

Table of Contents

Section 1	Overview	1
1.1	Background	1
1.2	Compliance and Enforcement.....	4
1.3	Legislative History	5
1.4	Export Control Reform	6
1.5	Introduction to the EAR.....	16
1.6	Scope	16
1.7	Unilateral Controls and Multilateral Regimes	19
1.8	"Knowledge" Standard	21
1.9	Offices and Agencies Involved in Export Control and Enforcement of Dual-Use Items	22
1.10	Burma, China, Russia, Venezuela, Yemen	23
1.11	India	25
1.12	Cuba	25
1.13	Sudan.....	27
1.14	Iran.....	27
1.15	Order of Review and Single List.....	27
1.16	Paperwork Reduction	28
ATTACHMENT 1-1	BIS's "Know Your Customer" Guidance and Red Flags	29
ATTACHMENT 1-2	Principal Government Export Control Organizations	33
ATTACHMENT 1-3	Internet Guide to Export Trade Leads	39
ATTACHMENT 1-4	Overlapping Membership Among Export Control Regimes	45
ATTACHMENT 1-5	Non-technical ITAR and EAR Export Control Reform Provisions.....	47
ATTACHMENT 1-6	CCL Biological Agents Also on USML.....	69
ATTACHMENT 1-7	[Reserved]	71
ATTACHMENT 1-8	EAR99 Items License Required (LR) or No License Required (NLR).....	73
ATTACHMENT 1-9	Prohibited Countries	77
Section 2	Export Licensing Process and Procedures	1
2.1	Introduction	1
2.2	Background	2
2.3	Commerce Control List.....	3
2.4	Commerce Country Chart.....	5
2.5	License Exceptions	6
2.6	Validated End-User	10
2.7	Prohibited Parties Database Screening	10
2.8	Proliferation Screening	12
2.9	High-Risk Transaction Screening	14
2.10	Other Restrictions	14
2.11	Background	15
2.12	Import Certificates and End-User Statements	15
2.13	End-Use Statement	17
ATTACHMENT 2-1	Overview of General Prohibitions as Addressed in Part 736.2(b) of the EAR.....	19
ATTACHMENT 2-2	Overview of Countries in the Commerce Country Chart Columns	21
ATTACHMENT 2-3	Overview of License Exceptions.....	23
ATTACHMENT 2-4	Combined Country Chart Matrix.....	31
ATTACHMENT 2-5	Proliferation Screening Determination Matrix	39
ATTACHMENT 2-6	Support Documents Matrix	43

ATTACHMENT 2-7 Government Authorities Issuing Import or End-User Certificates 47
 ATTACHMENT 2-8 Sample Walk-Through to Determine Whether a License is Required 53
 ATTACHMENT 2-9 ECCN Structure Example: Mass Spectrometers 57
 ATTACHMENT 2-10 Decision Tree for Export Transactions..... 59

Section 3 Software, Technology, Encryption, and Computers _____ 1

3.1 Introduction 1
 3.2 Software and Technology not subject to the EAR..... 2
 3.3 Methods of "Release" 2
 3.4 Foreign Person Definition 3
 3.5 License Determination 3
 3.6 Support Documents..... 9
 3.7 Visits of Foreign Persons 9
 3.8 Hiring of Foreign Persons 10
 3.9 The Internet 10
 3.10 Restrictions on Activities of U.S. Persons 11
 ATTACHMENT 3-1 Software and Technology ECCNs Eligible under License
 Exception TSR 13
 ATTACHMENT 3-2 Example of a Letter of Assurance for Software for License
 Exception TSR 15
 ATTACHMENT 3-3 Example of a Letter of Assurance for Technology for License
 Exception TSR 17
 ATTACHMENT 3-4 Example of an Importer Statement for License Exception TMP
 Beta Test Software 19
 ATTACHMENT 3-5 Decision Tree for Hiring of Foreign Persons 21
 ATTACHMENT 3-6 Encryption License Requirement Matrix 23
 ATTACHMENT 3-7 Computers License Requirement Matrix 25

Section 4 Re-export Licensing Process and Procedures _____ 1

4.1 Introduction 1
 4.2 License Determination 2
 4.3 Support Documents..... 4
 4.4 U.S. Content in Foreign-Made Items 5
 4.5 Focus: Commodity Manufacturers 6
 4.6 U.S. Re-export License Requirement Matrix 8
 4.7 Software and Technology *De minimis* Levels 8
 4.8 Manufactured Goods Produced from Technology 9
 ATTACHMENT 4-1 Overview and Examples of License Exception APR: Additional
 Permissive Re-exports 11
 ATTACHMENT 4-2 Country Group A:1 Wassenaar Participating States 15
 ATTACHMENT 4-3 Countries Eligible For License Exception APR: For Re-exports from
 Country Group A:1 Cooperating Countries 17
 ATTACHMENT 4-4 Example of U.S. Reexport License Requirement Matrix 19

Section 5 Forms Preparation _____ 1

5.1 Introduction 1
 5.2 Preparation of Forms 2
 ATTACHMENT 5-1 BIS-748P: Multipurpose Application - Blank Form 3
 ATTACHMENT 5-2 BIS-748P: Multipurpose Application Instruction Sheet from Official
 Form 5

Table of Contents

ATTACHMENT 5-3 BIS-748P -Multipurpose Application - General Preparation
Instructions for Exports..... 11

ATTACHMENT 5-4 BIS-748P: Multipurpose Application Example of Completed
Form for Exports 19

ATTACHMENT 5-5 BIS-748P -Multipurpose Application -General Preparation
Instructions for Re-exports 21

ATTACHMENT 5-6 BIS-748P: Multipurpose Application Example of Completed
Form for Re-exports 31

ATTACHMENT 5-7 Unique License Application Requirements* 33

ATTACHMENT 5-8 BIS-748P-A: Item Appendix Blank Form..... 35

ATTACHMENT 5-9 BIS-748P-A: Item Appendix General Preparation Instructions 37

ATTACHMENT 5-10 BIS-748P-A: Item Appendix Example of Completed Form 41

ATTACHMENT 5-11 BIS-748P-B: End-User Appendix Blank Form..... 43

ATTACHMENT 5-12 BIS-748P-B: End-User Appendix General Preparation Instructions 45

ATTACHMENT 5-13 BIS-748P-B: End-User Appendix Example of Completed Form 47

ATTACHMENT 5-14 BIS-711: Statement by Ultimate Consignee and Purchaser
Blank Form..... 49

ATTACHMENT 5-15 BIS-711: Statement by Ultimate Consignee and Purchaser
Instructions from the EAR (Supplement No. 3 to Part 748) 51

ATTACHMENT 5-16 BIS-711: Statement by Ultimate Consignee and Purchaser
General Preparation Instructions 53

ATTACHMENT 5-17 BIS-711: Statement by Ultimate Consignee and Purchaser
Example of Completed Form 57

ATTACHMENT 5-18 Letter Format: Statement by Ultimate Consignee and Purchaser
Instructions from the EAR (Part 748.11(e)) 59

ATTACHMENT 5-19 Letter Format: Statement by Ultimate Consignee and Purchaser
General Preparation Instructions 61

ATTACHMENT 5-20 Letter Format: Statement by Ultimate Consignee and Purchaser
Example of Completed Letter 65

ATTACHMENT 5-21 BIS-645P: International Import Certificate Blank Form..... 67

ATTACHMENT 5-22 BIS-645P: International Import Certificate Instruction Sheet from
Official Form 69

ATTACHMENT 5-23 BIS-645: International Import Certificate General Preparation
Instructions 71

ATTACHMENT 5-24 BIS-645P: International Import Certificate Example of
Completed Form 75

Section 6 Electronic Licensing 1

6.1 Introduction 1

6.2 Background 1

6.3 System Requirements 1

6.4 Applying to Use SNAP-R..... 1

6.5 Company and Personal Identification Numbers..... 2

6.6 Electronic Submissions..... 3

6.7 Log Requirement..... 3

6.8 Updating 3

6.9 Third Party Submissions..... 3

ATTACHMENT 6-1 Sample Electronic Submission Letter..... 5

ATTACHMENT 6-2 Sample Third-Party Submission Letter 7

ATTACHMENT 6-3 Sample Power of Attorney Form for Third-Party Submissions 11

Section 7 BIS Processing of License Applications _____ 1

7.1 Introduction1

7.2 Background1

7.3 Licensing Policies, Prescreening, Initial Review.....2

7.4 Enforcement Screening3

7.5 Interagency Review Process3

7.6 Escalation Process4

7.7 Hold Without Action.....5

7.8 Rights to an Appeal5

7.9 Emergency Processing6

7.10 Delivery Verification6

7.11 "Replacement" Licenses Requests.....6

7.12 Keeping Track of Your Application7

7.13 Advisory Opinions7

7.14 Classification Requests.....8

ATTACHMENT 7-1 Where Your Application Will Be Referred.....9

ATTACHMENT 7-2 Licensing Process Flow Chart11

ATTACHMENT 7-3 Licensing / Escalation Process Time Chart Calendar Days13

ATTACHMENT 7-4 Sample Advisory Opinion Letter15

ATTACHMENT 7-5 BIS-748P: Multipurpose Application General Preparation
Instructions for Classification Request.....17

ATTACHMENT 7-6 BIS-748P: Multipurpose Application Example of Completed Form for
Classification Request21

Section 8 Export Clearance/Documentation _____ 1

8.1 Introduction1

8.2 A Word to Freight Forwarders1

8.3 Routed Transactions2

8.4 Automated Export System.....4

8.5 AES Exemptions.....5

8.6 Destination Control Statement5

8.7 Shipping Tolerances6

8.8 Customs Clearance.....6

ATTACHMENT 8-1 Where to Obtain AES Information.....7

ATTACHMENT 8-2 AES Responsibilities of Parties to an Export Transaction9

ATTACHMENT 8-3 [RESERVED]11

ATTACHMENT 8-4 [RESERVED]13

ATTACHMENT 8-5 [RESERVED]15

ATTACHMENT 8-6 Certified AES Software / Service Vendors17

ATTACHMENT 8-7 AES Letter of Intent Form Commodity Data23

ATTACHMENT 8-8 Customs Answers to AES Frequently Asked Questions.....29

ATTACHMENT 8-9 Example of a Destination Control Statement.....31

Section 9 Recordkeeping and Compliance Issues _____ 1

9.1 Introduction1

9.2 Background1

9.3 Maintenance and Inspection of Records.....2

9.4 Violations of the EAR3

9.5 Sanctions and Penalties4

9.6 Compliance with Restrictive Trade Practices or Boycotts Regulations.....4

9.7 Internal Compliance Programs5

Table of Contents

ATTACHMENT 9-1 BIS Enforcement Field Offices7
ATTACHMENT 9-2 Records To Be Retained9
ATTACHMENT 9-3 Records Exempt From Recordkeeping Requirements 11
ATTACHMENT 9-4 Blank Form BIS-621P: Report of Request for Restrictive Trade
Practice or Boycott-Single Transaction 13
ATTACHMENT 9-5 Elements of an Internal Compliance Program 15
ATTACHMENT 9-6 Sample Nuclear End-Use Checklist..... 17
ATTACHMENT 9-7 Sample Missile Technology End-Use Checklist 21
ATTACHMENT 9-8 Sample Chemical/Biological Weapons End-Use Checklist 23
ATTACHMENT 9-9 Sample High-Risk Transaction Checklist 25

Section 10 [RESERVED] _____ 1

Section 11 Pre-Shipment and Post-Shipment Reports _____ 1

11.1 Introduction1
11.2 Wassenaar Reports.....1
11.3 High Performance Computers and Thermal Imaging Cameras2
11.4 Validated End User3
11.5 Installed Base3
11.6 Encryption Reports4
11.7 Other Reporting Requirements4
ATTACHMENT 11-1 [RESERVED]7
ATTACHMENT 11-2 Sample Wassenaar Report9
ATTACHMENT 11-3 Sample Encryption Report 11

