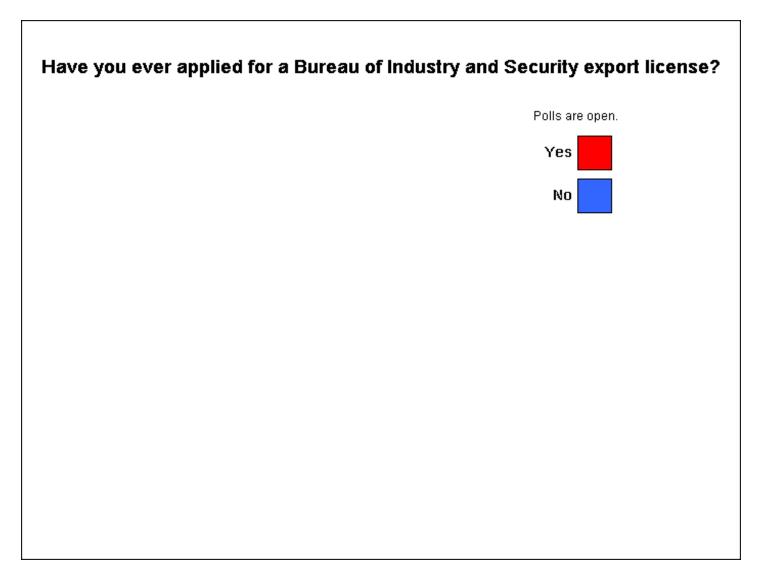


Department of Commerce Bureau of Industry and Security



[Poll 1]



Topics of Discussion



Plan Ahead Be Prepared

- Determine jurisdiction for your item
- Classify your item
- Identify the reasons for control
- Cross-reference the controls against the Country Chart
- Screen all parties to the transaction
- Ensure no prohibited end-uses
- Export using appropriate ECCN and authorization

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BIS Licensing Determination Process

Topics of Discussion



First Consideration... ...Agency Jurisdiction



"Who ya gonna call?"

- Commerce Bureau of Industry and Security (BIS)
 - Controls commercial items including "dual-use" items (items that may have both commercial and military applications)
- State Directorate of Defense Trade Controls (DDTC)
 - Controls items specifically designed, developed, configured, modified or adapted for a military application
- Other Regulatory Agencies

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First Consideration... ... Agency Jurisdiction "Who ya gonna call?"



Next Consideration... Determine your License Requirements



What is my item?

Where is it going?



ECCN and Destination

Who is involved?

What are they doing with it?



End-user/End-use

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Next Consideration... Determine your License Requirements



What is My Item?



What is your ECCN - is it on the Commerce Control List?

- Check with the Manufacturer
- Work with company engineer/someone who knows the item
- Submit formal classification request to BIS



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What is My Item? What is your ECCN - is it on the Commerce Control List?



Commerce Control List (CCL)



Supplement 1 to Part 774

- Each entry begins with an Export Control Classification Number or ECCN
 - Five alpha-numeric characters, i.e. 3A001
- Most items are described in terms of technical parameters
- Reasons for Control: NS, MT, CB, RS...
 - §738.2

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Commerce Control List (CCL) Supplement 1 to Part 774



3A001 Electronic components, as follows (see List of Items Controlled).



LICENSE REQUIREMENTS

Reason for Control: NS, MT, NP, AT

Control(s) Country Chart

NS applies to the entire entry NS Column 2

MT applies to 3A001.a.1.a when usable in "missiles"; and to... MT Column 1

NP applies to pulse discharge capacitors in 3A001.e.2 and... NP Column 1 AT applies to the entire entry AT Column 1

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Slide 7



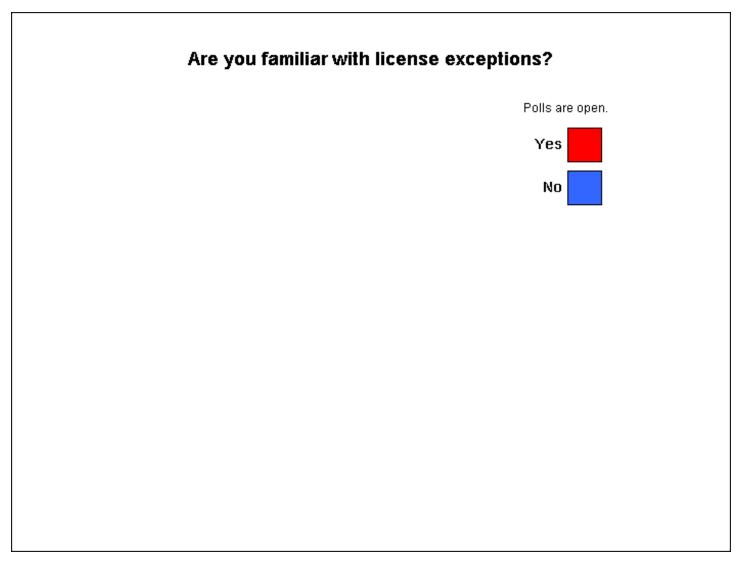
Where is It Going?



Destination

					Comn	nerce	Cour	ntry Cha	art							
					F	Reasor	for Co	ontrol								
Countries	Chen	Chemical & Biological Weapons			Nuclear Nonproliferation		tional curity	Missilo Regio Tech Stabil					Crime Control		Anti- Terrorism	
	CB 1	CB 2	CB 3	NP 1	NP 2	NS 1	MS 2	MT 1	RS 1	RS 2	FC 1	CC 1	00 2	CC 3	AT 1	Al 2
Afghanistan	Х	Х	Х	Х		Х	Х	Х	Х	Х	Ш	Х		Х		
Albania	Х	Χ		Х		Х	Х	Х	Х	Χ	Ш	Χ	Χ			
Algeria	Х	Х		Х		Х	Х	Х	Х	Χ	Ш	Х		Х		
Andorra	Х	Χ		Х		Х	Х	Х	Х	Χ	Ш	Х		Х		
Angola	Х	Χ		Х		Х	Х	X	Х	Χ		Χ		Х		
Antigua & Barbusa	Х	Χ		Х		Х	Х	Х	Х	Χ	Х	Χ		Х		
Argentina	Х					Х	Х	X	Х	Χ	Х	Χ		Х		
Ameria	Х	Χ	Х	Х		Х	Х	Х	Х	Χ		Χ	Χ			
Aruba	Х	Х		Х		Х	Х	Х	Х	Х		Х		Х		
Australia	Х					Х		Х	Х							
Austria	Х					Х		Х	Х	Х		Х		Х		Π
Azerbaijan	Х	Х	Х	Х		Х	Х	Х	Х	Х		Х	Х			
Bahamas, The	v	×		,,			×	Х	Х	Х	Х	Х		Х	П	
Bahrain	X	X	Y	Y		×	X	У	Х	Х		Y		Х		П

Where is It Going? Destination



[Poll 2]



License Exceptions



Part 740

- An authorization that takes the place of a license
 - In most instances exporter does not require anything in writing from BIS
- General Restrictions May Apply! (see §740.2)
- Many potential exceptions
 - List-based (eligibility is specified within ECCN entry)
 - Transaction-based (temporary exports, tools of trade, etc.)

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BIS Licensing Determination Process

License Exceptions Part 740



Not on CCL? EAR99!



- Items not specified on the Commerce Control List are designated EAR99
- Most commercial items are designated EAR99
- EAR99 items can usually be shipped NLR (No License Required)
- But, remember to check all parties to the transaction, the end-use of the item and restricted destinations!!

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BIS Licensing Determination Process

Not on CCL? EAR99!



No License Required NLR



- You may use NLR for:
 - EAR99 items, and
 - ECCNs where there is no "X" on the Country Chart under reason(s) for control;
 - When the transaction does not require an export license based on any other licensing requirement (e.g., end-use/user requirements)

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No License Required NLR



Who is Involved?



These lists may be found

on the BIS website

"Lists to Check"

- Denied Person's List
- Unverified List
- (www.bis.doc.gov). Entity List Click on "Lists to Check"
- General Order No. 3 of Supp. No. 1 to part 736
- Specially Designated Nationals List Treasury Department, Office of Foreign Assets Control
- Nonproliferation Sanctions List State Department
- Debarred Parties List State Department

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BIS Licensing Determination Process

Who is Involved? "Lists to Check"



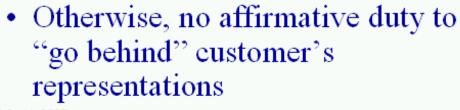
"Know Your Customer" Guidance



Supplement 3 to Part 732

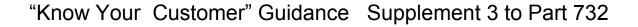
- Do not "self-blind"
- · Look for "Red Flags"
 - abnormal or suspicious circumstances
 - Unverified List





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What Are They Doing with It?



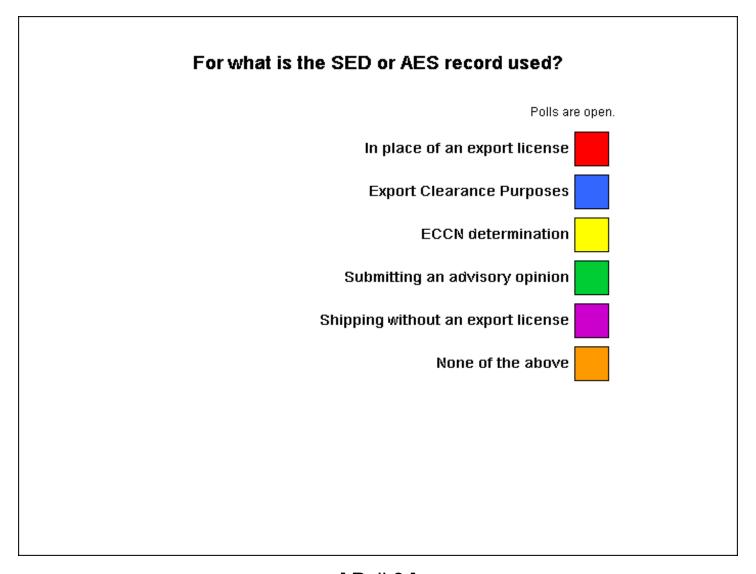
Potential Areas of Concern Part 744

- Nuclear end-uses
- Missile delivery system end-uses
- Chemical and biological weapons end-uses
- Knowledge element affects export licensing as well as U.S. persons activities, i.e., facilitation of such an end-use

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What Are They Doing with It? Potential Areas of Concern Part 744



[Poll 3]





- Export using
 - Export License authorization issued by BIS,
 - License Exception authorization, or
 - No License Required designation (NLR)
- Include (when required) on clearance documents

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Lastly... What To Do with This Information





Includes:

- BIS export license number, License Exception symbol, or NLR
- ECCN (when required)
- Your signature certifies that the information is accurate and true

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SED or AES Record Shipper's Export Declaration or Automated Export System



Destination Control Statement



\$758.6 ... is required on the export control documents of all items listed on the Commerce Control List.

"These commodities, technology, or software were exported from the United States in accordance with the Export Administration Regulations.

Diversion contrary to U.S. law is prohibited."

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Destination Control Statement §758.6



Example



Exporter has been exporting their custommade drafting tables for years. They recently changed shippers and have been told they need to provide their ECCN and license number and have never had to do this before.

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Example



Example



Exporter has been exporting rifle scopes to Germany and France and indicates that it has never needed a license to export to these countries. They would like to expand their market to several other European countries.

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Example



Example



U.S. Customs is holding exporter's first time shipment of filtration equipment to China and have asked for additional documentation on the product. The BIS classification of their product (EAR99) dates back to September 2000.

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Example



Resources



- Counseling
- BIS Website
- E-mail Notification Service
- On-Line Export Administration Regulations
- Brochures & Publications
- Export Control Seminars

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Resources

B	IS.	Power	Point	Slides

http://www.bis.doc.gov

[Web Slide 1]



Plan Ahead and Be Prepared



- Determine your jurisdiction
- Classify your item
- Identify the reasons for control
- Cross-reference the controls against the Country Chart
- Screen all parties to the transaction
- Ensure no prohibited end-uses
- Export using appropriate ECCN and authorization

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Plan Ahead and Be Prepared





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- Kathleen Barfield: kbarfiel@bis.doc.gov
- Timothy Mooney: tmooney@bis.doc.gov

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Speaker Contact E-mail



BIS Contact Information

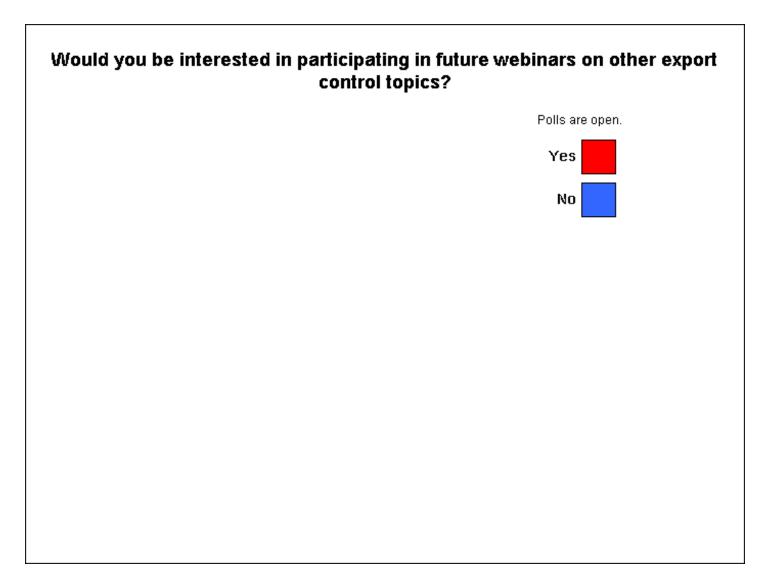


- Website: www.bis.doc.gov
- Exporter Services Offices:
 - Washington, D.C. (202) 482-4811
 - -Northern California (408) 291-4212
 - Southern California (949) 660-0144
- Export Enforcement Offices
 - Nationwide (800) 424-2980

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BIS Contact Information



[Poll 4]