



AES Newsletter



Volume 2, Issue 1

April 2006

Full Mandatory Electronic Filing Final Rule ***Publication Date Unclear***

The publication date for the full mandatory filing of export information in AES remains unclear at this time.

Once released for publication, the effective date of the AES Mandatory Filing Final Rule will be 30 days after publication in the Federal Register. The trade will be required to implement the changes 90 days after the effective date.

Please periodically check the Foreign Trade website at the link below for the posting of the Full Mandatory Filing Final Rule:

www.census.gov/trade

For questions on the current or proposed Foreign Trade Regulations, please contact the Regulations, Outreach, and Education Branch at 1-800-549-0595, Menu Option 3 or via email at FTDREGS@census.gov.

**AUTOMATED EXPORT SYSTEM BRANCH
BUREAU OF CENSUS
FOREIGN TRADE DIVISION
WASHINGTON, DC 20233
TEL: (800) 549- 0595 FAX: (301) 457-1159**

Full Mandatory Filing ****Highlights****

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- The Paper SED, Shipper's Export Declaration Form 7525-V, will be eliminated. The Automated Export System (AES) must be used for all exports that require filing. The new name will be Electronic Export Information (EEI).
- The new regulations will be called Foreign Trade Regulations.
- The term **Predeparture** will replace the term "Option 2".
- The term **Postdeparture** will replace the term "Option 4".

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Mandatory Filing Highlights

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- Postdeparture Program applications will be accepted via the Internet on the effective date of the Final Rule. Only USPPIs may apply. Already approved USPPIs must meet the new Postdeparture filing requirements.
- Filing Time Frames in compliance with the Trade Act of 2002
 - Vessel** – 24 hours prior to loading cargo on the vessel at the U.S. port where the cargo is laden;
 - Air & Courier** – no later than 2 hours prior to the scheduled departure time of the aircraft;
 - Rail** – no later than 2 hours prior to the time the train arrives at the U.S. border to go foreign;
 - Truck** – No later than one hour prior to the arrival of the truck at the U.S. border to go foreign;
 - Mail/Other** – no later than 2 hours prior to exportation
- The current AES Exemption Statement will be called “Proof of Filing Citation”.
- AES filers will be required to cite the ITN as the AES Proof of Filing Citation on bills of lading, air waybills, commercial invoices or other loading documents.
- The new Postdeparture Proof of Filing Citation must be in the following format:

AESPOST USPPi ID # - Filer ID # - Date of Export

Example: AESPOST 123456789AB-987654333-04/15/06

- A new AES Filing Citation for shipments moving under the AES Downtime Policy will be required.
- The Downtime Citation may only be used when AES or *AESDirect* are not available. If the Filer’s system is down, the filer will need to hold cargo or find alternative electronic means for filing. If AES or *AESDirect* is down filers must use the following filing citation format:

AESDOWN FilerID

Example: AESDOWN 987654333

- All exemptions, such as the \$2500 rule, will be found in Section 30.35 through 30.40 Subpart D. The \$2500 low value exemption is in FTR 30.37(a); the Canadian exemption is FTR 30.36.
- Penalties will increase from \$100/day to \$1,100/day with a maximum of \$10,000 per violation. Penalties can be civil or criminal and carry up to 5 years in jail. Penalties can be assessed against USPPIs, Forwarders/Agents and/or Carriers.

AES Monitoring Reports

AES Progress Reports

The United States Code of Federal Regulations, in Title 15, Part 30.62(d), authorizes the U.S. Census Bureau to monitor and review filer's data through the Automated Export System (AES) for quality, timeliness and coverage. The U.S. Census Bureau's Foreign Trade Division, AES Branch reviews the data, sends periodic progress reports and contacts filers as needed.

Please use your progress reports to identify areas in need of improved reporting. We recommend strongly that you implement measures to prevent identified problem areas. Public Law 107-228 established new penalty provisions for providing false or misleading information, delayed filings and failure to file. The provisions will be implemented 120 days after publication of regulations in the Federal Register. Delayed filings and other errors identified on your progress report will constitute a violation of the regulations and may result in civil or criminal penalties ranging from \$1,100 per violation per day up to \$10,000.

For Progress Report details please link to:

<http://www.census.gov/foreign-trade/aes/documentlibrary/aesprogressreport.html>



AES Fatal Error Reports

Under 15 CFR part 30.64, Automated Export System (AES) filers are required to correct export transactions receiving fatal errors prior to exportation of the merchandise or prior to the tenth day after exportation if the U.S. Principal Party in Interest (USPPI) is approved for post-departure (Option 4) filing. An AES export transaction receiving a fatal error is rejected by AES and no Internal Transaction Number (ITN) is generated back to the filer. Without the ITN, the transaction has not been accepted, and the predeparture filer has not met their reporting requirement.

It is the filer's responsibility to ensure that all AES transactions filed receive an ITN.

The AES Branch within the U.S. Census Bureau sends out bi-weekly reports to filers that have not been successful in meeting this requirement. The report provides a list of Shipment Reference Numbers and the corresponding fatal condition(s) for each of the numbers. Below are instructions on "How To Handle Fatal Errors."

How To Handle Fatal Errors

- o Retrieve the transaction using the shipment reference number listed on the report. Fix the problem that is causing the fatal error. Resubmit the transaction again under the same shipment reference number as if you are sending it for the very first time. Wait to receive your ITN from AES assuring that the transaction was accepted.

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How To Handle Fatal Errors Cont'd

- If you have already received the ITN for the shipment reference number listed on the report, do not retransmit again unless you have further corrections.

Duplicating a shipment reference number within a five (5) year period will produce an additional fatal error.

- For information on how to resolve fatal errors, please view the following website:
www.census.gov/foreign-trade/redirects/aestir-appendix-a.html
 - Open the "AESTIR Appendix A" document
 - Select EDIT:FIND from the file menu or press CTRL F on your keypad.
 - Type your fatal error code in the text box and click the "FIND NEXT" button.
 - Read the resolution for the response code text to help you fix the error.

If you need assistance with resolving fatal errors, please contact a Census Bureau AES Client Representative by e-mail at ftd.aes.fatal.reports@census.gov or by phone at 800-549-0595 Menu Option 1.

WARNING: When a fatal error is received the ITN is not generated. Without the ITN, the transaction has not been accepted, and the predeparture filer has not met their reporting requirement. **Remember:** It is the filer's responsibility to ensure that all AES transactions filed receive an ITN.



Do Not Ignore The Fatal Error Report

If a company continues to be non-compliant with regulation 30.64 after repeated warnings, it may be **subject to fines, seizures and/or penalties or revocation of its filing privileges in AES for a period of 60 days.**

REMEMBER: When the new Regulations are implemented penalties will increase from \$100/day to \$1,100/day with a maximum of \$10,000 per violation. Penalties can be civil or criminal and carry up to 5 years in jail. Penalties can be assessed against USPPIs, Forwarders/Agents and/or Carriers.

Changes In AES

U.S. Port of Export Codes (Schedule D)

Port of Export codes **ADDED:**

<u>Port Code</u>	<u>Description</u>	<u>MOT</u>
3325	Willow Creek, Havre, MT	Road
5381	Sugar Land Regional Airport, Sugar Land, TX	Air
1887	Leesburg Regional Airport, Leesburg, FL	Air

Port of Export codes **DISCONTINUED:**

<u>Port Code</u>	<u>Description</u>	<u>MOT</u>
4191	Airborne Hub, Wilmington, OH	Air
2783	So. Cal. Logistics Airport, CA	Air

New AES Foreign Ports of Unlading

AES Foreign Port of Unlading Name Change

<u>Port Name</u>	<u>Port Code</u>	<u>Country</u>
Baobab Oil Field	74826	Ivory Coast
Pipavav	53304	India
Kosrae	68206	Micronesia
Kusei	68206	Micronesia

Port Code: 35185 Country: Brazil

Old Name: Sepetiba Bay

New Name: Itaguai

New Response Code 855

(855-LINE1-VERIFY) FOREIGN ORIGIN VERSUS IN-TRANSIT

Reason: The Domestic/Foreign Origin Indicator has been declared as 'F', indicating that merchandise reported on the EEI is of foreign origin. Historically, filers have erroneously reported a SED (Commerce Form 7525-V, Shipper's Export Declaration) or an AES EEI, marking a commodity as foreign origin when, in fact, the shipment was an in-transit shipment and NOT ALLOWED to be filed in AES.

Resolution: Verify that the goods reported are actually foreign. Next, verify that the goods reported are actually being exported and that they are not traveling "in-transit" through the United States en route to another country under an in-bond movement.

If the goods are traveling in-transit through the United States, these goods are not to be filed in AES and you must cancel the shipment. See next page for instructions on the movement of in-transit goods--Pink Form 7513.

If this is an export of foreign origin goods and NOT an in-transit shipment, no further action is necessary.

The Pink SED – Form 7513

The Shipper's Export Declaration for In-transit Goods

In-transit shipments requiring the pink SED, Form 7513, **CANNOT** be filed using the Automated Export System (AES). AES only accepts data for export shipments requiring the SED, Form 7525-V (the yellow SED).

THE FOLLOWING SHIPMENTS REQUIRE THE PINK SED, FORM 7513:

(a) in-transit merchandise through the United States, Puerto Rico or the U.S. Virgin Islands without formal customs entry (Form 7501 or ABI filing) and is **exported by VESSEL** to a foreign country*

(b) in-transit merchandise that requires an export license or is subject to the International Traffic and Arms Regulations (ITAR)*

(c) merchandise exported from General Order Warehouses

(d) previously imported merchandise that has been rejected by government inspection and is being returned (the re-export of other imported merchandise is to be reported in AES or form 7525-V).

AES is not equipped to collect the additional data elements that are required on the Form 7513 (FTSR 30.8). Therefore, filing this information in AES or *AESDirect* will NOT fulfill the requirements for in-transit shipments.

Currently, the collection of Form 7513 is the responsibility of the Army Corp of Engineers. For further information on in-transit shipments or the filing requirements for Form 7513, please see the Army Corp

of Engineers web site:

<http://www.iwr.usace.army.mil/ndc/>

*Shipments using modes of transportation other than vessel and are in transit merchandise that do NOT require an export license or not subject to the ITAR are exempt from filing Form 7513 or Form 7525 under FTSR 30.55(e).

Exports To U.S. Persons In Libya

The export of certain items to U.S. persons in Libya are now permitted without a license. Read the details at:

<http://www.census.gov/foreign-trade/aes/documentlibrary/c52.html>

2006 Schedule B and Harmonized Tariff Schedule Tables

The Schedule B and Harmonized Tariff Schedule (HTS) tables have been updated to accept the changes to the 2006 codes. AES will be accepting the old codes (2005) and the new codes (2006) through January 31, 2006. At that time, only the codes listed in the 2006 Schedule B or HTS table will be accepted.

AESDirect will also accept both old (2005) and new (2006) codes through January 31, 2006.

REMINDER to *AESPcLink* Users: Please download the new Schedule B and/or HTS codes to reflect the changes for 2006.

The 2006 Schedule B and HTS are available for downloading at:

<http://www.census.gov/foreign-trade/aes/documentlibrary/index.html#concordance>

The current list of HTS Numbers that are invalid for use in AES are available at:

<http://www.census.gov/foreign-trade/aes/documentlibrary/hts-not-for-aes.html>

AESDirect News

New Improved AESDirect Home Page

Returning users will notice the following improvements to the Home page:

- Added key functions in the forefront.
- Provided bulleted lists for easy scanning.
- Made it easier for new users to figure out how to proceed.
- Increased the white space to make the Home page easier on the eye.

New AESDirect Account Update Procedure Introduced

AESDirect recently introduced a new way to update AESDirect account profiles! Now, each time the company Account Administrator updates the AESDirect password, he or she will be asked to verify the AESDirect company account information on file. If an update is needed to e-mail addresses, phone numbers, or physical addresses, you can update the information with a click of the button!

To Update Company Information Using the New Procedure:

- Log into AESDirect from the AESDirect web site
- Click on "Change Password"
- Enter Administrator Code, click "Continue"
- Review the company information listed
- If a change is needed, please click "Update My AESDirect Profile," click "Continue" to make the needed changes. Once the changes are made, you will be able to update the account password
- If no changes are needed, please click "My AESDirect Profile is correct," click "Continue" to update the account password

**If you need to make updates without changing your account password, please use the Online Account Maintenance section of your AESDirect account. You will be required to submit the Administrator Code to make changes to your company profile. For further information, click on the "On-Line Account Maintenance" from the Support Center:
<https://www.aesdirect.gov/support.html>**

Please Note: Changes to the Account Administrator cannot be made using this procedure. Please see Account Administrator Change Help on the Support Center of AESDirect homepage:
https://www.aesdirect.gov/support/support_adminchange.html

AES ON THE ROAD

AES COMPLIANCE CONFERENCE: Seminar \$199/Person

Why You Should Attend:

- * Learn about the changes associated with mandatory AES.
- * Hear experts from the U.S. Government.
- * Learn about the new export regulations:
 - Stiffer penalties of up to \$10,000 per non-compliant transaction.
- * Let us help you get it right the first time.
- * Avoid costly encounters with government enforcement agencies.

AES COMPLIANCE CONFERENCE: AES*PcLink* Workshop \$60/Person

Why You Should Attend:

- * Electronic filing is becoming mandatory.
- * Learn how to file your Electronic Export Information (EEI).
- * The EEI will replace the paper Shippers Export Declaration (SED).
- * AES*PcLink* is a windows based desktop PC component of AES*Direct.gov*.
- * Get certified training on AES*PcLink* in this hands-on PC workshop!
- * Enjoy the benefits of FREE electronic filing of your EEI.
- * The Census Bureau's Foreign Trade Division performs all training.

Check Out The List Of Locations Below:

Detroit, Michigan - May 9-10

Jamaica, New York - June 6-7

Pittsburgh, PA - June 20-21

Chicago, Illinois - July 25-26

Omaha, Nebraska - September 12-13

Seattle, Washington - October 17 (No Workshops Offered)

San Diego, California - October 19 (No Workshops Offered)

Miami, Florida - November 8-9

Please contact the FTD Regulations office with any questions or concerns at:
ftdregs@census.gov or 1-800-549-0595, Menu Option 3.

For overview, agenda, and registration information visit
<http://www.census.gov/mso/www/ftd/index.htm>



Other AES*PcLink* Workshops - \$60/Person

Laredo, TX - May 16
Jacksonville, FL – May 24

Miami, FL – July 19-20
Los, Angeles, CA – August 15

For specific details please go to the link below, under Other AES Events.

Other AES Events

For locations and specific dates of AES meetings, including AES*PcLink* workshops and other events-seminars, conferences, exhibits, etc., please link to:

<http://www.census.gov/foreign-trade/aes/meetingsandpresentations/index.html>

NOTE: If you are interested in having an AES*Direct/PcLink* workshop in your area or if you or any Organization you know would like to sponsor a meeting/workshop or desire our participation in a meeting, please send an e-mail to: aesmeeting@census.gov



AES Statistics

AES February 2006*

Filers –	21,029
Shipments –	1,092,512
LOIs –	33,332
Option 4 Approvals –	2,186

96 % of all export shipments were filed in AES.

Rate of shipments reported late = 2.20%

*Includes AESDirect



AESDirect

As Of March 22, 2006

Registrants –	29,505
Operational –	20,271

Shipments in February 2006

516,182

Paper SEDs
January 2006 Statistical Month
 (March 10, 2006 Official Press Release)

57,423 Records

Canadian Exchange
January 2006 Statistical Month
 (March 10, 2006 Official Press Release)

752,514 Records

Licensed Shipments
 January and February 2006

<u>Agency</u>	<u>Records</u>
Commerce Department	2,281
State Department	23,743
Nuclear Regulatory Commission	486
Office of Foreign Assets Control	415
Other Partnership agencies	724

Unresolved Fatal Errors
 March 21, 2006

3,225

Contact Information

AES

Census Call Center 800- 549-0595

If you have questions for the:

AES Branch

Select Option 1

Monday through Friday

7:30am - 6:00pm ET

Fax: 301-457-1159

E-mail: ASKAES@census.gov

Commodity Analysis Branch (Schedule B/HTS classification)

Select Option 2

Monday through Friday

8:00am - 5:00pm ET

Fax: 301-457-1158

Regulations, Outreach and Education Branch

Select Option 3

Monday through Friday

8:00am - 5:00pm ET

Fax: 301-457-3765

E-mail: ftdregs@census.gov

AESDirect Helpdesk

Everyday, 7:00am - 7:00pm ET

Voice: 877- 715-4433

Fax: 301-562-7795

E-mail: boc-support@tradegate2000.com



We need your e-mail address change

Please send changes to your e-mail address to:

ASKAES@census.gov

Include in the message the name of the company and the name of the contact person. This helps us get information to you in a more timely manner.

U.S. Customs and Border Protection (CBP) Trade Enforcement And Facilitation

Thomas Fitzpatrick 202-344-2101 thomas.fitzpatrick@dhs.gov

For questions on **ITAR** and **Used Vehicles** contact:
Jonathan Warren 202-344-2246 jonathan.warren@dhs.gov

Other Phone Numbers/Website Addresses

Bureau of Industry and Security (licensing questions)

Washington, DC (202) 482-4811

Western Regional Office (949) 660-0144

WEB SITES

BUREAU OF CENSUS, FOREIGN TRADE

U. S. CUSTOMS AND BORDER PROTECTION

BUREAU OF INDUSTRY and SECURITY

WWW.CENSUS.GOV/TRADE

WWW.CBP.GOV

WWW.BIS.DOC.GOV