

Billing Code: 3510-33-P

DEPARTMENT OF COMMERCE

Bureau of Export Administration

15 CFR parts 730, 732, 734, 736, 738, 740, 742, 744, 746, 748, 750, 752, 754, 756, 758, 760, 762, 764, 766, 768, 770, 772, 774, 768A, 769A, 770A, 771A, 772A, 773A, 774A, 775A, 776A, 777A, 778A, 779A, 785A, 786A, 787A, 788A, 789A, 790A, 791A, and 799A

[Docket No. 950407094-6290-03]

RIN: 0694-AA67

Simplification of Export Administration Regulations

AGENCY: Bureau of Export Administration, Commerce.

ACTION: Extension of effective and compliance dates.

SUMMARY: The Bureau of Export Administration (BXA) is providing notice that it is extending the validity period of the provisions of 15 CFR parts 768A through 779A, 785A through 791A, and 799A (the existing Export Administration Regulations) until December

30, 1996, and the mandatory compliance date of the interim rule published in the Federal Register on March 25, 1996 (61 FR 12714), until December 31, 1996. This is in response to industry's concerns about implementing the provisions of the interim rule (new regulations) by the original mandatory compliance date of November 1, 1996. These concerns arose mainly due to Commerce's determination to change the export clearance symbols for reporting exports of certain License Exceptions on the Shipper's Export Declaration.

FOR FURTHER INFORMATION CONTACT: Nancy Crowe, Office of Exporter Services, Regulatory Policy Division, Bureau of Export Administration, telephone: (202)482-2440.

DATES: Removal of parts 768A through 779A, 785A through 791A, and 799A is effective December 31, 1996. Compliance date for interim rule published on March 25, 1996 is December 31, 1996.

SUPPLEMENTAL INFORMATION:

On March 25, 1996, the Bureau of Export Administration (BXA) published in the Federal Register (61 FR 12714) an interim rule that revised, restructured and reorganized the Export Administration Regulations (EAR), the regulatory regime through which BXA imposes export controls on those items and activities within its jurisdiction. That rule was effective April 24, 1996, except part 752 (the Special Comprehensive License), which was effective March 25, 1996.

The March 25 interim rule also made the removal of newly designated §771A.25(d) effective March 25, 1996, and removal of newly designated parts 768A through 779A, 785A through 791A, and 799A (the old EAR) effective until November 1, 1996. The March 25 interim rule provided that during the period between April 24, 1996 and November 1, 1996, exporters must comply with the provisions of either the old EAR or the provisions of the new interim rule. Compliance with the provisions of that interim rule is compelled as of November 1, 1996.

BXA has received many industry comments on the mandatory compliance deadline, stating that to conform with the new provisions of the EAR, more time is needed to develop export compliance software for tracking the new Export Control Classification Numbers and the new License Exception symbols.

BXA has also received many industry comments on the new License Exceptions group symbols. There is strong industry support to remove the group symbol for the list-driven License Exceptions (LST) and instead rely on individual symbols of specific License Exception which are now grouped under License Exception LST. BXA is therefore publishing a separate interim rule in the Federal Register that will "de-bundle" License Exception LST and require the use on export control documentation of License Exceptions LVS, GBS, TSR, CIV, and CTP. For other License Exception groups, BXA will remove the individual symbols. While the individual License Exception symbols under these provisions were voluntary under the March 25 interim rule, they created confusion for some exporters. This change will not require additional compliance preparations by industry, but clarify the License Exception provisions of the EAR.

To ensure that industry has adequate time for the development of its export compliance software and for intra-company training on these new requirements, BXA is hereby notifying the exporting community that the mandatory compliance date for the new EAR published in the Federal Register on March 25, 1996, is being extended until December 31, 1996. Until December 30, 1996, you must comply with the provisions of either the old EAR (redesignated 15 CFR 768A through 799A), including amendments thereto that are published in the Federal Register, or the provisions of the March 25, 1996 interim rule, including any

amendments thereto that are published in the Federal Register.
Beginning December 31, 1996 you must comply with the provisions
of the March 25, 1996 interim rule (15 CFR parts 730 - 774)
including any amendments thereto that are published in the
Federal Register.

Dated:

Iain S. Baird
Deputy Assistant Secretary for
Export Administration