



# America's Export Experts



# Trade Promotion Coordinating Committee (TPCC)

- Department of Commerce
- Department of State
- Department of the Treasury
- Department of Agriculture
- Department of Energy
- Department of Defense
- Department of Labor
- Department of the Interior
- Agency for International Development
- Trade and Development Agency
- Environmental Protection Agency
- U.S. Agency for Global Media
- Small Business Administration
- Development Finance Corporation (formally OPIC)
- Export-Import Bank of the U.S.
- Office of the U.S. Trade Representative
- Council of Management & Budget
- National Economic Council
- National Security Council



# U.S. Department of Commerce

- Bureau of Industry & Security (BIS)
- Bureau of the Census (CENSUS)
- International Trade Administration (ITA)
- National Institute of Standards and Technology (NIST)
- National Oceanic and Atmospheric Administration (NOAA)
- U.S. Patent and Trademark Office (USPTO)
- Bureau of Economic Analysis (BEA)
- Economic Development Administration (EDA)
- Minority Business Development Agency (MBDA)
- National Telecommunications and Information Administration (NTIA)



# International Trade Administration

## Three Business Units of ITA

### Enforcement and Compliance (E&C)

- Location: Washington, D.C.
- Positions: AD/CVD office, Policy and Negotiations, Foreign Trade Zone staff

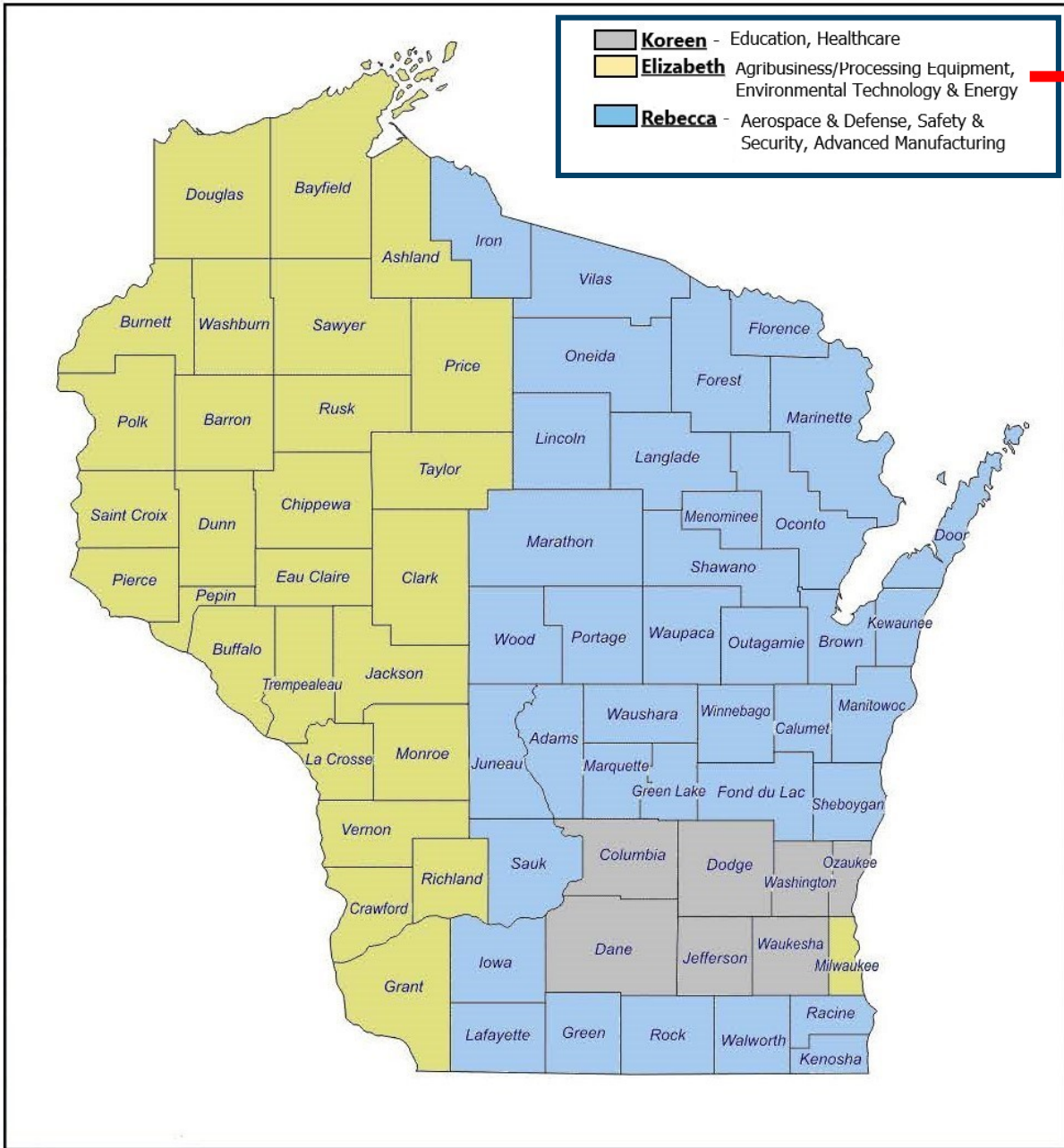
### Industry and Analysis (IA)

- Location: Washington, D.C.
- Positions: Trade Promotions Programs, Industry Sector Specialists, Strategic Partnerships

### U.S. Foreign Commercial Service (U.S. CS)

- Location: Offices domestically and abroad
- Positions/Sections: Commercial Officers, International Trade Specialists, SelectUSA, Desk Officers, Advocacy





- 
-  **Koreen** - Education, Healthcare
  -  **Elizabeth** - Agribusiness/Processing Equipment, Environmental Technology & Energy
  -  **Rebecca** - Aerospace & Defense, Safety & Security, Advanced Manufacturing



# Business Solutions



## Export Counseling

- International Business Development Plan
- Off the Shelf Market Research
- Foreign Government Import Regulations
- U.S. Government Export Controls
- Documentation Requirements
- Digital Sales Strategies
- Business Matchmaking Services
- WI District Export Council





## What to Know Before Exporting

1. Determine Requirements for a U.S. Export License
2. Review Documentation
3. Comply With U.S. & Foreign Regulations
4. Choose a Shipping Option and Prepare for Shipment
5. Pay All Required Fees and Duties
6. Get Paid



## What is AES?

The Automated Export System (AES) is an information technology system that collects and transmits Electronic Export Information (EEI). EEI includes information on parties to the export transaction and product details.

AES is the central point through which export shipment data required by multiple U.S. government agencies is filed electronically to Customs, and provides a more efficient alternative to filing paper export information.

***Note: The paper system of filing was known as Shipper's Export Declaration ("SED"). Freight forwarders still use this terminology, however, they are referring to AES.***





## Why is it important to file AES?

Security – AES filing assists the U.S. government in maintaining strong export controls.

Trade statistics – Filing through AES also provides statistical information for the Census Bureau.

Confirmation of shipping authorization – AES is the system of record for providing authorization that the shipment can move forward.



## How do I access AES?



**ACE** – *AESDirect*, which is the AES filing software, can be accessed through the Automated Customs Environment (ACE). If you are already an importer or exporter, you may have an account already.



**Third-party providers** – There are numerous software providers that offer platforms which connect directly to *AESDirect*.



## What regulations control the filing of AES?

The Foreign Trade Regulations (FTR) are the authority for filing AES.

The AESdirect user guide should be treated as a desktop reference. The FTR is considered the final authority for any questions on the AES.



# Rules for filing AES

## Activity

- Exports from the U.S. regardless of mode of transport

## Value

- **Value threshold** - All companies exporting merchandise valued at \$2,500 per Schedule B number from the U.S. must file an electronic export information (EEI) using AES.
- **License exception** - All exports requiring an export license from the Bureau of Industry and Security, or State Department must be reported through AES regardless of value
- **Split shipment** – First AES record must be amended if remaining part of shipment if value under each Schedule B exceeds \$2,500
- **Domestic vs. foreign** - The Foreign Trade Regulations (FTR) requires that items of domestic or foreign origin under the same commodity classification number be reported separately in the Automated Export System (AES) if either is valued over \$2,500

*Citation - EEI 30.37(a) domestic or No EEI 30.37(a) foreign*



# Rules for filing AES

## Timeframe

- **Vessel cargo** - 24 hours prior to loading cargo on the vessel at the U.S. port where the cargo is loading
- **Air cargo** - 2 hours prior to the scheduled departure time of the aircraft
- **Truck cargo** - 1 hour prior to the arrival of the truck at the U.S. border
- **Rail cargo** - 2 hours prior to the time the train arrives at the U.S. border

## Timeframe - post departure

- Able to file post departure if approved
- Licensing – Cannot submit post departure filing if export license is required

*Note: All exporters, including bulk cargo are permitted to provide estimated cargo information prior to loading. Once the complete cargo information is known, the U.S. Principal Party in Interest, or authorized agent must correct the Automated Export System record with the accurate information. (See [FTR section 30.9](#)).*





# Rules for filing AES

## Other transactions required AES filing (regardless of value)

- Requiring an export license, regardless of value or destination;
- Subject to the ITAR even if they are exempt from export licensing requirements regardless of value or destination;
- Falling under “600 series” of the of the Export Control Classification Number (ECCN);
- Requiring license exception-Strategic Trade Authorization (STA);
- Destined for Cuba, Iran, North Korea, Sudan or Syria (regardless of value);
- Rough diamonds, regardless of value (HTS 7102.10, 7102.21 and 7102.31) and destination;
- Self-propelled vehicles



# Rules for filing AES

## Errors/discrepancies

- **Fatal error**
  - Fatal error messages are sent to filers when Electronic Export Information (EEI) is not accepted in the AES.
  - These errors must be corrected and the EEI resubmitted prior to export for shipments filed pre-departure and as soon as possible for shipments filed post departure but no later than ten calendar days after departure.
- **AES system unavailable**
  - If the *AESDirect* is unavailable, the goods may be exported, and the filer must provide the appropriate filing citation as described in [FTR section 30.7\(b\)](#).
  - The Electronic Export Information (EEI) must be reported at the first opportunity the AES is available.



# What are the penalties for discrepancies in AES?

## Late filing

- Late filing, incorrect filing or non-filing of EEI is a violation of the FTR and subject to a fine of \$1,100 per day/maximum of \$10,000. Possible imprisonment for up to five years for egregious violations.

## Failure to File

- Failure to file is when Customs and Border Protection (CBP) discovers that there is no record in the AES for an export transaction, and the discovery is communicated to the USPPI, exporter or agent before the violation is corrected.
- EEI filed later than 10 days after the due date is considered a failure to file, regardless of whether or not it was discovered by CBP. The fine for failure to file is \$1,100 per day/maximum of \$10,000.



# What are the penalties for discrepancies in AES?

## Errors in the EEI Filing

- Examples of common errors are reporting the wrong HTS/Schedule B Code, reporting incorrect value, wrong USPPI and consignee, wrong port of export, failure to cite the license code or number, failure to indicate a routed export transaction, and failure to correct EEI errors as they are discovered.
- AES will send a notification message when there is an error in the EEI filing. Failure to correct the error and re-submit the filing may lead to fines up to \$10,000.

## Failure to Keep Records

- CBP and the Census Bureau require USPPIs, exporters, carriers and agents to retain ITNs and export documents for five years. Failure to do so is a violation of FTR and subject to penalties. **Storage within your filing agent's database does not fulfill your recordkeeping obligations.**



# Who do I contact for questions on AES?

## Filings

General questions about filings for AES can be directed to the following:

U.S. Census Bureau's Data

Collection Branch at (800) 549-0595, option 1.

Alternatively, you can e-mail

E-mail: [ASKAES@census.gov](mailto:ASKAES@census.gov)

## ACE Account

- For questions about your ACE account, call the ACE Account
- Service Desk at (866) 530-4172, option 1.





# Criminal & Administrative Case Example

## Resit Tavan / Ramor Construction

- **The Violation:** In June 2017, Turkish company Ramor Construction and Turkish Nationals Resit Tavan and Fulya Oguzturk were indicted for conspiring to defraud the United States by exporting marine equipment from the state of Wisconsin in violation of the International Emergency Economic Powers Act and the Iranian Transactions and Sanctions Regulations. The violations involved a scheme to transship U.S.-origin marine parts and components designated EAR99 and classified under ECCN 8A992 to Iran through Turkey. Some of the items, including surface drives and generators, were for use by the Islamic Revolutionary Guard Corps-Navy on a prototype attack boat. Tavan pled guilty in April 2019. Oguzturk remains at large with an outstanding arrest warrant issued in June 2017. In December 2019, a Red Notice seeking Oguzturk's arrest was issued by INTERPOL. This case resulted from a joint investigation conducted by OEE's Chicago Field Office and the FBI.
- **The Penalty:** On August 29, 2019, Tavan was sentenced in U.S. District Court for the Eastern District of Wisconsin to 28 months in prison. Prior to these charges, Resit Tavan and Ramor Construction were added to the BIS Entity List. On December 31, 2019, a 10-year denial order was issued for Tavan and Ramor Construction.)

# U.S. Commercial Service - Connecting *you* to global markets.



[www.export.gov/wisconsin](http://www.export.gov/wisconsin)

## **Koreen Grube**

Office Director

[Koreen.Grube@trade.gov](mailto:Koreen.Grube@trade.gov)

(414) 217-8333

## **Elizabeth Laxague**

Senior International Trade Specialist

[Elizabeth.Laxague@trade.gov](mailto:Elizabeth.Laxague@trade.gov)

(414) 336-1953

## **Becca Gladen**

Senior International Trade Specialist

[Rebecca.Gladen@trade.gov](mailto:Rebecca.Gladen@trade.gov)

(414) 405-3560