AMERICAN ASSOCIATION OF EXPORTERS AND IMPORTERS

The Voice of the International Trade Community Since 1921

February 7, 2011

Via E-Mail (publiccomments@bis.doc.gov)

Regulatory Policy Division
Bureau of Industry and Security
Room 2705
U.S. Department of Commerce
14th Street and Constitution Avenue, NW
Washington, DC 20230

ATTN: Notice of Inquiry-CCL

Re: Comments on Revising Commerce Control List
Docket No.: 101112562=0577-01

Dear Sir or Madam:

On behalf of the American Association of Exporters and Importers (AAEI), we respectfully submit the comments below concerning the Bureau of Industry and Security's (BIS) advance notice of proposed rulemaking entitled "Commerce Control List: Revising Descriptions of Items and Foreign Availability" published in the *Federal Register* on December 9, 2010 (75 Fed. Reg. 76,664).

AAEI has been a national voice for the international trade community in the United States since 1921. AAEI represents the entire spectrum of the international trade community across all industry sectors. Our members include manufacturers, importers, exporters, wholesalers, retailers and service providers to the industry, which is comprised of brokers, freight forwarders, trade advisors, insurers, security providers, transportation interests and ports. Many of these enterprises are small businesses seeking to export to foreign markets. AAEI promotes fair and open trade policy. We advocate for companies engaged in international trade, supply chain security, export controls, non-tariff barriers, import safety and customs and border protection issues. AAEI is the premier trade organization representing those immediately engaged in and directly impacted by developments pertaining to international trade. We are recognized as the technical experts regarding the day-to-day facilitation of trade.

1. General Comments

AAEI appreciates the opportunity to provide input on how the make the Commerce Control List (CCL) more clear and positive and for comments on "tiering" of items on the CCL. AAEI strongly supports the Administration's goal of eliminating barriers and obstacles to exporting U.S. goods and technology while ensuring that export controls remain only on those goods, software and technology that are critical to national security and foreign policy. The input requested by BIS will greatly assist this effort.

1050 17th Street, N.W.; Suite 810; Washington, DC 20036; Telephone 202/857-8009; Fax 202/857-7843; Email hq@aaei.org

2. Comments on How to Make the CCL More Clear and "Positive"

While the CCL generally is currently a much more "positive list" than the U.S. Munitions List, we strongly support the Administration's goal of creating a single positive list of items that are controlled by the EAR and ITAR. In addition, we appreciate the Administration's efforts to ensure that any lists are sufficiently clear and prices so that persons who are not knowledgeable about U.S. export controls will be able to make a classification and jurisdiction determinations without need to consult with the government.

One favorable step would be to eliminate, to the extent possible, the references to "n.e.s." (not elsewhere specified) and general catch-all categories. For example, ECCN 3A992, which covers "General Purpose Electronic Equipment Not Controlled By 3A002" covers "Electronic Test Equipment, n.e.s." However, that is an extremely broad category without any specifications or other identifying characteristics. A truly "positive" list would list only those types of General Purpose Electronic Equipment that are subject to export controls. There are many other similar "n.e.s." provisions in the CCL that should be eliminated and replaced by specific parameters and specifications.

Because our members are involved in a wide range of industries, we would be pleased to discuss specific ECCNs with BIS's technical staff to discuss how specific ECCNs could be revised to reflect current industry standards.

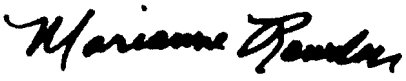
3. "Tiering" of Items on the CCL

In general, we support the "tiering" approach that would attempt to distinguish the types of items that should be controlled at different levels for different types of destinations, end-use, and end-users. However, rather than commenting on the general criteria, which are subjective and open to interpretation, we would prefer to reserve judgment until we see a specific proposal from BIS. For example, perhaps BIS could circulate a proposed tiering structure of one CCL category, similar to what DDTC did with USML Category VII. Seeing an actual example will be of great value to the exporting community in order to see how BIS is interpreting the tiering criteria.

4. Conclusion

AAEI appreciates this opportunity to comment on the proposed changes to the Commerce Control List. AAEI would be pleased to discuss these comments in more detail with BIS leadership and staff.

Sincerely,



Marianne Rowden
President & CEO

cc: Nona Clarke, Co-Chair, AAEI Export Compliance & Facilitation Committee
Douglas N. Jacobson, Co-Chair, AAEI Export Compliance & Facilitation Committee Phillip Poland, Co-Chair, AAEI Export Compliance & Facilitation Committee