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**UNITED STATES DEPARTMENT OF COMMERCE**  
**Economics and Statistics Administration**  
**U.S. Census Bureau**  
Washington, DC 20233-0001

**FTR Letter No. 3 (REVISED)**

MEMORANDUM FOR U.S. Customs Service Headquarters, Directors of Field Operations, Port Directors, Foreign Trade Zone Operators, U.S. Department of Commerce District Offices, U.S. Principal Parties in Interest, Freight Forwarders, Exporting Carriers, Consolidators, U.S. Customs Brokers, and All Others Concerned

From: William G. Bostic, Jr. *W. G. B. Jr.*  
Chief, Foreign Trade Division (FTD)

Subject: Exports to International Waters

This letter clarifies the requirements in the Foreign Trade Regulations for filing electronic export information through the Automated Export System (AES) for exports to International Waters. Shipments from the United States to vessels, buoys, offshore installations (e.g., oil rigs or drilling platforms), etc. located in International Waters (i.e., waters that are outside U.S. territory or the territory of a foreign country, as described in the note below) are considered to be exports. Note that exports to International Waters that are known at the time of the export to be destined for a foreign country should be reported (and treated for licensing purposes) as exports to the foreign country.

Exports to International Waters that are licensed by the U.S. Bureau of Industry and Security (BIS) must be reported in the AES, regardless of value. All other exports must be reported in the AES when the commodity is valued more than \$2,500 per Schedule B number. Exports to International Waters must be identified in the AES using the new Export Information Code "IW."

When reporting "IW" for items that are being exported under a BIS license, the AES filer is required to report either license code C30 (license authorized by BIS) or C31 (special comprehensive license), a valid BIS license number, the Export Control Classification Number (ECCN), and the country of destination and ultimate consignee indicated on the license. When reporting "IW" for items that are being exported pursuant to a BIS license exception or No License Required (NLR), the country of destination to be reported is the nationality of the person(s) or entity assuming control of the item(s) subject to the Export Administration Regulations that are being exported. All other AES reporting requirements (License Type Codes and ECCNs) related to use of a BIS license, license exception and NLR remain the same. The AES filers may use any mode of transportation; however, vessel shipments must include one of the six "high seas" foreign ports listed in the Schedule K, Classification of Foreign Ports by the Geographic Trade Area and Country.

The U.S. Principal Party in Interest or its authorized agent must comply with this requirement. If you have questions, please contact the Regulations, Outreach, and Education Branch, FTD on 800-549-0595, option 3, or by e-mail using [FTDRegs@census.gov](mailto:FTDRegs@census.gov).

**NOTE:** U.S. territory includes the U.S. territorial sea, which extends 12 nautical miles measured from the baselines of the United States. A shipment made within the U.S. territorial sea would not be considered an "export." The U.S. territory also includes the continental shelf, which, in some cases, extends more than 12 miles from the baseline. As such, shipments to vessels, platforms, or buoys attached permanently or temporarily to the U.S. continental shelf also would not generally be considered exports. The territory of foreign countries would also generally include the territorial seas and continental shelf of those countries.