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| <p>If your business currently exports or is considering exporting, know the applicable laws and regulations. An important part of compliance with export law involves assigning the appropriate Export Control Classification Number (ECCN) to the exported article.</p> | |
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| <p>When you ship parts overseas, you need to be aware of the export compliance issues involved. This article lists thirteen items that you and your company must address to ensure compliance with export laws and regulations. One way to simplify export compliance is to take advantage of the “return for repair” rule for military or “dual-use” items when applicable.</p> | |
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| <p>The government agencies that oversee export compliance provide many helpful tools to assist your company in complying with export laws and regulations. For example, you can learn from others’ mistakes on a Bureau of Industry and Security (BIS) website, check pertinent websites for policy changes, and compare your customer list against the Denied Party site. BIS also offers primary and refresher seminars on export compliance.</p> | |
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| <p>Bureau of Industry and Security (BIS) audit and enforcement teams typically ask what sort of training program is in place for export compliance. To ensure your training program meets a BIS team’s expectations, the program should be thorough, accurate, attended by the appropriate personnel, and occur twice a year.</p> | |
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| <p>If a part is or may be used in a military aircraft, it is a dual-use part for export regulations. Export of dual-use parts requires a license from either the Bureau of Industry and Security (BIS) or the State Department. Using separate cages and well-marked tags will help alleviate any questions of conversion or diversion in the minds of an audit team from the BIS or the Directorate of Defense Trade Controls (DDTC).</p> | |

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| If your company imports and exports parts, you should appoint a Chief Export Compliance Officer (CECO). This individual must know the Export Administration Regulations (EAR) and the International Traffic in Arms Regulations (ITAR) governing the items exported. The CECO is responsible for many tasks, which include keeping up with changes in regulations and procedures and conducting export training for employees. | |
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| The International Traffic in Arms Regulations (ITAR) cover the import and export of defense items as categorized in the United States Munitions List (USML). To comply with ITAR, you should register your company with the Directorate of Defense Trade Controls (DDTC), which is part of the Department of State. | |

Licensing for Military or Dual Use Exports—Getting Your Ducks in A Row 43

All manufacturers, exporters, and brokers of defense articles, defense services, or related technical data are required to register with the Directorate of Defense Trade Controls (DDTC). In addition to properly completing registration, one must also apply for an initial license using the Defense Trade Electronic Licensing System.

Commercial, Dual-Use, or Military Exports—Who’s in Charge Here? 45

This article describes the three different U.S. government departments involved in export compliance: the Bureau of Industry and Security (BIS), the Directorate of Defense Trade Controls (DDTC), and the U.S. Customs and Border Protection (CBP). Different laws and regulations govern each department. If you export, you need to be familiar with all these laws and regulations and know where to go for help.

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The Bureau of Industry & Security (BIS) annual update meeting was held in October 2008; the result was an avalanche of changes and challenges for the export compliance executive.

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Due to the controversy over the “aircraft parts” clarification issue for both commercial and military use, all maintenance organizations may receive increased attention from export compliance enforcement. The Directorate of Defense Trade Controls recently provided some important details about its “Company Visit Program.”

Thinking About Bidding on That DoD Contract? Don’t Let It Bite You! 52

Many civil aviation maintenance operations review opportunities to bid on U.S. government contracts. Applicants should ensure they can abide by clauses that require prime and sub-contractors to provide assurances that they are “International Traffic in Arms Regulations compliant,” before signing.

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Failure to follow export laws and regulations expose you and your company to large fines and potential jail time. One of the best ways to avoid liability is to apply internal controls such as placing someone in charge of export and import compliance and maintaining a library on compliance laws and procedures.

No Way to Do Business! 67

When conducting any overseas business, you must know your customer. Practicing due diligence with your export controls will help you avoid the fate of an aircraft parts dealer that was indicted for conspiring to export military items to the Middle East, Asia, and Europe.

Selecting and Using Freight Forwarders and Brokers 68

Choosing the best freight forwarder or broker is critical to your business when servicing overseas customers. Use this list of criteria when looking for a new freight forwarder or evaluating your existing relationship.

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A successful Export Management System integrates company procedures and government regulations. Follow these critical steps to ensure your EMS stops non-compliant shipments before they happen.

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Test your Export Management System using guidelines established by the Bureau of Industry and Security.

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As of May 23, 2006, the treatment of repair and replacement parts for Lockheed's venerable L-100 changed dramatically. The changes affect all parts exclusive to both the L-100 and the military-use C-130, essentially turning the L-100 into an ITAR-controlled aircraft.

Urgent Bulletin Regarding Export Compliance 78

On or about Jan. 31, 2007, the Office of Defense Trade Controls Licensing will no longer accept the DSP "carbon paper" applications or "downloadable" application forms. Learn what submissions are and are not affected by the change.

The Deemed Export Rule 79

A deemed export, as set forth in [§ 734.2\(b\)](#) of the Export Administration Regulations, is a "release of technology or software of items subject to the EAR to a foreign national in the United States." Ensure your procedures review who has access to controlled technology inside and outside the company.

DTAG Meeting to Discuss Trade Issues 81

The Defense Trade Advisory Group provides the Bureau of Political-Military Affairs with a formal channel to consult and coordinate with the U.S. private sector on defense trade issues. This group of private sector defense trade specialists provides industry perspective on impediments to legitimate exports.

Don't Get Caught Exporting Without a License 82

To determine whether an export license is required for a certain item, ensure you understand the meaning of these common terms.

Quarterly Reviews 84

This article takes a look at several quarterly "tests" your company should perform to manage its export compliance program.

Pay Now or Pay Later 86

No aviation maintenance organization wants to be caught disregarding Federal Aviation Administration regulations, but many find it easy to ignore the export laws, which have much larger penalties for noncompliance.

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| Two major actions on export controls, one legislative and one regulatory, are addressing needed reforms. Get involved and have a voice in the debate. | |
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| Maintenance, repair, and overhaul operations competing in the global market often ask, "Why can't we ship commercial items to certain countries or under certain conditions imposed by U.S. export law?" This may be particularly baffling if one already knows its overseas customer or if the distributor can obtain these items legally from many sources around the world. | |
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| The U.S. Bureau of Industry and Security (BIS) website has undergone a few recent changes—all for the better—benefitting those concerned with export compliance. | |
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| Interpreting commercial versus military license requirements and the nebulous area of "dual-use" items, systems, and parts is a source of frustration for many. Every few years another attempt is made to "modernize" these laws, many of which are relics of the Cold War era. | |
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| If you repair military parts (even if you intend to ship them back using the Return for Repair License Exemption) you cannot escape the registration requirement. | |
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| This article from September 2010 discusses changes to both the regulations and the jurisdictions regarding U.S. Export Law. | |
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| The changes underway at the Department of Commerce, Bureau of Industry and Security and at the Directorate of Defense Trade Controls in the State Department are just the beginning of the paradigm shift in export laws. | |
| Is There a Problem, Officer? | 104 |
| Usually, a U.S. manufactured part shipped to any Federal Aviation Administration certificated repair station can be repaired and shipped back to the foreign company without an export license. However, there are several important questions you need to ask to ensure compliance with Export Administration Regulations . | |