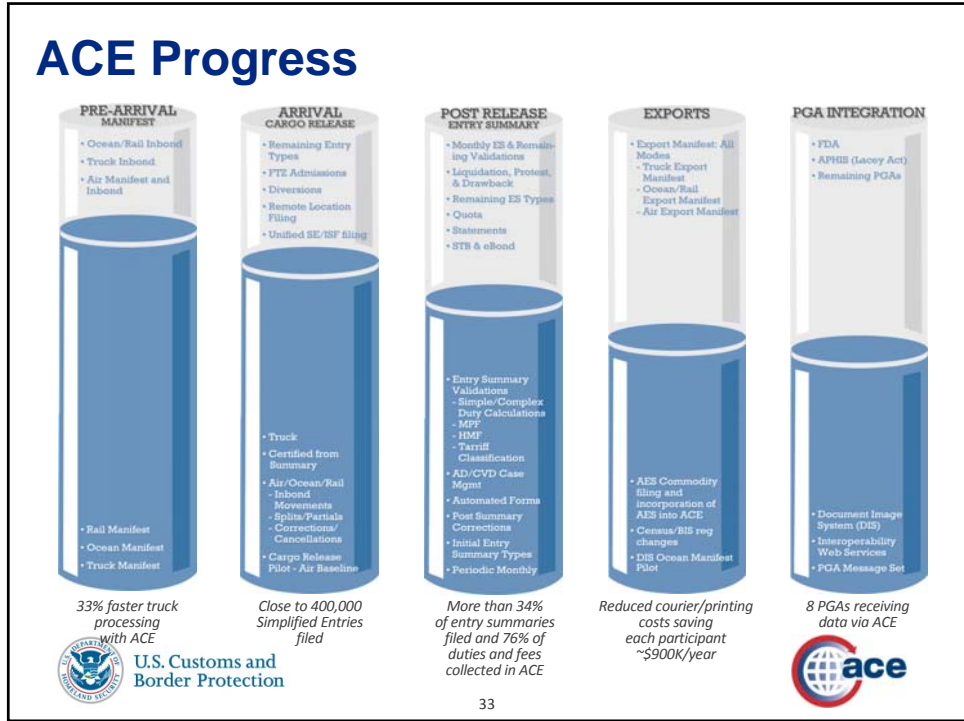


Bill Delansky, Product Owner, Manifest and Exports
ACE Business Office
U.S. Customs and Border Protection



AUTOMATED COMMERCIAL ENVIRONMENT/INTERNATIONAL TRADE DATA SYSTEM U.S. SINGLE WINDOW FOR TRADE





Mandatory Dates for Transition to ACE

Date	Mandatory Requirement	Time Remaining
May 1, 2015	Mandatory use of ACE for electronic import and export manifest	11 months
November 1, 2015	Mandatory use of ACE for electronic Cargo Release and related Entry Summary filings	17 months
October 1, 2016	Mandatory use of ACE for all remaining portions of the CBP cargo process	28 months

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34

High Level ACE Deployment Schedule

	DEPLOYMENT 1	DEPLOYMENT 2	DEPLOYMENT 3	DEPLOYMENT 4	DEPLOYMENT 5	DEPLOYMENT 6	DEPLOYMENT 7	DEPLOYMENT 8	
	November 1, 2013 November 1, 2013	January 9, 2014 November 7	April 7, 2014 November 6	July 15, 2014	October 15, 2014 November 14, 8, 7	January 1, 2015	July 6, 2015 November 18, 11	January 5, 2016 November 18, 11	July 6, 2016 November 11
PRE-ARRIVAL MANIFEST			• Select Management System (SMS)		• All Manifest Processing				
ARRIVAL CARDS RELEASE	• Air Processing • Connections & Conditions • In-Bond • Single Access Report • Single Access Report • Single Access Report	• Checked Processing • Connections & Conditions • In-Bond • Single Access Report • Single Access Report • Single Access Report	• Air Processing • Checked Processing • Connections & Conditions • In-Bond • Single Access Report • Single Access Report • Single Access Report	• Single OR filing to include OF data	• Shipment	• Truck Processing • In-Bond • Checked Processing • Connections & Conditions • In-Bond • Single Access Report • Single Access Report • Single Access Report	• Sampling ES Types • PTD Admissions		
POST RELEASE INFO SUMMARY & ACCOUNTS	• System Validations • In-Bond Management Fee • Classification • Single Access Report • Single Access Report	• System Validations • In-Bond Management Fee • Classification • Single Access Report • Single Access Report	• System Validations • In-Bond Management Fee • Classification • Single Access Report • Single Access Report	• System Validations • In-Bond Management Fee • Classification • Single Access Report • Single Access Report	• System Validations • In-Bond Management Fee • Classification • Single Access Report • Single Access Report	• Statements • In-Bond Management Fee • Classification • Single Access Report • Single Access Report	• System Validations • In-Bond Management Fee • Classification • Single Access Report • Single Access Report	• System Validations • In-Bond Management Fee • Classification • Single Access Report • Single Access Report	• System Validations • In-Bond Management Fee • Classification • Single Access Report • Single Access Report
EXPORTS			• Commodity Processing • Support for Census and BLS Regulatory Change		• All Manifest	• Shipment Manifest			
PIA INTEGRATION	• APIS • CAC • CEN • EIS • EIS • EIS • EIS • EIS		• MARS	• APIS • CAC • CEN • EIS • EIS • EIS	• APIS • CAC • CEN • EIS • EIS • EIS	• APIS • CAC • CEN • EIS • EIS • EIS	• APIS • CAC • CEN • EIS • EIS • EIS	• APIS • CAC • CEN • EIS • EIS • EIS	• APIS • CAC • CEN • EIS • EIS • EIS
	• Data, Census, MARS • MARS (Development) • MARS (Production)	• BLS Export Licensing • BLS (Development) • BLS (Production)		• Data, Census, MARS • MARS (Development) • MARS (Production)	• Data, Census, MARS • MARS (Development) • MARS (Production)	• Data, Census, MARS • MARS (Development) • MARS (Production)	• Data, Census, MARS • MARS (Development) • MARS (Production)	• Data, Census, MARS • MARS (Development) • MARS (Production)	• Data, Census, MARS • MARS (Development) • MARS (Production)



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Full schedule available at cbp.gov/ace



ACE/Automated Export System (AES)

AES Re-Engineering (Commodity Filing)

- March 22, 2014 - ACE/AES was deployed to the new ACE platform.
- The existing AES post-departure filing option (option 4) is available on the new ACE/AES platform for existing and approved option 4 filers.
- There is no impact on AESDirect filers.
- The AES legacy system was retired in April 2014.
- CBP is now decrementing the license value when provided by the trade for DDTTC license type 05.



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ACE/AES Census Regulatory Changes

The re-engineered AES included the following enhancements for Census Bureau regulatory changes:

- Post-departure filing times changed from Ten (10) to Five (5) calendar days from the date of exportation
- Added Ultimate Consignee Type and License Value
- Foreign Trade Zone Identifier increased from Five to Seven alpha-numeric characters

On April 3, 2014 Census issued a Foreign Trade Regulation (FTR) letter delaying enforced compliance for these changes.

- An additional 180 day “informed compliance” period from April 5 to October 2, 2014.
- No penalties will be issued during this time.



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37



ACE/AES Advance Export Information (AEI)

On January 31, 2014 - Census & CBP/OFO issued a Federal Register Notice to announce the AEI pilot and define eligibility requirements and details on the pilot.

The AEI filing option:

- Requires the filing of 10-12 data elements pre-departure with the remaining data elements to be filed 5 days after export.
- Will not be turned on in the new ACE/AES platform until Census and CBP approve the trade parties for the pilot.



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38



ACE Export Manifest

- CBP is currently developing export manifest functionality for Air, Ocean and Rail
- Draft Export Manifest Implementation Guidelines Posted to [cbp.gov](http://www.cbp.gov):
 - Draft Air Export Manifest – CAMIR
 - Draft Ocean Export Manifest – CAMIR
 - Draft Ocean Export Manifest – X12
 - Draft Export Rail Manifest – X12
- Link
 - <http://www.cbp.gov/trade/ace/export-manifest>



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39



ACE Export Manifest Highlights

ACE export manifest will provide the ability for trade to file and CBP to process electronic export manifests.

Benefits	<ul style="list-style-type: none"> • ACE will provide advance validation of the Internal Transaction Number (ITN) that will link the manifest and commodity filings. • ACE will provide advance notice of holds prior to loading. • ACE will automate the closing out of the in-bond transaction with one departure message.
Pilots	<ul style="list-style-type: none"> • Federal Register Notice will be published soliciting trade participants for export manifest pilots for all modes. • Rolled out similar to ACE Cargo Release – beginning with limited carriers, limited ports. • Air, ocean and rail export manifests pilots will be operational and available by May 2015 when all electronic export manifests must be filed in ACE. <ul style="list-style-type: none"> • Air and rail export manifest pilot – Target: Fall 2014 • Ocean export manifest pilot – Target: Winter 2015



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40



Export Manifest Programming Requirements

- Air export manifest will support Cargo Imp Message Set, XML and if needed Air CAMIR
- Rail export manifest will support ANSI X12 6050 standard as posted on the cbp.gov
- Ocean export manifest will support existing transaction sets for ANSI X12 and CAMIR
- Truck export manifest IGs are being drafted and will be posted on cbp.gov as soon as available.
- CBP is working on a draft proposed unified XML version for export manifest inclusive of all modes (air, ocean, rail and truck) that will be provided to the trade as soon as possible.



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41



Questions?

<http://cbp.gov/ace>
askACE@cbp.dhs.gov



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42