



EIB World Trade Headlines

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2013 GINA Award Nominees Announced

Attached is a list of the GINA Award nominees for 2013. Since 2009, Evolutions in Business has been awarding individuals and companies the GINA award.

Not every year does a corporation win or get nominated, but every year an individual outshines all the rest in their personal effort to get the job of ITAR and/or EAR Compliance done. It is often a thankless task with a lot of extra hard work on top of many hats and other requirements.

Evolutions in Business recognizes the personal effort and commitment it takes to keep and maintain this regulatory compliance. As we enter our 25th year in business, we cannot thank you enough for your serious effort to get this done at your company.

Being located near Boston, we are personally well aware of the threats to our national security and are heartened by the hard work of so many of you.



Wishing you and your company, colleagues, and families a Happy, Healthy Prosperous New Year!

NEWSLETTER NOTES

GINA Award Nominees

S. Korea F-16 Upgrades

Airbus Sign research agreement with MIT

DTRADE Maintenance
January 3, 2014

Updated Statement of Legal Authority for EAR

BIS Seminar scheduled in New Orleans

New Oil and Telecom Industry opportunities in Ghana

Guidelines for Federal Trade Regulations for AES Filings

The “GINA Award” is awarded individuals who with or without cooperation from their corporation has managed to implement in their company these “Best Practices” of a compliant exporting organization:

- Organize and Receive Export Education
- Classify products for ITAR Category and or EAR, ECCN
- Establish denied parties screening
- Establish accuracy in documentation
- Ensure proper record keeping
- Draft and Implement EMS or EMCP
- Demonstrate tenacity to see compliance through
- Attention to detail
- Courage to protect national security interests and to prevent unlawful exports
- Commitment to the law and regulations

Award Criterion

Criteria for Corporate Export Compliance Commitment

The Criteria for Corporate Export Compliance Commitment includes:

- Regulatory “buy in” from corporate
- Corporate wide respect and commitment to the letter and spirit of the law
- Speed at which the whole company is brought into full compliance
- Proper authority awarded to export compliance individuals
- Proper resources and funding given export compliance
- Receipt of Executive Awareness Training in matters of export compliance



South Korea Finalizes Agreement for BAE Systems to Perform F-16 Upgrades



A flexible and affordable approach to F-16 Upgrades.

The Republic of Korea has finalized an agreement with the U.S. government for BAE Systems to perform upgrades and systems integration for its fleet of more than 130 F-16 aircraft. The company will now begin the first phase of the work under contract through the U.S. Department of Defense’s Foreign Military Sales program.

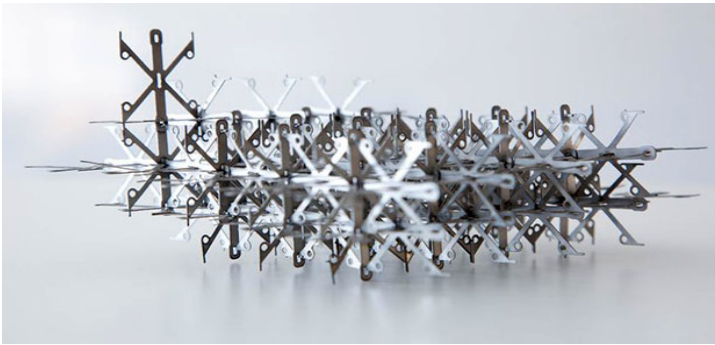
“This agreement marks a significant expansion of our F-16 modernization business, and we’re eager to get to work,” said Erin Moseley, president of BAE Systems’ Support Solutions sector. “When we were chosen by the Republic of Korea last year, it showed that we are a viable and experienced provider of fighter jet upgrades and systems integration. As demonstrated by today’s important milestone, we offer cost-effective modernization solutions, customized to meet any country’s requirements.”

Related Research on ASDReports.com: Defense Expenditure in Peru to 2018: Market Review

Under terms negotiated by the U.S. Air Force and the U.S. Defense Security Cooperation Agency, BAE Systems will upgrade 130-plus KF-16C/D Block 52 aircraft, to include associated equipment, parts, training, and logistical support. Phase One of the work will begin immediately and will involve the initial design and development of the upgrade solution. Phase Two of the work, as proposed, would begin next year and would complete the production and installation of the upgrade kits in all of the aircraft over the next several years.

BAE Systems’ experience with the F-16 dates back to the original 1970s-era aircraft, and has included flight control computers, cockpit displays, electronic warfare systems, and support equipment. Today, the company is a major provider of mission electronics and flight systems for F-16 fleets around the world. The U.S. Air Force, for example, has approximately 270 F-16s in service that have been upgraded with the BAE Systems’ fire control system and advanced Ethernet interface.

The work to upgrade the KF-16 fleet will be performed primarily at BAE Systems’ facility in Fort Worth, Texas. Other company sites in Florida, New York, California, and Virginia will also be involved. BAE Systems expects to hire approximately 300 employees to help support the program.



Airbus has Signed a Research Agreement with the Massachusetts Institute of Technology (MIT)

Airbus has signed a research agreement with the Massachusetts Institute of Technology (MIT) to explore the use of digital manufacturing in aerospace. Working with Neil Gershenfeld, director of MIT's Center for Bits and Atoms (CBA) and his team, the aircraft manufacturer will evaluate how the digital material concepts being developed at MIT can potentially be applied to the design and construction of aerospace vehicles.

Digital material technology is based on the idea that a complex structure can be constructed by assembling a simple set of discrete components, similar to how the body builds all of its proteins from amino acids. When the novel parts developed by MIT are assembled, much like snap-together building blocks – the resulting structure is not only lightweight, but also extremely durable and easy to disassemble and reassemble. The technique, which could lead to a totally new way of assembling airplanes, may offer substantial benefits, including lighter aircraft structures as well as lower construction and assembly costs.

As Airbus seeks to explore new efficient and cost-effective ways to design and manufacture its aircraft in the future, this approach radically challenges the traditional airframe architecture, which consists of manufacturing large structures or parts in single pieces. Airbus is also exploring the use of 3D digital printing for the cost and weight saving potential it offers in the production of individual parts or even larger airframe structures.

“The agreement with MIT opens up an interesting collaboration with a cutting-edge research partner,” said Axel Krein, Senior Vice President of R&T at Airbus. “At Airbus, we invest heavily in projects, programs and partnerships to develop and offer step-change technologies and solutions that bring value, profitability and environmental benefits to our customers. We are pleased to add MIT to our growing global network of research partners and to explore this line of research together.”

“We're delighted to welcome Airbus as CBA's newest member, with a focus on aerospace applications of digital fabrication,” said Neil Gershenfeld.

Industry Notice: ECR WebEx - In coordination with the Society for International Affairs (SIA), DDTC will conduct a WEBEX presentation on January 8, 2014 at 2:00 pm EST on the implementation of the second Export Control Reform (ECR) rule. This 1-hour event will feature a brief presentation followed by a question/answer period. (12.30.13)

Industry Notice: DTrade Maintenance and New Forms - All DDTC external systems (i.e., DTrade, TRS, EFS, Mary, and Ellie) and DTAS Online will be unavailable to industry users beginning 5:00 pm (EST) January 3, 2014 until 6:00 am January 6, 2014 due to system upgrades in support of modifications to USML Categories VI, VII, XIII, and XX. The DS2032, DSP Forms 5, 6, 61, 62, 73, and 74 as well as the Common Schema will be updated. (12.27.13)

12/19/13 78 FR 76738 Updated Statements of Legal Authority for the Export Administration

This rule revises the authority citation paragraphs for the Export Administration Regulations (EAR) that appear at the beginning of each EAR part in the Code of Federal Regulations so that those paragraphs will cite the most recent Presidential notices on which authority for the EAR is, in part, based. BIS is publishing this rule so that authority citations in the next annual CFR compilation will be up-to-date. This is a purely procedural rule that does not alter any right, obligation or prohibition that applies to any person under the EAR.

12/19/13 78 FR 76741 Revisions to the Export Administration Regulations (EAR): Unverified List (UVL)

The Bureau of Industry and Security (BIS) is amending the Export Administration Regulations (EAR) by: requiring exporters to file an Automated Export System (AES) record for all exports subject to the EAR involving a party or parties to the transaction who are listed on the Unverified List (the "Unverified List" or UVL); suspending the availability of license exceptions for exports, reexports, and transfers (in-country) involving a party or parties to the transaction who are listed on the UVL; requiring exporters, reexporters, and transferors to obtain a UVL statement from a party or parties to the transaction who are listed on the UVL before proceeding with exports, reexports, and transfers (in-country) involving items subject to the EAR, but where the item does not require a license, i.e., No License Required (NLR); publishing the UVL in the EAR; and adding to the EAR the procedures to request removal or modification of a UVL entry.

These changes to the UVL enhance the U.S. Government's ability to verify the bona fides of parties to exports, reexports, or transfers (in-country) of items

Guidelines for Federal Trade Regulations Covering AES Filings.

Where can I find information on penalties for violations of the Foreign Trade Regulations (FTR)? (FTR section 30.70 – 30.72)

The FTR, Subpart H, sections 30.70 - 30.72, presents the penalties that may be imposed for both civil and criminal violations. These violations include, but are not limited to, delayed filing, failure to file, filing false or misleading information and/or using the AES to further any illegal activity.

Civil Penalty

A civil penalty is a monetary penalty imposed on a U.S. Principal Party in Interest, authorized agent, carrier, or other parties to the transaction for violating any part of the FTR. The penalties range from \$1,100 to \$10,000. Civil penalties imposed under the FTR may be remitted or mitigated, if the penalties were incurred without willful negligence or fraud or other circumstances exist that justify a remission or mitigation.

Criminal Penalty

A criminal penalty is when any person willfully violates or attempts to violate any part of the FTR. The criminal penalty includes fines not to exceed \$10,000, and/or imprisonment for not more than five (5) years, and/or forfeitures.

Is the carrier subject to a penalty once the U.S. Principal Party in Interest (USPPI) has filed the information in the Automated Export System (AES)? (FTR section 30.45)

The carrier will be subject to fines and penalties if it does not ensure that a shipment has the required AES proof of filing or exemption citation(s) covering all cargo. In addition, the carrier must notify the USPPI, or their authorized agents, of any changes related to the shipment. (See FTR section 30.45)

What transactions are outside of the scope of the Foreign Trade Regulations (FTR) and are excluded from filing Electronic Export Information (EEI)? (FTR section 30.2(d))

Transactions, which fall outside of the scope of the FTR and are excluded from filing the EEI are located in the 30.2(d) and Appendix C.

Goods shipped under a Customs and Border Protection (CBP) bond through the United States, Puerto Rico, or the U.S. Virgin Islands from one foreign country or area to another where such goods do not enter the consumption channels of the United States. See FTR section 30.2(d)(1).

- Goods shipped from the U.S. territories and goods shipped between the United States and these territories do not require EEI filing. However, goods transiting U.S. territories to foreign destinations require EEI filing. The U.S. territories referred to in this section are: American Samoa, Baker Island, Commonwealth of the Northern Mariana Islands, Guam, Howland Island, Jarvis Island, Johnston Atoll, Kingman Reef, Midway Islands, Navassa Island, Palmyra Atoll, and the Wake Island. The Census Bureau will include the full list of territories in Appendix C in a future amendment to the FTR. See FTR section 30.2(d)(2).
- Electronic transmissions and intangible transfers. See FTR Subpart B for export control requirements for these types of transactions, FTR 30.2(d)(3).
- Goods shipped to Guantanamo Bay Naval Base in Cuba from the United States, Puerto Rico, or the U.S. Virgin Islands and from Guantanamo Bay Naval Base to the United States, Puerto Rico, or the U.S. Virgin Islands. (See FTR section Subpart D section 30.39 for filing requirements for shipments exported by the U.S. Armed Services) 30.2 (d)(4)).



Register for this upcoming BIS seminar

to learn about export control requirements under the Export Administration Regulations."Complying with U.S. Export Controls" - 2 Days January 28-29, New Orleans, LA, \$585.

This two-day program provides an in-depth examination of the Export Administration Regulations (EAR). The program will cover the information exporters need to know to comply with U.S. export control requirements on commercial goods. It will focus on what items and activities are subject to the EAR; steps to take to determine the export licensing requirements for your item; how to determine your export control classification number (ECCN); when you can export or reexport without applying for a license; export clearance procedures and record keeping requirements; an overview of the Export Management and Compliance Program (EMCP) concepts; and real life examples in applying this information. Technical, policy, and enforcement professionals from BIS, as well as specialists from other agencies such as the Bureau of the Census will participate.

View "Complying with U.S. Export Controls" event details. For further details and registration, go to: [LINK](#)

Visit the BIS web site at www.bis.doc.gov. For general

BIS Publishes Rule Removing Person from the Entity List.

BIS Publishes Rule Removing Person from the Entity List.

This rule removes from the Entity List (Supp. No. 4 to Part 744 of the Export Administration Regulations) one person in Russia along with entries for this person in Germany and Taiwan. The rule is effective December 31, 2013.

[Link to Federal Register notice](#) 12/31/13
78 FR 79600
<http://www.bis.doc.gov/index.php/regulations/federal-register-notice>

Opportunities in Ghana

What are some of the key sector opportunities?

Ghana's oil and gas industry will define market opportunities for the next several years. The best prospects for U.S. exports will be found in equipment and services that will help Ghana take full advantage of its oil discoveries. These include engineering services, drilling equipment, and oil and gas field machinery. Other opportunities peripheral to the oil discoveries will include security services to help protect offshore and onshore assets, telecommunications and broadcast technologies and transportation equipment that will service the petroleum and mining sectors. Ghana is also rich in agricultural resources—it is the world's second-largest supplier of cocoa to the world's chocolatiers. Strong opportunities can be found in agricultural equipment, infrastructure, and technologies that will create greater efficiencies in crop production and transportation.



Teaming Up Against Poaching—Opportunity Strikes

U.S. government agencies in Africa are teaming up with national governments, nongovernmental organizations, and technology providers to combat the scourge of animal poaching that is afflicting large parts of Africa.

Apart from the slaughter of animals itself, poaching has a socioenvironmental, economic, and security impact that risks becoming self-reinforcing, analogous to piracy on the open seas.

The U.S. Commercial Service is coordinating efforts to use the biannual Africa Aerospace and Defense Show in Pretoria, South Africa, in September 2014 as a platform to both confer with potential partners as well as host an exhibition of solutions that can make a contribution to the fight against poaching. U.S. solution providers are to be found in the defense, safety and security, and information communication technology sectors. The U.S. Commercial Service will host presenters and panel discussions, as well as offer matchmaking programs, outreach events, and opportunities to advocate on behalf of U.S. companies. The target audience will include several African national governments, wildlife agencies, nongovernmental organizations, and technology integrators and others that have an interest in halting the crisis.

U.S. Census Bureau
Foreign Trade Division
www.census.gov/trade

AESDirect
www.aesdirect.gov

Schedule B Search Engine
<https://uscensus.prod.3ceonline.com/>

International Trade Administration (ITA)
U.S. Government Export Assistance Portal
www.export.gov

Trade Compliance Center
<http://tcc.export.gov>

ITA Homepage
www.trade.gov

Bureau of Industry and Security (BIS)
BIS Homepage
www.bis.doc.gov

U.S. Department of State
Directorate of Defense Trade Controls
www.pmdtc.state.gov
U.S. Department of the Treasury

Embraer Executive Jets' Legacy 450 Makes Successful First Flight



Embraer Executive Jets' newest aircraft, the Legacy 450, made a successful first flight today. Embraer test pilots Eduardo Camelier and Eugênio Cará, supported by flight test engineer Carlos Kobayashi, flew the aircraft for one hour and thirty-five minutes, conducting the evaluation of handling and performance characteristics.

"Besides setting a new standard in business aviation, delivering innovations that reflect our vision, our commitment to customers, and our passion for excellence, I congratulate all Embraer people for achieving this important Legacy 450 program milestone on the scheduled date" said Frederico Fleury Curado, Embraer President and CEO.

Related Research on ASDReports.com:
Commercial Aircraft Electrical & Environmental Systems Market, Forecast & Analysis (2013 - 2018)

"The Legacy 450 will be the best-in-class mid-light business jet, responding to the needs and wishes of customers worldwide," said Marco Túlio Pellegrini, Senior Vice President Operations and COO, Embraer Executive Jets. "With full fly-by-wire technology and the roomiest cabin in its category, this aircraft will deliver unique features and amenities."

The maiden flight covered a significant range of the flight envelope and allowed for a variety of inflight systems tests, benefiting from an advanced campaign of flight simulations and extensive ground tests. "The flight was a success," said Capt. Camelier. "The full fly-by-wire system, with side stick flight controls, made the flight very smooth. With the advanced avionics suite, the aircraft operation was very easy and intuitive."

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USS Freedom Completes Maiden Deployment; Returns to San Diego

The littoral combat ship USS Freedom (LCS 1) returned to its homeport of San Diego Dec. 23 following the completion of its maiden deployment to the U.S. 7th Fleet area of responsibility (AOR).

Deployed since March 1 with her "Gold Crew", known formally as Crew 102, the ship took part in a number of theater security cooperation and maritime presence operations with partner nations in the region. In August, Crew 102 swapped with the ship's "Blue Crew" (Crew 101), which completed the deployment and will bring the ship back.

Both crews deployed with a ship's company of 53 Sailors, plus embarked air and mission detachments.

"This deployment was a huge success for the LCS program, for us as a crew, and for the Navy in general," said Cmdr. Dale Heinken, commanding officer of Freedom's Blue Crew. "The Sailors did very well executing the mission."

Crew 101 participated in the humanitarian assistance and disaster response efforts delivering life saving supplies to the Philippines following Typhoon Haiyan.

"The camaraderie on this ship is great because it is a smaller ship with a smaller crew," said Electronics Technician 1st Class Bert Olaveson. "You get to know the people that you are working with on a more personal level, which made this deployment that much more rewarding."

Fast, agile and mission-focused, littoral combat ships are designed to operate in near-shore environments and employ modular mission packages that can be configured for surface warfare, mine countermeasures, or anti-submarine warfare.

Freedom will conduct operations and training within 3rd Fleet's 50 million square-mile AOR.

U.S. 3rd Fleet leads naval forces in the Eastern Pacific from the West Coast of North America to the international date line and provides the realistic, relevant training necessary for an effective global Navy.

Source : **US Navy**