

## **EXPORTING FROM THE UNITED STATES**

### **U.S. Export Compliance**

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Export compliance has never been more important to international trade than it is today. Heightened security concerns, complex document requirements, and changing regulations, combined with stiff penalties for violations, make understanding U.S. export requirements essential.

U.S. exporters are responsible for ensuring that their exports comply with U.S. law. While Expeditors' training programs, operational procedures and systems tools are all designed to provide the highest level of compliance in global trade, responsibility for export compliance ultimately resides with the exporter.



This guide is designed to provide U.S. exporters with answers to frequently asked questions. It also provides an overview of an exporter's responsibilities and source materials necessary to support a compliant export program.

### **What regulations should I know about before exporting?**

The answer to this question depends on what you are exporting. Here is a list of regulations that cover most exports:

- **Export Administration Regulations (EAR)** for exports of “dual-use” items (items that could be used in either civil or military applications). The EAR is issued by the U.S. Department of Commerce, Bureau of Industry and Security (BIS) [www.bis.doc.gov](http://www.bis.doc.gov)
- **International Traffic in Arms Regulations (ITAR)** for exports of military articles or services. These regulations are administered by the U.S. Department of State, Bureau of Political-Military Affairs, Directorate of Defense Trade Controls (DDTC) [www.pmddtc.state.gov](http://www.pmddtc.state.gov)
- **Foreign Trade Regulations (FTR)** contain regulations for reporting statistical information about U.S. exports to the Foreign Trade Division of the U.S. Census Bureau, via Electronic Export Information (EEI) <http://www.census.gov/foreign-trade/regulations/index.html#traderegulations>
- **The U.S. Department of Transportation (DOT)**, Pipeline and Hazardous Materials Safety Administration (PHMSA) maintains the Hazardous Materials Regulations (HMR). Companies who export hazardous materials should be familiar with these regulations ([www.phmsa.dot.gov/hazmat/regs](http://www.phmsa.dot.gov/hazmat/regs)), as well as the International Air Transport Association (IATA) Dangerous Goods Regulations ([www.iata.org/ps/publications/dgr](http://www.iata.org/ps/publications/dgr)), and the International Maritime Organization Dangerous Goods Regulations (IMDG) ([www.imo.org](http://www.imo.org))

For a list of other U.S. government agencies with export control responsibilities, visit [www.bis.doc.gov/about/reslinks.htm](http://www.bis.doc.gov/about/reslinks.htm)

### **Are there any countries to which I should not ship?**

Yes. The U.S. Treasury's Office of Foreign Assets Controls (OFAC) currently has regulations prohibiting most U.S. exports to Cuba, Iran, Syria, and Sudan. OFAC publishes brochures with information about these regulations on its website: [www.treas.gov/offices/enforcement/ofac/](http://www.treas.gov/offices/enforcement/ofac/)

### **How do I determine if I need a license to export my product?**

If your product is listed in the EAR Commerce Control List (CCL) or the ITAR Munitions List (USML), depending on the country of destination, it may require a license. Contact BIS (202) 482-4811 for help. Expeditors Tradewin, LLC (Tradewin™) (206) 676-3380 services also include help with license determination.

### **What are my responsibilities for export compliance when my overseas customer wants me to use its forwarder?**

Responsibilities to the parties in a Routed Export Transaction can be found in the Foreign Trade Regulations Part 30.3(e) and the Export Administration Regulations Part 758.3(b).

### **What is the difference between an ECCN number and a Schedule B number?**

A Schedule B number is used by the Census Bureau to classify commodities for statistics purposes. An ECCN (Export Control Classification Number) is used by the Bureau of Industry and Security (BIS) to classify commodities for export control and licensing purposes.

### **What documentation am I required to provide to my forwarder prior to export?**

The answer depends on the nature of the shipment. At a minimum, a Shipper's Letter of Instruction (SLI) and commercial invoice should be provided so the forwarder knows how you want the shipment handled, and also has information about what is in the shipment. A commercial invoice is needed for customs clearance at destination in most countries. Additional documentation may be required for customs purposes at origin or destination. Check with your forwarder for additional documentation requirements.

### **Where can I find instructions for filing Electronic Export Information (EEI) requirements?**

The U.S. Census Bureau, Foreign Trade Division publishes the Foreign Trade Regulations, which contain instructions for filing Electronic Export Information (EEI):  
<http://www.census.gov/foreign-trade/regulations/index.html#traderegulations>

### **What is a restricted parties list and what do I need to know about it?**

Several U.S. government agencies publish lists of parties you may not be able to export to (or for), or for which you may have to obtain an export license to ship to. The lists include (but are not limited to) the U.S. Department of Commerce Denied Parties List and the Entities List; the U.S. Treasury Office of Foreign Assets Control Specially Designated Nationals (SDN's) List and Foreign Terrorist Organizations (FTO's) List; and the U.S. State Department, Directorate of Defense Trade Controls Debarred Parties List. You should screen all parties in an export transaction against all of the lists before exporting. If any are found to be on any of the lists, consult the regulations or the appropriate government agency for guidance.

### **How do I know if my product is considered hazardous for transportation?**

The U.S. Department of Transportation publishes a wealth of information on its Hazmat Safety website. Refer to the website for more information: [www.phmsa.dot.gov/hazmat/regs](http://www.phmsa.dot.gov/hazmat/regs)

### **Are there penalties for non-compliance with export control or hazmat regulations?**

Yes. The applicable regulations contain specific information about penalties. The Bureau of Industry and Security (BIS) and the U.S. Department of Transportation also publish press releases when certain violations are charged or assessed. These website addresses are: <http://www.bis.doc.gov/complianceandenforcement/index.htm>, and <http://www.phmsa.dot.gov/inspect-enforce>

### **Who can I go to if I have questions?**

Contact your local Expeditors Account Representative or branch office for a referral to resources related to your questions.

### **Professional export compliance services**

Expeditors Tradewin, LLC (Tradewin™), Expeditors wholly-owned professional services company provides a range of effective services including consultation on export and logistics issues, classification, compliance assessments, and assistance with design and implementation of internal compliance programs. Tradewin™ also offers seminars and training programs taught by experts in the field and we advise and assist with representation of companies being investigated for or charged with violations of export control laws.

Tradewin's™ talented staff includes business, technical, engineering, government, data services and logistics expertise in the export field from both the public and private sectors.

**For more assistance with Export Compliance, please contact Tradewin™ at (206) 676-3380**