



AES Newsletter



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Automated Export System (AES) Compliance Review Program

The U.S. Census Bureau's Foreign Trade Division has successfully completed the AES Compliance Review Pretest. We visited compliant and non-compliant companies in the Mid-Atlantic region. In addition, we are compiling a best practices manual by incorporating innovative and real-world methods that we observed during our visits. This will provide guidelines and procedures that will assist companies in reporting information accurately and filing export shipments in accordance with the Foreign Trade Statistics Regulations (FTSR). We will supply the best practices manual on a CD-Rom during our visits to facilitate broad dissemination within the companies.

In July 2007, the AES Compliance Review program will be launched nationwide. Companies with unacceptable compliance rates and excessive unresolved fatal errors dating from July 2004 may be contacted in order to have a visit scheduled by the AES Compliance Review team. During the meeting the team will offer suggestions to help the company improve their process. Following the visit, companies will be granted 90 days to comply with the recommendations provided by the team. If the company does not achieve the required compliance level within 90 days, their AES reporting privileges may be suspended and referrals may be made to Government enforcement agencies. If a company is suspended, they will be required to find an alternative method to file their export information. If you have additional questions, please contact an AES Client Representative on 1-800-549-0595 (option 1) or via e-mail at askaes@census.gov.

We look forward to working closely with you on AES.

How to Successfully Correct a Shipment

Many of you, from time to time, will enter information on a shipment in the Automated Export System (AES) that is fatally rejected. You may not know why you have received that fatal error. As a result, you try to delete or cancel the shipment, and get another error. This process creates more of a problem. You cannot cancel

or delete a shipment that has never been successfully submitted. Keep in mind you can receive a fatal error on a corrected shipment, meaning the change was unsuccessful.

The following link provides the appropriate response codes and explains how to resolve the error and resubmit the shipment successfully. The website is: http://www.cbp.gov/xp/cgov/export/aes/tech_docs/aestir/june04_intro/appendices/, select Appendix A—Commodity Filing Response Messages. Now, when you receive a fatal error shipment you can look up the response code (e.g., 075, 310, 648) and learn how to resolve and correct the shipment.

AES Compliance Reports

The U.S. Census Bureau monitors and reviews filer's data through AES for quality, timeliness and coverage. The AES Branch of the Census Bureau's Foreign Trade Division reviews the data, sends monthly Compliance Reports, and contacts filers as needed.

On each AES Compliance Report, a compliance rate is calculated for the current statistical month. The compliance rate is calculated by dividing the number of compliance alerts (designated on the report) by the number of shipments, subtracted from 100 percent.

For example:
ANY COMPANY
E-mail: employee@anycompany.com

Number of Shipments for July 2007: 100
Shipments with compliance alerts for July 2007: 3

Compliance rate for July 2007: 97.00 percent

If your compliance rate is below 95.00 percent, we recommend strongly that you implement measures to prevent or correct identified problem areas. The AES Compliance Report will be one of the tools used to identify companies for the Compliance Review Program. Please use your AES Compliance Report to identify areas in need of improved reporting.

For AES Compliance Report details, which include a list and description of all response codes that appear on the AES Compliance Report, please link to—
<http://www.census.gov/foreign-trade/aes/documentlibrary/aescompliance.html>

AES Fatal Error Reports

Another critical issue in remaining AES compliant is to promptly correct all fatal errors. To assist you in doing this, the AES Branch sends out bimonthly Fatal Error Reports to filers showing their unresolved fatal errors. Under 15 CFR part 30.64, AES filers are required to correct 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 an approved postdeparture (Option 4) filer. An AES export transaction receiving a fatal error is rejected by AES and an Internal Transaction Number (ITN) is not generated. Without the ITN, the transaction has not been accepted and the filer has not met their reporting requirement.

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

If a company continues to be noncompliant after repeated warnings, it may be subject to fines, seizures, and/or penalties or revocation of its filing privileges in AES.

The Fatal Error Report provides a list of shipment reference numbers and the corresponding fatal condition(s) for each shipment.

How to Handle Fatal Errors

- Retrieve the transaction using the shipment reference number listed on the report. Correct the problem that is causing the fatal error. Resubmit the transaction again under the same shipment reference number. Wait to receive your ITN from AES assuring that the transaction was accepted.
- If you have already corrected the error and received the ITN for the shipment reference number listed on the report, do not retransmit again unless you need to make further corrections to the shipment.
- Duplicating a shipment reference number within a 5-year period will produce an additional fatal error. In this case you should resubmit the shipment using a new, unique reference number. Do not attempt to delete the original submission as this will generate another fatal error.
- In some cases, you will need to identify the cause of the error. For example, response code 835—Value of Goods Too High for Commodity—may reflect a keying error in the value of the goods or the goods may be misclassified. Detailed information on resolving fatal errors, is available from 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 correct 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.
- When you call, please have available:
 - An ITN for a prior shipment.
 - The shipment reference number(s) you wish to discuss.

Remember: When a fatal error is received the ITN is not generated. Without the ITN, the transaction has NOT been accepted, and the filer has not met their reporting requirement.

DO NOT Ignore the Fatal Error Report!

AES Response Code Identifiers

Below are the AES Response Code Identifiers and the requirement for each. These response code identifiers are returned to the AES filer in the AES output record, along with the specific response code and message.

F = Fatal Error

Shipments with a Fatal Error message have not been accepted by AES. The AES output record will display the response code "F" and the response code message. Please follow the procedure outlined under "How to Handle Fatal Errors" to correct all outstanding Fatal Errors.

W = Warning

Shipments with a Warning message must be corrected within 4 days from the date of transmission.

C = Compliance Alert

Shipments with a Compliance Alert message received a late filed message and/or made a postdeparture change to certain elements in the shipment. Receiving a Compliance Alert means that your shipment is in violation of the export reporting requirements. No action is required by the filer for a shipment with a Compliance Alert. If a filer consistently receives Compliance Alerts, then the filer must identify and correct certain business practices that lead to these alerts. Otherwise, the filer may be subject to delays, fines, and/or penalties.

V = Verify

Shipments with a Verify message receive an ITN, but the information in question must be verified. No further action is required if the information reported is verified to be correct; if not correct, we request the filer to make the necessary corrections and resubmit.

I = Informational

Shipments with an Informational message require no action. The information noted is for your records only.

Trade Ombudsman's Corner

Don't Forget the Sales Staff

Trade Compliance Managers and Officers:

Training is the lifeline for companies that are successful and compliant. Companies dedicate significant resources to training related activities. Managers are exposed to leadership and employee development training. Technical staff receive the latest updates on software packages. Compliance officers attend seminars, conferences, updates, and, occasionally, they hear a few nuggets from me about how to, "Get it Right the First Time and Keep it Right!"

Notice: I didn't mention the sales staff. Nobody mentions the sales staff because all they do is sell! They make the initial contact with the customer, they negotiate the selling price, and they collect a commission for their efforts. They can do more and they should do more.

In your efforts to maintain compliance and avoid costly encounters with enforcement agencies, you must perform "due diligence." This means that you must determine the following prior to exporting the cargo from the United States: Is my product controlled by any Government agency? Is the buyer on a denied persons list? Is the country of destination acceptable? Is the end-use/user acceptable? Your sales staff is in an excellent position to initiate the collection of this information and funnel it to the compliance department.

When identifying areas and individuals for training, remember your sales staff. It is important to your company's success that they understand export reporting requirements. Expose them to the realities of the compliance world. Tell them about the U.S. Customs and Border Protection, the Office of Export Enforcement, and the U.S. State Department. Let your sales staff know what information you need for export compliance. Tell them about the crippling effects penalties can have on a company's bottom line and ability to provide good customer service.

The Foreign Trade Division (FTD) can assist you with your training efforts. If you can provide airfare and lodging, we will provide staff to discuss regulations, commodity classification, and AES. Also, we can provide an *AESDirect* workshop and certify each attendee. In the end, your company receives excellent training and meets FTD staff that can assist you in all of your export reporting requirements. For more information, please contact me directly at:

E-mail—Jerome.M.Greenwell@census.gov

Work—301-763-6975

Cell—301-980-1743

2007 AES Import Concordance and AES Export Concordance

HTSUSA CODES UPDATED FOR July 2007—NO CHANGES TO SCHEDULE B CODES

The updated 2007 AES Import Concordance and the Schedule B Table are available at—
<www.census.gov/foreign-trade/aes/documentlibrary/index.html#concordance>
All the necessary changes have been made to the AES and the AES*Direct* program.

AES*PcLink* Users—Please update your AES*Direct* Code Tables.

For further information or questions, contact a Census Bureau AES Client Representative at:
1-800-549-0595, Menu Option 1 or e-mail us at <askaes@census.gov>.

The current list of HTSUSA Numbers that are invalid for use in AES are available at—
<www.census.gov/foreign-trade/aes/documentlibrary/hts-not-for-aes.html>

AES Changes

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

The following Ports of Export have been ADDED in AES:

Port Code: 2785	Port Name: March Inland Airport, Riverside, CA
Port Code: 2786	Port Name: Meadows Field Airport, Bakersfield, CA
Port Code: 4581	Port Name: Midamerican Airport, Mascoutah, IL

The following Port of Export has been DELETED in AES:

Port Code: 2707	Port Name: San Luis Harbor, CA
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The following Ports of Export have been CHANGED in AES:

Port Code: 0131	Port Name: Portsmouth, NH
Port Code: 1703	Port Name: Savannah, GA
Port Code: 1803	Port Name: Jacksonville, FL

Air has been added as an acceptable Method of Transportation for these three ports

AESDirect/AES*PcLink*

Don't Be Alarmed...Be Informed! **Recent Changes to the AES*Direct* Program**

Recently, we have made several changes to enhance the functionality of AES*Direct* and AES*PcLink*. We know that oftentimes change can incite confusion so we would like to take this opportunity to identify all of the changes, why they were made, and how they will affect you as a filer, if at all.

Change 1: There are new pop-ups that warns filers not to submit paper copies to Customs

We have included various pop-up windows throughout the AESDirect/AESPcLink applications to highlight the fact that filers should not submit a paper Shipper's Export Declaration (SED) for shipments filed through the AES.

Any time an AES filer clicks the submit or print option, the following information appears in a pop-up window:

“DO NOT SUBMIT a print out of the AESDirect/AESPcLink data elements or a paper copy of the SED to U.S. Customs and Border Protection at the port of export.”

When a filer actually receives a printout of the data elements, the following message is displayed as a watermark, “Do Not Submit to Customs.”

Reason for Change:

This change was enacted to assist in the elimination of duplicate filing of the AES record and paper SED. There are instances where filers are using our electronic option and still forwarding a paper copy of the SED to Customs. Upon receipt of the paper copy, our processing center keys the information, thereby creating a duplicate report.

Do not be alarmed by this pop-up window. Its only purpose is to alert filers of electronic and paper filing duplication.

Change 2: The warning banner on the login page has been updated for clarification purposes.

We have altered the information that appears in the security notification banner in AESDirect. When a filer logs into AESDirect, the new wording will appear on the screen and the filer will be prompted to click “Continue” to move forward in the system. This warning message specifically affirms the user's responsibility as a filer authorized to use the AESDirect/AESPcLink system.

Reason for Change:

This update is to increase security awareness and inform you that your activity on this site may be monitored.

Change 3: E-mail messaging will no longer include information that may be considered Personally Identifiable Information and Title Information

We have made a slight modification to the format of the AESDirect/AESPcLink generated e-mail messages. It is our responsibility to provide our users with the utmost privacy and protection, therefore we have removed all information that may be considered Personally Identifiable Information and Title Information from any e-mail correspondence you may receive from the Census Bureau's Foreign Trade Division. The e-mails received from AESDirect/AESPcLink will no longer contain the full External Transaction Number (XTN) since the first 9 digits are filer's identification number. We have removed the Exporter's company name from the e-mail format as well.

E-mails will still continue to include the Internal Transaction Number (ITN) and the Shipment Reference Number (SRN).

Keep in mind that the format of the XTN remains unchanged and is the combination of the Filer ID and the SRN. Thus, the format is “Filer ID-SRN.”

The requirements for providing the AES Proof of Filing Citation remain unchanged as well. Filers reporting predeparture (Option 2) are still able to use either the XTN or ITN on the loading document for those commodities that are not required to be filed in AES. The ITN must be used for shipments of commodities on the U.S. Munitions List or Commerce Control List that formerly required an SED or raw or rough-cut diamonds subject to export control.

Reason for Change:

The purpose of this change is to protect your company information.

Change 4: There is a new license code added to the system

The Bureau of Industry and Security (BIS) has published regulations for immediate action to allow a new license code to be used when an export shipment is destined to an approved Validated End-User as defined and authorized by BIS.

This new license code option is “C57—VEU (Validated End-User).”

BIS will soon publish the names of the VEU for whom this license code can be reported. Until this list is published, please do not use this license code.

Reason for Change:

This is required to maintain the system’s compliance with newly imposed regulations.

AESPcLink Users: Don’t Forget Regularly Update Your Code Tables.

AESDirect Users: If you have a pop-up box blocker on your computer, you must temporarily remove it to use the AESDirect look-up feature. The search boxes will not pop-up during a look-up if you have the pop-up box blocker activated.

Transmissions To and From Puerto Rico

United States to Puerto Rico Shipments

Country of Ultimate Destination Code—report PR

U.S. State of Origin Code—report a valid USPS code

Ultimate and Intermediate Consignee Address—Country Code - report as U.S.

—State Code - report as PR; use PR Zip Code

Puerto Rico to United States Shipments

Country of Ultimate Destination Code—report as US

U.S. State of Origin Code—report as PR

Ultimate and Intermediate Consignee Address—Country Code—report as U.S.

—State Code—report a valid USPS Code and U.S. Zip Code

Education and Outreach

The Foreign Trade Division will participate in the following Bureau of Industry and Security (BIS) Compliance Seminars—

Date: September 12–13, 2007
Location: Pittsburgh, PA

Please go to the following BIS Web site for details—
<www.bis.doc.gov/seminarsandtraining/index.htm>

If you have further questions regarding the BIS seminars, please contact—

Christine Wheeler
Bureau of Industry and Security
Office of Exporter Services
Outreach and Educational Services Division
(202) 482-6031

Note: The AES Compliance Conference and AESDirect/AESPcLink workshops have been suspended until further notice. Please continue to visit our Web site for updates:
<www.census.gov/foreigntrade/aes/meetingsandpresentations/index.html>

Helpful Export Web Links

The following documents on the Web should be viewed and printed and kept as reference to assist you in keeping in compliance with export regulations.

Examples of AES Proof of Filing Citation, Exclusion, and Exemption Legends
<www.census.gov/foreign-trade/regulations/ftsrletters/ftsr168-amendment2.pdf>

2006 Schedule B Table Harmonized Tariff Schedule (HTSUSA) and HTS Numbers Not Valid For Export Schedule B and HTS
<www.census.gov/foreign-trade/aes/documentlibrary/index.html>

HTSUSA Not Valid For Export
<www.census.gov/foreign-trade/aes/documentlibrary/hts-not-for-aes.html>

Regulations to use AES for the Reporting of Items on the Commerce Control List or United States Munitions List

Census Bureau Regulation
<www.census.gov/foreign-trade/regulations/fedregnotices/fedreg-07172003.pdf>

State Department Regulation
<www.census.gov/foreign-trade/regulations/fedregnotices/ITARonAES.pdf>

AES Newsletters
<www.census.gov/foreign-trade/aes/documentlibrary/index.html>

Bureau of Industry and Security (BIS) export controls and the Export Administration Regulations and how to use them
<www.bis.doc.gov/ExportLicensingQandA.htm>

Contact Information

AESDirect Helpdesk

Everyday: 7:00a.m.–7:00p.m. ET

Voice: 877-715-4433

Fax: 301-562-7795

E-mail: boc-support@tradegate2000.com

Census Call Center: 1-800-549-0595

Please note that the e-mail addresses below are not secure. Confidential company information should not be sent to these addresses.

If you have questions for the—

AES Branch, Select Option 1

Monday through Friday

7:30a.m.–5:30p.m. ET

Fax: 301-763-4610 or 301-763-6638

E-mail: ASKAES@census.gov

Commodity Analysis Branch (Schedule B/HTS classification), Select Option 2

Monday through Friday

8:00a.m.–5:00p.m. ET

Fax: 301-763-4962

Regulations, Outreach, and Education Branch, Select Option 3

Monday through Friday

8:00a.m. - 5:00p.m. ET

Fax: 301-763-4610

E-mail: ftdregs@census.gov

U.S. Customs and Border Protection (CBP)

Trade Enforcement And Facilitation

For questions regarding CBP, ITAR, and Used Vehicles contact:

Cynthia Oliver: 202-344-3277, cynthia.oliver@dhs.gov or manifest.branch@dhs.gov

Other Phone Numbers/Web site Addresses

Bureau of Industry and Security (BIS)

Washington, DC 202-482-4811

Western Regional Office 949-660-0144

Western Regional Office 408-351-3378

Web Sites

BUREAU OF CENSUS, FOREIGN TRADE <www.census.gov/trade>

U. S. CUSTOMS AND BORDER PROTECTION <www.cbp.gov/>

BUREAU OF INDUSTRY AND SECURITY <www.bis.doc.gov>