



EIB World Trade Headlines

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Minor Change to ITAR Destination Control Statement

There is No appropriate Destination Control Statement for Commercial Shipments that have been moved from the State Department to the Commerce Dept under export reform. Undersecretary Hirshhorn indicates perhaps use both. Commercial and State, but in reading those two they do not make sense and do not seem appropriate. EIB might suggest a modified expanded commercial statement, in the future if we can come up with the language. These are for products that are part of the 600 series.

For Products that are State Department Licensable they have made a slight modification.

Apr. 16, 2013; 78 FR 61755, Oct. 3, 2013]

§123.9 Country of ultimate destination and approval of re-exports or re-transfers.

The exporter, U.S. or foreign, must inform the end-user and all consignees that the defense articles being exported are subject to U.S. export laws and regulations as follows:

The exporter, U.S. or foreign, must incorporate the following statement as an integral part of the bill of lading, air waybill, or other shipping document, and the purchase documentation or invoice whenever defense articles are to be exported, retransferred, or re-exported pursuant to a license or other approval under this subchapter:

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NEWSLETTER NOTES

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“These commodities are authorized by the U.S. Government for export only to [country of ultimate destination] for use by [end-user] under [license or other approval number or exemption citation]. They may not be resold, diverted, transferred, or otherwise be disposed of, to any other country or to any person other than the authorized end-user or consignee(s), either in their original form or after being incorporated into other end-items, without first obtaining approval from the U.S. Department of State or use of an applicable exemption.” and

When exporting items subject to the EAR (see §§120.42 and 123.1(b) of this subchapter) on a Department of State license or other approval, the U.S. exporter must provide to the end-user and consignees in the purchase documentation or other support documentation submitted with the Department of State license or other approval request the appropriate EAR classification information for each item exported pursuant to a U.S. Munitions List “(x)” paragraph. This includes the appropriate ECCN or EAR99 designation.

There has been no change to the commercial destination control statement.

Bureau of Industry and Security Adds 36 Parties to Entity List for Actions Involving Illegal Shipments of Goods to Iran and China

The U.S. Department of Commerce’s Bureau of Industry and Security (BIS) today added 36 companies and individuals to the Entity List

<https://www.federalregister.gov/articles/2013/12/12/2013-28663/addition-of-certain-persons-to-the-entity-list-amendment-of-entity-list-entries-and-removal-of-one-for-engaging-in-actions-contrary-to-the-national-security-or-foreign-policy-interests-of-the-united-states>

BIS’s Office of Export Enforcement (OEE) conducted investigations that revealed the companies and individuals engaged in a series of actions involving illicit shipments of U.S.-origin goods to Iran and prohibited end-users in China.

“We are committed to using every available method to prevent illicit diversions from harming our national security,” said Under Secretary of Commerce Eric L. Hirschhorn. “This is an example of how BIS’s unique authorities and compliance tools can help exporters safeguard their transactions.”

The Entity List provides notice to the public about entities that have engaged in activities that could result in an increased risk of the diversion of exported, reexported or transferred items to weapons of mass destruction programs, entities sanctioned by the State Department and entities that have acted contrary to U.S. national security and foreign policy interests.

(*Continued On The Following Column)

Today’s parties being added to the Entity List today are located in Armenia, Canada, China, Germany, Greece, Hong Kong, Iran, Malaysia, Thailand, Turkey, and the United Arab Emirates (U.A.E.).

The first group of entities added (Anvik Technologies Sdn. Bhd., Montana Advanced Engineering Sdn Bhd., Albin Technologies Sdn Bhd., Hansen Technologies Limited, and Babak Jafarpour) were involved in purchasing items subject to the Export Administration Regulations (EAR) from U.S. companies and having the items shipped via virtual offices and freight forwarders in Hong Kong and Malaysia to Iran in violation of Department of the Treasury Office of Foreign Assets Control (OFAC) regulations and the EAR. The items purchased included various types of electronics, navigation, and avionics equipment.

The second group of entities (Saeed Talebi, Satco, Satco Corporation, Satco GmbH, Kadin Satco FZE, AAG Makina, and Murat Peker) operated as parts of a procurement ring coordinating the sale and supply of items to Iran in violation of OFAC regulations and the EAR. Saeed Talebi purchased items from U.S. companies and shipped them to Iran via Germany and Turkey. Talebi established businesses in the U.A.E., Germany, and Canada to facilitate his scheme. Murat Peker, an employee of AAG Makina in Turkey, worked with Talebi to facilitate shipments by providing false information to the U.S. Government concerning the final destination of the shipments.

The third group of entities (Aeolian Airlines, Seyyed Abdolreza Mousavi, Eurocenter Havacilik Dis Ticaret Limited Sirketi, Kral Aviation Services Ltd., Kral Aviaton, Asian Aviation Logistics Co., Ltd., Gulnihal Yegane, Pioneer Logistics, Havacilik TurizmYoonetim Danismanlik Ithalat Thracat San. Tic. Ltd., Sti, Thrust Aviation FZE, Aerostar Asset Management FZC, Avistar Havacilik Bilisim Turizm Insaat Sanayi Ve Ticaret Limited Sirketi, Mostafa Oveici, Vertir Airlines, Sawa Air Aviation FZCO, Avia Trust, Khalidee Boolay Surinanda, Kosol Surinanda, Ergin Turker, and Glasgow International Trading) engaged in the development and operation of a procurement scheme which directly supported the operation of Iranian airline Mahan Air. Mahan Air has been on BIS’s Denied Persons List since 2008 and was designated as a Specially Designated Global Terrorist by OFAC in 2011.

The fourth group of entities (Beijing Tianhua; Tenfine Ltd., Longtek Company, Ltd., FOC (HK) Technology Co. Ltd., and Comsum Technologies (Group) Ltd.) acted as procurement agents for a listed entity, Beijing University of Aeronautics and Astronautics (BUAA), which was added to the Entity List in May 2001 due to its involvement in rocket system and unmanned air vehicles activities.

In addition to listing 36 new entities, BIS removed one person, located in Russia, ECO-MED-SM Ltd, from the Entity List based on a removal request.

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The decision to remove this person took into account this person's cooperation with the U.S. government, as well as this person's assurances of future compliance with the EAR.

Under Secretary Hirschhorn commended the OEE's Special Agents: "I applaud the work of our Special Agents who pursue violators around the world, as evidenced by today's action."

BACKGROUND

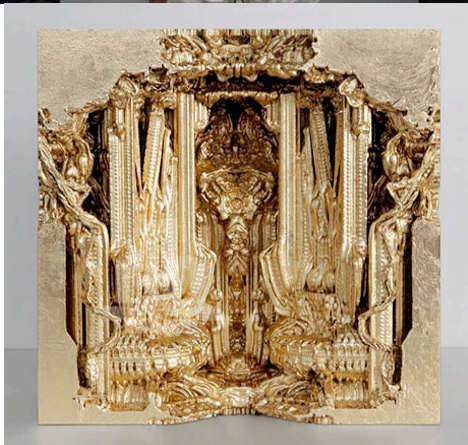
BIS controls exports and reexports of dual-use commodities, technology, and software for reasons of national security, missile technology, nuclear non-proliferation, chemical and biological weapons non-proliferation, crime control, regional stability, foreign policy and anti-terrorism. Criminal penalties and administrative sanctions can be imposed for violations of the Export Administration Regulations. For more information, please visit www.bis.doc.gov.

October 2013 Trade Numbers

- Deticit: \$40.6
- Billion Exports: \$192.7
- Billion Imports: \$233.3 Billion

Next release: January 7, 2014

3D Printing is the wave of the future! Read the following article. Soon, everything from airplanes, to fashion and even human organs will be 3D printed. Below is a room before and after gold paint created using 3D printing technology:



3D Printing Market Worth \$8.41Billion by 2020

According to a new market research report on "3D Printing Market by Technology (SLA, SLS, EBM, FDM, EBM, LOM, 3DP), Materials (Polymers, Metal), Application (Aerospace, Automotive, Consumer, Healthcare, Government & Defense) & Geography (Americas, Europe, APAC & ROW) (2013 – 2020)" available on ASDReports.com the 3D printing market is expected to grow at a CAGR of 23% from 2013 to 2020, and reach \$8.41 billion in 2020.

The elements behind the rapid upsurge in the 3D printing market are the innovative and advanced technologies, customized products, governments funding, wide unexploited application market, rapid development of the products at a low cost, and less time-to-market. In addition, the upcoming (in 2014) expiration of patents with respect to the Selective Laser Sintering (SLS) is also believed to provide a further impetus to the growth of the 3D Printer market.

As of 2013, the Americas holds the largest revenue share followed by Europe- in 3D printer machines, materials, and related services. However, Europe is also expected to surpass Americas in terms of the 3D printing market revenue by 2020. The foremost factors accountable for the expansion of 3D printing market include new and improved 3D printing technologies, wide range of materials (polymers, metals/alloys, sand, ceramics, living tissue), government funding, broad application scope, and increased awareness regarding the benefits of 3D printing over traditional techniques (injection molding and CNC machining). However, APAC is the fastest growing and most promising market for 3D printing due to high industrial growth, technological awareness, supportive government policies, and financial investment by the governments in R&D. The major companies operating in this market are 3D Systems (U.S.), Stratasys (U.S.), Arcam AB (Sweden), Exone (U.S.), and others.

The 3D Printing market is broadly categorized into:- technology, materials, application, and geography. All the major segments are further segmented into sub segments. All the segments and sub segments are separately described in the report.

The market is expected to reach \$8.41 billion by 2020, at an estimated CAGR of 23% from 2013 to 2020. The major driving factors for the 3D printing market are: - ease in the manufacturing of low volume production of complex geometry components, and rapid manufacturing of customized products with regards to various applications such as aerospace, automotive, consumer and healthcare.

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In the report, different technologies such as stereolithography, laser sintering, electron beam melting, fused deposition modeling, and laminated object modeling- are discussed. The materials market includes -polymers- and -metals-. The 3D printing market finds its application in the aerospace, automotive, consumer, healthcare, government & defense, industrial machines, and education and research sectors. The geography market is categorized into Americas, Europe, APAC, and ROW.

Notes for Editors:

If you are interested in a more detailed overview of this report, please go to : www.asdreports.com/ASDR-88086 or send an e-mail to sales@asdreports.com.

Explosives Trace Detection (ETD): Technologies & Global Market 2013-2020

Explosives Trace Detection (ETD): Technologies & Global Market - 2013-2020

2013 Global Market Share By Country/Region

ASDRReports <newsletters@asdreports.com>

The multibillion dollar Explosives Trace Detection (ETD) market is to undergo an accelerated growth period driven by:

- No competitive explosives and narcotics trace detection modality on the horizon
- Oil-gas industry security
- China's massive investments in new airports and public security
- The turmoil in the Arab world
- The Indian Government counter terror investments
- Scheduled US legislation enforcing 100% cargo screening on all passenger flights.
-

Research team forecasts that, with the 2013-2020 ETD market (including systems sales, service, consumables and upgrades) will present multi-billion dollar business opportunities growing at a CAGR of 14%.

The Explosives Trace Detection (ETD): Technologies & Global Market 2013-2020 report, segmented into 45 sub-markets, offers for each sub-market 2011-2012 data, as well as 2013-2020 forecast and analysis. In 489 pages, 119 tables and 136 figures, the report analyzes and projects the market and technologies from several perspectives, including:

- Vertical submarkets (e.g., Transportation security, Secured facilities Security)
- National and regional markets (U.S., Europe, China, Asia-Pacific, Middle East, Latin America, ROW)

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- ETD sales vs. upgrade, consumables and service revenues
- Sales by product configuration (hand-held, table-top and other detectors)
- Major ETD vendors (profiles , products and prices) including: Auto Clear US (Formerly Control Screening LLC), Biosensor Applications AB, DetectaChem, LLC, Electronic Sensor Technology, Hitachi, Ltd, ICx Technologies (Flir), Ion Applications, Inc., Ketech Defence, Mistral Security, Inc, Morpho Detection Inc., NUCTECH Co. Ltd, Red X Defense, SCANNA MSC Ltd., Scent Detection Technologies, Scintrex Trace, Sibel Ltd, Smiths Detection, Syagen Technology, Thermo Fisher Scientific Inc., Westminster International Ltd.
- Market analysis (e.g., market dynamics, market drivers and inhibitors,)
- Recent U.S. government contracts with ETD suppliers (including general terms & conditions, price lists and more): Control Screening LLC, Federal Resources Supply Co., ICx Technologies Inc., Implant Sciences Corp, Laurus Systems Inc., Morpho Detection, Security 20/20 Inc., Security Detection, Smiths Detection, Treasure Electronics, Inc., Veteran Corps Of America, Winvale Group.
- Contact info of more than 550 potential ETD customers (authorized air-cargo screening facilities)
- Current and pipeline ETD technologies Including: Ion Mobility Spectroscopy (IMS), ChemiLuminescence (Thermal Energy Analyzers), Electron Capture Detectors (ECD), Surface Acoustic Wave (SAW), Nanotechnology-enabled Technologies for Explosives Detection, Advanced Sample Collection, Dual Sensor ETD Technology, , Chemical Warfare and Narcotics Trace Detectors, Receptor-based Technologies, Molecularly Imprinted Polymers, Nano-mechanical Sensors, Electronic Nose, Silica Micro-cantilever, Surface Enhanced Raman Scattering, Protein Coated Carbon Nanotubes, Piezo-resistive Polymer Cantilever, Inkjet Based Wireless ETD Sensor, Amino-silane Coated Nanowires Arrays, Free-surface Microfluidic Control of Surface-Enhanced Raman Spectroscopy, Molecularly Imprinted Polymers, Cantilever Nano Mechanical Sensors, Sensor Array and Neural Network, Temperature-Stepped Desorption, UV-PLF, Non-Contact Explosives Harvesting, Pulsed-Ultraviolet Laser Raman Spectroscopy, Nanowire-Nano-cluster Hybrids, Laser-Induced Breakdown Spectroscopy (LIBS), MEMS-Based Explosive Particle Detection, Remote Particle Stimulation, Laser Vaporization.



CONFLICT MINERALS MAY BE HEATING UP AGAIN

If you think your company might be subject to these regulations, please contact us in early January 2014.

There has been increased awareness of violence and human right violations in the mining of certain minerals from the "Conflict Region", an area in the eastern portion of the Democratic Republic of the Congo and surrounding countries. The Electronic Industry Citizenship Coalition (EICC) and the Global e-Sustainability Initiative (GeSI) has created a Supplier Code of Conduct and a common means to collect information on the source of the 3TG (tantalum, tin, tungsten, and gold). Minerals such as Columbite-Tantalite, also called Coltan, the metal from which tantalum is extracted, cassiterite, the metal ore from which tin is extracted, gold, wolferimite, the metal ore from which tungsten is extracted, or other derivatives or any other mineral or its derivatives the Secretary of State determined is financing the conflict in the Democratic Republic of Congo or an adjoining country. Adjoining countries include,

Products that use these minerals include as an example those listed below. These minerals are essential in the manufacture of a variety of devices, including consumer electronics such as mobile phones, laptops, and MP3 players.[2] Columbite-tantalite (or coltan, the colloquial African term) is the metal ore from which the element tantalum is extracted. Tantalum is used primarily for the production of capacitors, particularly for applications requiring high performance, a small compact format and high reliability, ranging widely from hearing aids and pacemakers, to airbags, GPS, ignition systems and anti-lock braking systems in automobiles, through to laptop computers, mobile phones, video game consoles, video cameras and digital cameras.[5] In its carbide form, tantalum possesses significant hardness and wear resistance properties. As a result, it is used in jet engine/turbine blades, drill bits, end mills and other tools. Cassiterite is the chief ore needed to produce tin, essential for the production of tin cans and solder on the circuit boards of electronic equipment.[6] Tin is also commonly a component of biocides, fungicides and as tetrabutyl tin/tetraoctyl tin, an intermediate in polyvinyl chloride (PVC) and high performance paint manufacturing. Wolframite is an important source of the element tungsten. Tungsten is a very dense metal and is frequently used for this property, such as in fishing weights, dart tips and golf club heads. Like tantalum carbide, tungsten carbide possesses hardness and wear resistance properties and is frequently used in applications like metalworking tools, drill bits and milling. Smaller amounts are used to substitute lead in "green ammunition".[7] Minimal amounts are used in electronic devices, including the vibration mechanism of cell phones. Gold is used in jewelry, electronics, and dental products. It is also present in some chemical compounds used in certain semiconductor manufacturing processes.

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These are sometimes referred to as "the 3T's and gold", 3TG, or even simply the "3T's". Under the US Conflict Minerals Law, additional minerals may be added to this list in the future.

Companies that are publicly traded have until May 2014 to report to the SEC if they use Conflict Minerals from the Democratic Congo and Neighboring countries. If your company is not publicly traded, but supplies those that are your company may need to work toward compliance as well.

August 2012 SEC adopts rule mandated by the Dodd-Frank Wall Street Reform and Consumer Protection Act requiring companies to publicly disclose their use of conflict minerals originating in the DRC (Democratic Republic of the Congo) or an adjoining country.

Minerals include tantalum, tin, gold, or tungsten (only if necessary to functionality or production of a product). Companies will file with the SEC with "Form SD"

Companies file first specialized disclosure report on May 31, 2014 (for 2013) and annually on May 31st every year following.

Companies that contract manufacture may be required to disclose to their customers.

Contracting to Manufacture

A company is considered "contracting to manufacture" a product if it has influence over manufacturing of the product.

*Note: If a company's conflict minerals are derived from recycled/scrap sources (rather than mined sources), they are considered to be "DRC Conflict Free"



The Bureau of Industry and Security has two noteworthy programs coming up in late January: one of particular value to defense firms, the other for anyone seeking more information on U.S. export regulations.

BIS will conduct an Export Control Reform seminar in Scottsdale, AZ, on January 28, 2014. This program is intended for firms who have items that were formerly controlled by the Department of State moved to BIS jurisdiction. Regulatory and licensing specialists will present the key information you will need to make a smooth transition from the International Traffic in Arms Regulations to the Export Administration Regulations (EAR). This one day seminar presupposes little knowledge of the EAR and is intended to get you up-to-speed quickly on these regulations, highlighting some of the key differences between the two regulatory regimes. Companies in the aircraft and engine fields have already significant seen jurisdiction changes take effect. Those dealing with military vehicles, vessels, submersibles, and auxiliary military equipment will see changes take effect in early January. Other categories will follow soon. If you have been subject to ITAR and are less familiar with the Export Administration Regulations, this program will be exceptionally useful to you.

BIS will also conduct a "Complying with U.S. Export Controls" seminar in Scottsdale, AZ, on January 29-30, 2014. This is our core, two day seminar that provides a comprehensive guide to complying with the Export Administration Regulations. Specialists from the Bureau will cover the EAR in depth. This interactive program is suitable for those new to the regulations as well as those who are more experienced and would like a refresher.

Details on these programs can be found on our website, along with a listing of other upcoming BIS programs:
<http://www.bis.doc.gov>

We wish you a joyous holiday season and hope to see you at one of our programs in the New Year.

New Guidelines ITAR Part 130 Political Contributions and Commissions

Guidance as of 12/13/2013

Guidelines for Furnishing Information Specified in §130.10 Pursuant to 22 CFR, Part 130, the Directorate of Defense Trade Controls (DDTC) provides the following clarification of ITAR requirements with respect to reporting political contributions, fees, and commissions.

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of the armed forces of a foreign country or international organization, applicants and suppliers must inform DDTC as to whether they or their vendors have paid, offered or agreed to pay political contributions in aggregate of \$5,000 or more, or fees and commissions in aggregate of \$100,000 or more.¹ Additionally, per §130.11, an applicant or supplier must submit a supplementary report if any political contribution aggregating \$2,500 or more or fees or commissions aggregating \$50,000 or more not previously reported or paid, or offered or agreed to be paid, or any subsequent developments cause the information initially reported to be no longer accurate or complete (e.g., additional transactions occur or a payment made substantially differs from the amount reported) to DDTC within 30 days after the payment, offer or agreement reported therein.²

Report Content

When submitting Part 130 reports to DDTC, per §130.10 applicants and suppliers are required to include the following:

(a)(1) Total contract price of the sale to the foreign purchaser. Contract name and/or description of the export should be incorporated into the Subject header. Subject should also include agreement number, if applicable, and license number at a minimum.

(a)(2) The name, nationality, address and principal place of business of the applicant or supplier. Note, all four items must be provided. Additionally, if the name of the applicant/supplier's employer differs from the above, then this information, as well as the employer's title must be provided.

(a)(3) The name, nationality, address and principal place of business for each foreign purchaser, to include the ultimate end-user (to be identified as such). Again, if the name of the employer for any of these parties differs from the party itself, then this information, as well as the employer's title must be provided.

¹ These requirements extend to re-exports and re-transfers of USML items, as well as sales of foreign military items with U.S. components. In such instances, applicants and suppliers must reference payments to advisers and representatives, as well as related payments by those persons to others.

² Ref. §130.2-8 for definitions which apply to this part only. Guidance as of 12/13/2013

2

When reporting individual transactions involving political contributions that exceed \$2,500 or fees or commissions that exceed \$50,000, the following information must also be included:

(a)(4)(i) The amount of each payment, offer, or payment agreed upon. These entries should reflect the individual transactions, and not total or aggregate figures.

(*Continued On The Following Page)

(a)(4)(ii) The date or dates on which each reported amount was paid, or offered or agreed to be paid. This requirement applies to each entry made in response to the previous paragraph.

(a)(4)(iii) The recipient of each such amount paid, or intended recipient if not yet paid.

Reference item (b)(2) below for additional requirements.

(a)(4)(iv) The person who paid, or offered or agreed to pay such amount.

(a)(4)(v) The aggregate amounts of political contributions and of fees or commission.

(b)(1) With respect to each payment reported, state whether such payment was in cash or in kind. If in kind, it must include a description and valuation thereof. In the example matrix provided below, these data have been combined with the "Amount Paid or to be Paid" figure.

Should a transaction be input as "paid in kind," then the related description and valuation data should appear immediately following the entry.

(b)(2) With respect to each recipient, state its name, nationality, address and principal place of business, its employer and title, and its relationship, if any, to the applicant, supplier, or vendor, and to any foreign purchaser or end-user. For reasons of efficiency, these data may be merged with the response to (a)(4)(iii) above. See example below.

Example Report

To ensure accuracy and completeness of data, DDTC recommends individual transactions (reference §130.10(a)(4) and (b)) be presented in a manner similar to the following:

See Link:

http://www.pmdtcc.state.gov/licensing/documents/gl_part130.pdf

In the example on the link, two new transactions are being submitted. Both involve the distribution of fees and/or commissions. The "Aggregate Amount" block for "Fees and Commissions" reflects the total of these two transactions plus an amount previously reported (in this case \$0) and an amount

(*Continued On The Following Column)

(\$18,500) whose (a)(4) details are not provided since none of the individual payments that comprise this amount has met the \$50,000 threshold described in § 130.10(c)(2).

Also, while no new political contributions are included in this report, the matrix reflects previously reported payments in the amount of \$5,500. Since these transactions were captured in earlier submissions to DDTC, only the aggregate amounts must be restated. Date(s) of transactions, recipient(s), and payer(s) for previous identified payments are not required. For additional guidance or clarification, please contact the DDTC Response Team at (202) 663-1282 or by email at DDTCResponseTeam@state.gov.



NOTE:

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"The measure of intelligence is the ability to change."

Albert Einstein

