



AES Newsletter



Issue 40

October 2010

In This Issue

The New and Improved AESDirect Shipment Reporting Center! 1

Advice for Reporting a DSP-5 License in the AES 3

What Your Shipment Response Means 4

Export Filing Tips 5

2011 Schedule B and Harmonized Tariff Schedule (HTS) Tables 6

Reporting the Correct Export Information Code 6

Shipper's Export Declaration For In-Transit Goods (ENG Form 7513) Suspended 9

Interested in Attending an AES Export Compliance Seminar? 9

Contact Information . . . 10

The New and Improved AESDirect Shipment Reporting Center!

by Chelsey Ney, Automated Export System Branch

Has your company been waiting for the AESDirect Daily Log to return? Well, wait no more. The Shipment Reporting Center is on its way back and its new capabilities will make it better than before! The new "Manage Shipments" feature in AESDirect will easily locate and allow you to manage your company's electronic export information (EEI).

The Shipment Manager will include the following new features:

■ Search for EEI using one or more of the following:

Shipment Reference Number	AES Internal Transaction Number (ITN)
USPPI Name or ID	Ultimate consignee company name
License Type	Username
Filing or Date of Export date ranges	Carrier SCAC/IATA
Country of Destination	Port of Export

■ Save frequently used searches.

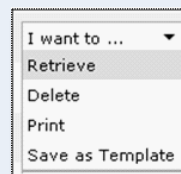
Companies will be able to save frequent searches in their account to eliminate rekeying of frequently used search criteria.

■ Filter EEI by current AES status.

You will be able to filter EEI based on the current AES Status for each EEI such as Accepted, Compliance alerts, Verify messages, Warning messages, Informational messages, Rejected, Update rejected, Cancel rejected, Canceled, Submitted, Update submitted, and Cancel submitted.

■ Manage EEI with just one click.

Once EEI is located using the various searches, each EEI can easily be retrieved, deleted, printed, or saved as templates all from a drop-down menu in the EEI manager.



continued on page 2

The New and Improved AESDirect Shipment Reporting Center!—Con.

■ **View detailed AES response messages.**

Clicking on the current AES status of the EEI will display the detailed AES response indicating what the status means and how your company should address it.

■ **Preview EEI details.**

The search results will display a broad summary for each of the returned EEI. If, based on the EEI summary, you are unsure which EEI is the one you are looking for, you can show additional EEI details to help you identify your EEI before it is retrieved.

■ **Search for EEI by the filing date or date of export.**

You will have the option to display all EEI filed by your company through AESDirect that was either filed or edited today, yesterday, or within the last 7 days from the day of your search or that has an export date of today, yesterday, or within the last 7 days, providing improved monitoring capability for your company's current EEI.

■ **Export to a spreadsheet file.**

You will have the option to export customized search output in a spreadsheet format. This feature provides your company a greater long-term monitoring capability.

The AESDirect Shipment Manager is in the final development stages and will be available soon. Be on the lookout for more information to find out when your company can access this great new feature of AESDirect.

Advice for Reporting a DSP-5 License in the AES

by Omari Wooden, Foreign Trade Ombudsman

Based on Foreign Trade Regulations (FTR) section 30.2(a)(1)(iv), any export shipment **requiring a U.S. Department of State, Directorate of Defense Trade Controls (DDTC) license or subject to the International Traffic in Arms Regulations (ITAR)** must be reported in the Automated Export System (AES), regardless of value. As I conduct training around the country, I receive feedback from companies on the topic of how to report State Department shipments, especially those with DSP-5 licenses. The purpose of a DSP-5 license is for the export of unclassified defense articles and related unclassified technical data. The main question that arises is **what fields on the DSP-5 license correspond to the fields in the AES?** Based on the FTR, the ultimate consignee and ultimate country of destination on the DSP-5 license must conform to what is reported in the AES. However, as a best practice, information on the license should match with what is reported in the AES.

The following table reflects the box number on the DSP-5 license and compares it to the required field in the AES. I hope you find this information useful.

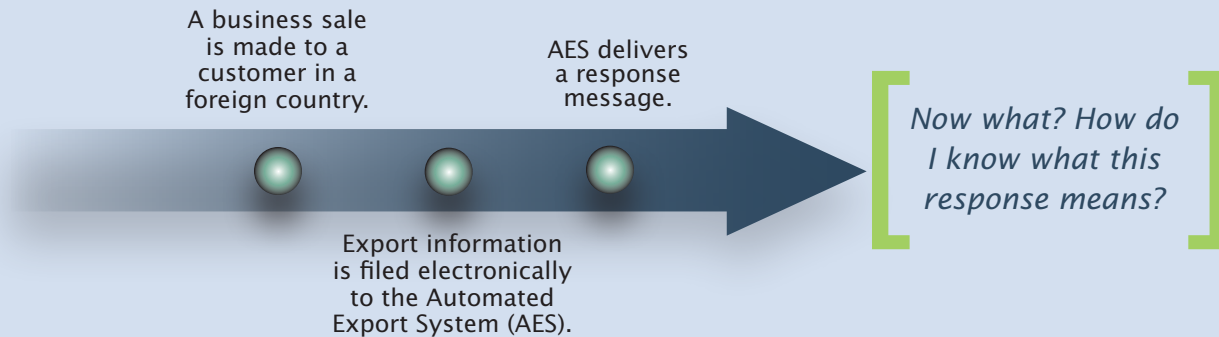
Note, not all fields in the DSP-5 license are included in this table.

Box Number	DPSP–License field	AES required field
2	PM/DDTC applicant registrant code	DDTC registration number—The format is usually A-NNNN or ANNNNN. For example, M-1234 would be a valid format, and the dash is required to be reported in the AES.
3	Country of ultimate destination	Country of ultimate destination—Based on FTR 30.6(a)(5), the country listed on the license must conform to the country listed in the AES.
9	Quantity	DDTC quantity and DDTC unit of measure—Block 9 on the DSP-5 license contains both the quantity and the unit of measure for the product. In some cases, the DDTC unit of measure may not be the same as the Schedule B/HTS unit of measure.
11	USML category number	DDTC USML category code—This is a two-digit code representing the category of the product being exported.
16	Name and address of foreign consignee	Consignee information—Based on FTR 30.6(a)(3), the ultimate consignee listed on the license must conform to the ultimate consignee listed in the AES.
14	Name and address of the foreign end user	NOT REPORTED IN THE AES—There is no field for end user in the AES. However, the ultimate consignee may be the end user.
19	Name and address of seller in United States	U.S. principal party in interest—The person or legal entity in the United States who receives the primary benefit, money or otherwise, from the export transaction.

What Your Shipment Response Means...

by Rosanna Torres, Automated Export System Branch

Take a look at this scenario:



Accepted	The shipment was successfully reported to the AES and received a confirmation number, called the Internal Transaction Number (ITN) . This number is your proof that your shipment has been transmitted to AES and accepted. Shipments with a compliance alert, warning, verify or informational message will still receive an ITN.
Compliance alert	A shipment with a Compliance Alert receives an ITN and means that your shipment is potentially in violation of an export reporting requirement. It was either filed late or a change was made to certain elements after the shipment was exported. Though the alert cannot be corrected once issued, you must identify and correct the business practices that led to the alert. Otherwise, your company may be subject to delays, fines and/or penalties.
Verify message	A shipment with a Verify Message receives an ITN, but some information must be verified, such as value, quantity or shipping weight. If a correction is necessary, update the shipment and resubmit under the same shipment reference number. The shipment will be updated and the ITN will remain the same. However, if the shipment was filed correctly and you've verified that no changes are necessary, you don't need to resubmit.
Warning message	A shipment with a Warning Message receives an ITN and must be updated with required information within 4 days from the date of transmission.
Informational message	A shipment with an Informational message receives an ITN and provides the filer detail on their shipment. Depending on the message received, the shipment might require further action. View the reason for the message, and respond as necessary.
Rejected	The shipment was not accepted by the AES and received a Fatal Error . If you receive notice of a Fatal Error Message from the AES, it means that the shipment was rejected and cannot be viewed by the CBP inspectors. Shipments with fatal error messages must be corrected prior to the cargo leaving the U.S.
Update rejected	A correction to the shipment was transmitted to the AES, but not accepted. If the shipment had previously received an ITN and the update was rejected, then you may not present the ITN at the port of export. You must correct the shipment and resubmit until an accepted correction or replacement message is received.
Cancel rejected	A cancel request was transmitted to the AES, but was not accepted. View the reason why the cancel request could not be completed and respond as necessary.
Cancelled	The shipment was successfully cancelled from the AES.

For more information on all AES response messages, see Appendix A of the AESTIR at www.census.gov/foreign-trade/redirects/aestir-appendix-a.html.

Export Filing Tips

by Brenda Skillern, Commodity Analysis Branch

Below are some helpful hints to ease your electronic export information (EEI) filing process:

Make sure to use the appropriate Schedule B number. If you need assistance classifying your product or verifying your commodity classification code, please utilize one of the following options:

- Use the Schedule B Search Engine located at <www.census.gov/scheduleb>.
- E-mail the Commodity Analysis Branch <ftd.scheduleb@census.gov>.
- Contact a commodity classification specialist at 1-800-549-0595, menu option 2.

Report the value of the commodity in U.S. currency only.

Do not include the cents when filing the commodity value. Our system recognizes all digits as whole dollars so round up or down to the nearest dollar. For example, \$42,588.69 rounds to \$42,589. Do not include the zero decimal figures. Including the decimal figures as part of the value can distort our trade statistical data exponentially.

Ensure the actual value of the commodity is entered in the value field. The value reported must be the selling price by the U.S. Principal Party in Interest to the foreign buyer (or cost of the goods if not sold), plus the cost of inland freight, insurance, and other charges incurred in moving the goods from their U.S. point of origin to the U.S. port of exportation (per Foreign Trade Regulation 30.6 (a) (17)).

When reporting the shipping weight, use whole numbers, adhere to the same rules as for value—use whole numbers. Do not include decimals or fractions. Also, the gross shipping weight is to be reported in kilograms. If needed, use an online conversion calculator.

Report the quantity of the commodity based on the appropriate unit of measurement as described in the Schedule B classification. If the unit of quantity is 'number', enter the number of actual items shipped. For example, you have 500 disc that are sorted into 5 boxes, the quantity indicated in your EEI should be 500 because that is the "number" of discs you are exporting.

Create a shipment reference number. This is a unique character sequence assigned to shipments by the **filer**. The filer creates this identification criteria and it must be unique for each and every shipment.

Check that all countries are assigned their proper two character alphabetic country code. For example, do not assume that Ireland's country code is IR; the proper country code for Ireland is IE. Iran's country code is IR.

FTR 30.10(b) gives the U.S. Census Bureau the authority to request the production of documents related to specific identified export transactions at anytime within the five year time period after the date of export from all parties to the export transaction. This includes EEI, shipping documents, invoices, orders, packing lists and correspondence as well as any other relevant information.

Repaired Exports. **Previously imported exports brought in for repair** will be exported (returned) using Schedule B Number 9801.10.0000 with the value of repair/warranty (including labor), not the value of the original sold item. If the value of repair is less than \$2,500, use the exemption code 30.37(a) as the proof of filing citation.

The tips listed above will assist you in completing your EEI filings accurately.

2011 Schedule B and Harmonized Tariff Schedule (HTS) Tables

NEW SCHEDULE B & HTS CODES EFFECTIVE JANUARY 2011

The 2011 AES Export and Import Concordances will be available in late December 2010:

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

AES*PcLink* Users—Please update your AES*Direct* Code Tables
no later than January 2011.

For further information or assistance, please contact a Census Bureau
AES client representative at
800-549-0595, menu option 1 or <askaes@census.gov>.

Reporting the Correct Export Information Code

by Rebecca DeNale, Commodity Analysis Branch

A commonly misunderstood and misreported field when reporting commodity information is the export information code (EIC) or export code. Export information codes are important because they signify the type or condition of the shipped item(s). This code identifies certain types of shipments to U.S. Customs, and also identifies certain shipments as non-statistical. The EIC is a mandatory field in AES, and it is located with the commodity information under the “Commodity Line” section.

The most commonly used EIC is OS for general exports (all others); however, there are many other conditions that a shipment might fall under, and it is important to understand them all. Correctly identifying the type or condition of a shipment is important for statistical reasons. Certain EICs will designate a shipment as nonstatistical. If an inaccurate EIC is used, the shipment could wrongfully be designated as a statistical export, and thus inflate the value of exports, eventually impacting the balance of trade.

Below are examples where certain commodities may be exempt from filing; however, if the USPPI decides to file the shipment information, the correct EIC must be used to properly identify the type or condition of the shipment. For a complete list of shipments that are exempt from filing, please refer to Foreign Trade Regulations (FTR) Subpart D—Exemptions from the requirements for the filing of Electronic Export Information (30.35 - 30.40):

- An expensive piece of jewelry valued at \$3.0 million is being exported for display at a trade show in Hong Kong under a carnet (an international customs document or “merchandise passport”). This item is only being exported temporarily, is not intended for sale, and will return in the same condition within 1 year after export. As the shipment is moving under a carnet, it is important to report the correct EIC of CR. Otherwise, it could inflate the value of U.S. exports to Hong Kong by \$3.0 million for that month.

continued on page 7

Reporting the Correct Export Information Code—Con.

- A shipment of U.S. \$100 bills with a total value of \$1.0 million is being shipped to a bank in Switzerland. In this case, since U.S. \$100 bills are currency, the correct EIC to use would be **DD for other exemptions**, including currency. If this condition is not indicated in the electronic export information (EEI), this shipment could inflate the value of exports to Switzerland by \$1.0 million for that month.
- A \$2.0 million shipment of cabinets and countertops will be used in the construction of a U.S. embassy in Chile. These goods are being shipped under a U.S. government contract for construction in another country. In this case, we would want to use EIC: GP, which is for shipments under U.S. government contract for overseas construction. If the incorrect EIC was used, exports to Chile could be inflated by \$2.0 million (General Filing Requirements—FTR 30.2 (a)).
- A shipment of 10 diamonds valued at \$4.0 million was imported under a Temporary Import Bond (TIB) for grading and inspection from India. The diamonds are only intended to be in the United States for a short period of time while they are being analyzed, and are then to be re-exported to India in the same condition. When exporting these diamonds, the correct EIC to use would be IS for goods previously imported under a TIB for return in the same condition. If the incorrect EIC was used in this case, the value of exports to India could be inflated by \$4.0 million for that month.
- A family is moving to Australia and taking their personal effects with them. They owned these household goods prior to moving and do not intend to sell the goods. The goods are intended for the family's use once they get to Australia. In this case, the proper EIC to use would be HH for personal and household effects. When the EIC HH is used, no Schedule B number, unit of quantity, or domestic or foreign indicator is required; however, the estimated value of the goods as well as the shipping weight are required to be reported. A similar EIC, HV, is used for household vehicles shipped under similar circumstances. When using HV, report the complete shipment and commodity data and include the VIN, title number, and U.S. state of title.

As you can see, reporting an incorrect EIC can greatly impact our trade data. A list of all of the EICs along with the descriptions can be found below. Please note the items in bold denote that the EEI content of the associated filing is considered nonstatistical.

Export Information Code Descriptions	
EIC	Description
OS	General Exports (all others)
OI	Other Impelled Exports
CH	Goods donated for relief or charity
CI	Impelled shipments of goods donated for relief or charity
CR	Goods moving under a carnet
DD	Other exemptions (currency, airline tickets, bank notes, internal revenue stamps, state liquor stamps, advertising literature, etc.)
FS	Foreign Military Sales
FI	Impelled Foreign Military Sales
GP	Shipments under U.S. Government contract for overseas construction
GS	Exports for exclusive use of U.S. government agencies
HH	Personal and household effects and tools of trade not intended for sale. (Shipments must be owned and in the possession of the exporter prior to export and intended solely for use of the exporter or their immediate family.)

continued on page 8

Reporting the Correct Export Information Code—Con.

HV	Personally owned vehicles being exported as household effects not intended for sale. (Shipments must be owned and in the possession of the exporter prior to export and intended solely for use of the exporter or their immediate family.)
IP	Goods previously imported under a Temporary Import Bond (TIB) for further manufacturing or processing
IR	Goods previously imported under a Temporary Import Bond (TIB) to be repaired or altered in the U.S. (Report value of repairs only -- under Schedule B #: 9801.10.0000)
IS	Imported under a Temporary Import Bond (TIB) for return in the same condition as imported
IW	Shipments destined to International Waters
MS	Exports for the exclusive use of the U.S. armed forces
TE	Temporary exports which are not sold or offered for sale and are at the time of shipment definitely intended to be returned to the United States in the same condition as exported
TL	Merchandise exported under a lease where the leasing period is less than one year
TP	Temporary export of domestic goods which are to be processed, manufactured, or assembled abroad and returned to the United States
UG	Single Gift Parcels as encompassed by Office of Export Administration General License GFT (15 CFR 30.37(h))
ZD	North American Free Trade Agreement (NAFTA) duty deferral shipments

Source: U.S. Customs and Border Protection, Appendix E, "Commodity Filing Export Information Codes," <www.cbp.gov/xp/cgov/trade/automated/aes/tech_docs/aestir/june04_intro/appendices>.

Shipper's Export Declaration for In-Transit Goods (ENG Form 7513) Suspended



This serves as a reminder that the collection of data on the pink Shipper's Export Declaration for In-Transit Goods (ENG Form 7513) was suspended by the U.S. Army Corps of Engineers, effective October 1, 2008. **Do not submit data on this form to U.S. Customs and Border Protection.** Please see the link below:

www.iwr.usace.army.mil/ndc/usforeign/index.htm

If you have questions regarding this suspension, please contact Mr. Joseph A. Kustra (Statistician) by phone at 504-862-1429 or by mail at:

Mr. Joseph A. Kustra
U.S. Army Corps of Engineers
Waterborne Commerce Statistics Center
7400 Leake Avenue
New Orleans, LA 70118-3651

Attn: In-Transit Shipments

Interested in Attending an AES Export Compliance Seminar?

The tentative schedule is as follows (specific dates to be announced):

October 26–27	Dallas, TX
November 3–4	Jacksonville, FL



For updates, details, and registration forms, please visit
www.census.gov/foreign-trade/aes/meetingsandpresentations/index.html.

Contact Information

AESDirect Technical Support (toll-free)

Every day

7 a.m.–7 p.m. ET

Voice: 1-877-715-4433

Fax: 301-562-7795

E-mail: <boc-support@tradegate2000.com>

Foreign Trade Division Call Center 1-800-549-0595 (see menu options below)

The e-mail addresses below are not secure. Confidential company information should not be sent to these addresses.

Automated Export System Branch, Menu Option 1

Monday through Friday

7:30 a.m.–6 p.m. ET

Fax: 301-763-6638

E-mail: <askaes@census.gov>

Commodity Analysis Branch (Schedule B/HTS Classification), Menu Option 2

Monday through Friday

8:30 a.m.–5 p.m. ET

Fax: 301-763-4962

Schedule B questions: ftd.scheduleb@census.gov

Regulations, Outreach, and Education Branch, Menu Option 3

Monday through Friday

8 a.m.–7:30 p.m. ET

Fax: 301-763-4610

E-mail: <ftdregs@census.gov>

Data Dissemination Branch, Menu Option 4

Monday through Friday

9 a.m.–5:30 p.m. ET

Fax: 301-763-4962

E-mail: <ftd.data.dissemination@census.gov>

Foreign Trade Division (all branches)

Secure Fax: 301-763-8835

This fax number is for confidential company information (i.e., data requests). Please include a cover sheet with the name and/or branch phone number to whom the fax should be delivered.

continued on page 11

Contact information—Con.

AES Partnership Agencies

Bureau of Industry and Security (BIS)

Help Desk, Washington, DC

202-482-4811

Western Regional Office, Los Angeles/Newport Beach, CA

949-660-0144

Western Regional Office, San Jose, CA

408-351-3378

U.S. Customs and Border Protection (CBP)

Trade Enforcement and Facilitation

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

Robert Rawls, Program Manager, 202-344-2847

E-mail: <robert.rawls@dhs.gov or manifest.branch@dhs.gov>

Directorate of Defense Trade Controls

U.S. State Department, Washington, DC

Response Team

202-663-1282

D-Trade Questions

202-663-2838

Web sites

U.S. Census Bureau, Foreign Trade

<www.census.gov/trade>

U.S. Customs and Border Protection

<www.cbp.gov>

Bureau of Industry and Security

<www.bis.doc.gov>

U.S. State Department, Directorate of
Defense Trade Controls

<www.pmdtcc.state.gov>

U.S. Treasury Department, Office of
Foreign Assets Control

<www.treas.gov/offices/enforcement/ofac>