

Hello, I'm Bob Erwin, and I will be narrating this session on export documents prepaired by my colleague Dimitris Kloussiadis .

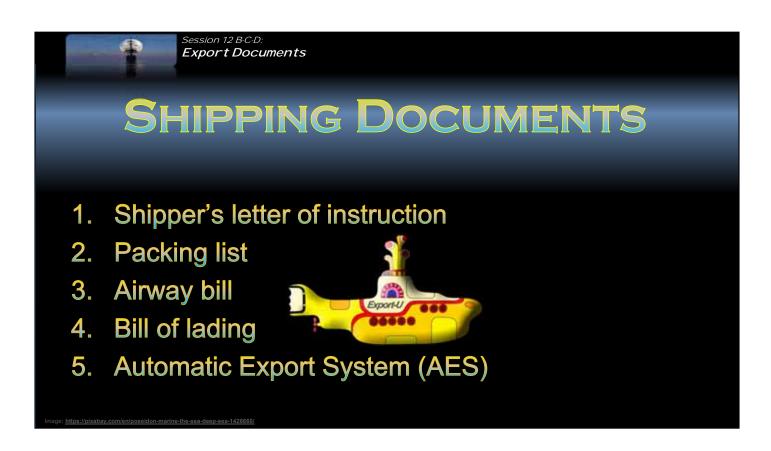
In the first part of Session 12, we discussed sales-related export paperwork. Now we will consider the documents associated with shipping... compliance and product origin.

This and all Export-U mini-courses have been developed by the International Trade Center of the University of Georgia SBDC, in close cooperation with the U.S. Export Assistance Center, in Atlanta.



After making an export sale, you must actually ship the products to your overseas customer.

And, shipping has its own unique set of paperwork.



Here are 5 most common shipping documents.

We will consider each of these in the following slides.

But, before we do so, it's worth re-stating that every detail in these documents must precisely match the information in the sales documents you have already created.

Otherwise, all sorts of bad things can happen...

Session 12 B·C·D:						
Export Documents	John S. Cargeaux. LLC					
	Lette					
	Shippers Name and Address	Date 25-Apr-08				
	Wanderwiper, Inc.	Order No. xxxx-12 dd 1 April 2008				
	123 Someplace Street	IRS No. 12345				
	Any Yown, Georgia 30083.	Schedule II No. 12345678				
SHIPPERS LETTER OF	U.S.A.	Centact: Frank Harris, 404-123-4567				
	PLEASE (BOOK) (HANDLE) THE FOLLOWING S	HIPMENT FOR US, FOR WHICH DOCUMENTS ARE ENCLOSED.				
INSTRUCTION	Consigner:	Importer:				
	Excitation and an arrangement	Acme GmbH				
	To Order of Shipper in Blank endorsed	23 Irgendwo Strasse				
		Werweitigo				
		Federal Reput 6c of Germany				
		The second secon				
	Notify:	Container Nos. (If Application)				
	O'Higgins & Bern, Grobel	Evergreen #13456				
	Customs Brokers					
	345 Browster Str.	Marks:				
	Hamburg, Germany	N/A				
 Instructs forwarder 	Description for Ocean B/L: Model	12345 Windshield Wipers				
ilistiucts ioiwaidei	Model	12346 Windshield Wipers				
	Vessel / Due Date: Please	Arrange : Latest Shipment Date May 20, 2008				
	Ocean Freight: Prepa-					
		rhaver, Germany				
 Supported by power of 		hs /1140 Kgs 43 cubic meters				
 Supported by power of 	Control Contro	emerhaven USD 445200				
		it Letter of Credit				
attorney or authorizing letter	Export License: Gener	al ticense				
attorney or authorizing letter	The Herry checker	apply to this shipment				
	1. Please insure the shipment for	110% of invoice value X 2				
	2. Add Following Charges to Comm'l Inv.	N/A				
	3. Please prepare Certificate of Origin	- X				
 Attach: PO, Pro-forma, 	4. Other: N/A					
/ ttaoii. i C, i i C i Ciii i a,	S. Return all documents directly to shipp	en .				
	6. Mail to importer: Non-original doc	currents only X				
Commercial Invoice, L/C	7. Mail to Notify Party: Non-original doc	aments only X				
Confinercial involce, L/C	8. Prepare At Sight Druft and forward	to Per L/C instructions X				
	9. Forward Documents as per Letter of Co	redit (Attached) X				
	10. Other					
	SPECIAL INSTRUCTIONS: Attack	n or place on reverse hereof)				
Photo: https://pixabay.com/en/landscape-sunrise-hills-summer-1115428/						

The first of these is the Shipper's Letter of Instruction. This is basically a detailed -CLICK-

list of instructions to your freight forwarder, including a checklist of all the things he must take care of...

-CLICK-

It is supported by a Power of Attorney or an Authorizing Letter. These signed forms give him the authority to act on your behalf while arranging the logistics services....You also need to ...

-CLICK-

attach a copy of the Purchase Order, the Pro-forma invoice, and the Commercial Invoice, and if you are being paid by letter of credit, you also need to attach a copy of that.

-click twice-

SESSION 12 B.C.D.: EXPORT DOCUMENTS	PACKIN	G LIST (Pr	epared by co	ommerc	cial dept.)	86	
	EXPOTER/SHIPPER NAME:LTD	EXP NO.: L/C NO.: CAT :	DATE: 20-06-201 DATE: 20-06-201 DATE: 02-02-201		1-06-2011		
PACKING LIST	Applicant: E.S. SUTTON INC. 1400 BROADWAY, 26TH FLOOR NEW YORK, NY 10018, USA.	H.T.S. CODE NO.: BIL NO.: DATE: CARRIER: E.R.C. NO.: RA-79178 TERMS OF PAYMENT:					
Tells precisely what you're shipping:	NOTITY: A) E.S. SUTTON INC 115 KENNEDY DRIVE SAYREVILLE, NJ 08872, CANADA.	IRREVOCABLE LETTER OF CREDIT AT SIGHT. L/C ISSUIN BAIN: HSBC BAIN USA, N.A. 2 HANSON PLACE, BROOKL YN, NEW YORK 11217, USA. ADVISING BAINK: FIRST SECRITY ISLAMI BAINK LTD. BAIANI BRANCH, PLOT # 80, BLOCK # B, KEMAL ATAURK AVENUE OHAKA-1213					
seller, buyer, shipper, invoice number, date of shipment,	PORT OF LOADING : DHAKA AI		FINAL DESTINA	ATION : V	ANCOUVER,		
mode of transport, carrier, itemized quantity,	PORT OF DISCHARGE : VANCOUS SHIPPING MARKS		SHIPPED PER	: Al	CTN	PCS	TOTAL
description, package type (box, crate, drum, carton), number of packages, net and gross weight & dimensions (standard & metric) WOW!	SHP TO WALMART CANADA OFFT 33 SEPADO MANE GEORGE ITEMOS CHIPTON FUR TRIMAND DUSTERS SWEATER MACAUMENTS: 17 X 17 X 19 NCH MADEI IN BROADCADEH BIDE MARK DEPT 133 BERAND MANE: GEORGE ITEM FUR TRIMANED DUSTER SWEATER STYLE GREF 12000TG PO MA237M4, MAZSHMAKRISTYM COLOR: TITRE BAY. (14):2-3-3-3 SILE: 5078-MI (1072)-L(12)-3-3-3 GWM: 12.74 LIIS PRICE TOWET: YES.		RIMMED SWEATER PO NO 84233VM	1-445	445 Ctn	8 Pcs	PCS 3,560 Pcs
		TOTAL			445 Ctn		3,560 Pcs
Gives handling instructions to shippers, customs, customers	GRAND TOTAL PCS : GRAND TOTAL NET WEIGHT : GRAND TOTAL GROSS WEIGHT : GRAND TOTAL MEASURMENT : CARTON MEASURMENT :	445 CTN 3,560 PCS 2,051,00 KGS 2,571,00 KGS 17" X 17" X 12" 24,00 CBM BANGLADESH			For,		

A Packing List must also accompany your shipment. -CLICK-

It describes in <u>very</u> precise detail <u>exactly</u> what you are shipping and all of its physical characteristics.

And, while I won't read them all, -CLICK-

here's a partial listThe packing list also gives... -CLICK-

handling instructions to everyone who will touch the goods, including the, shippers, customs authorities, and even your customer.



If you're shipping by air,

-CLICK-

you'll also need an Airway Bill.

- -CLICK-
- -CLICK-

Every air carrier has its own form, and many of these are available online from the U.S. Postal Service, FedEx, UPS, DHL, or the airline.

SESSION 12 BCD: EXPORT DOCUMENTS	BIEC OF LA	DING		20		. 0		
(OCEAN)	SHIPPER MAKE AND ADDRESS TELS FAX. SHIPPER MAKE AND ADDRESS TEL.			Catoway				
BILL OF LADING				GALEWAY GATEWAY CONTAINER LINE				
and the second second		A AGENTS NA DORESS.	MES	THE IS THE RECEIVER OF THE GOODS ONCE IN FORT THY TO CHANCE WITH YOUR ABENTS NAME ADDRESS SO YOU DO				
	BANGROK, THALLAND	AMOUNT, T	HALAND .	NOT INCUR EX				
	SELECT A ASSA STATES			PONT USAS, TRINING	PERTURAL THE	NESHS		
The second secon	Marke & Northern Cornection No.	process.		-	Service Service	-		
	ASM POINT LIBAR THINGAS	owner.	CPECPS MINE 1-BUST 10PS LAPET BLOWE NO AS PER INV, NO. 6-B	N. COTTON WOMEN	100,000 HOS	1,900 CBM		
Contract between you and the steamship line		No. THOS	CTIVE No. GLOUTEN FIRST PROPERTY FIR	oar ·	ORIG	INAL		
	Page bean, Chaye ex-	PRODU	antenan					
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	Land			- 1		_		
Photo: https://pixabav.com/en/sea-sailing-vessel-ocean-sunsel-1101168/	_							
- noto. <u>mpenpmoory oom omood s</u> alliilig resserveedir-sunser not noti								

If you're shipping by <u>sea</u>, you'll need an Ocean Bill of Lading.....Basically, this serves the same function as an airway bill. It is...
-CLICK-

a contract between you and the steamship line.... There are two basic types: -CLICK-

A <u>Straight</u> Bill of Lading says that the goods must be delivered to a specific end customer without fail.

(Here, your customer is referred to here as the consignee, in shipping lingo.) -CLICK-

A <u>Negotiable</u> Bill of Lading, on the other hand, means that you can sell the goods while they are in transit, so the consignee can actually change.

This is sometimes used for large bulk shipments of commodities like wood or oil, which can be bought and sold several times while on the ocean.



The Automatic Export System, or AES, is basically -CLICK-

A free online system of filing for US exports. It is operated by the U.S. Customs Service.... It's also...

-CLICK-

<u>the</u> most common American export control document. AES filings are.... -CLICK –

required for all export shipments over \$2,500, and -CLICK-

for shipments to US territories abroad, like Puerto Rico, and the US Virgin Islands. -CLICK-

Here is what the AES online screen looks like.



When the shipping paperwork is complete, you may still need to file documents proving that you are compliance with various rules and regulations, both here and overseas.



Export control and compliance is huge subject...... But at the risk of being overly simplistic, there are just three main types of compliance documents. These are.. -CLICK-

Export control licenses

-CLICK-

<u>Destination control statements</u> that need to be inserted within your shipping documents, and...

-CLICK-

APHIS inspection certificates for agricultural products....

We will consider each of these separately.



Two of the most frequent questions we hear from new exporters are: "Do I need a government license to export?" ...and...

"Will my products be subject to any sort of US government control?

Typically, the answer to both questions is simply **NO**.

Often, we are asked this by people who have exported from other countries, where such licensing requirements are fairly commonplace. For example, -CLICK-

this fellow in India needs a government license to trade internationally.

However,... US firms do occasionally need government -CLICK-

Licenses or permits to export certain products.... or to ship them to -CLICK-

specific countries, companies, or people.



There are basically three US government agencies that administer export controls. -CLICK-

International Traffic in Arms Regulations (commonly referred to as ITAR) are administered by the State Department. They govern the export of all types of military weapons and technology.
-CLICK-

Export Administration Regulations (or "EAR" regulations) are overseen by the Commerce Department' Bureau of Industry and Security. They govern products which are considered potentially "dual-use,"..... in other words products that may have both civilian and military applications.

And finally....
-CLICK-

The Office of Foreign Assets Control (or "OFAC") oversees all US boycotts, sanctions and embargos.



You may need an export license if you are shipping things like:

- click -

military equipment or

- click -

nuclear material,.... both of which are subject to ITAR regulations....And, - click –

any civilian products with potential military applications, like off-road vehicles, may be considered as "dual use" items by the government. Such dual-use items are subject to the EAR regulations.

-click-

Just as a side note: At one time, Sony PlayStations were considered dual-use, since it was thought they could potentially control guided missiles...so be careful...



Obviously, you can't ship your products to members of the so-called "axis of evil,".... but some other countries of lesser notoriety also have US trade sanctions or restrictions.

Here's a partial list of sanctioned countries, as of early 2017. -click-

Sanctions are not always across-the-board, and they may be limited to just specific goods. For example, food an medicine can sometimes be shipped to sanctioned countries.

Also, the list of these countries is constantly changing, so it's always prudent when you uncertain, to check the State Department's website above, or call the Trade Information Center at 1-800-USA-trade.

-click- (twice)



Let's face it, there are also some pretty bad folks out there that our government would prefer you not sell things to. These can be individuals or companies....

They are called

-click-

<u>Specially Designated Nationals</u>, and you can find a current listing on the Treasury Department's website above.

-click- twice



Exporters should always insert a <u>destination control statement</u> their commercial invoices, bills of lading, and airway bills.

The reason? Well, if any of your goods end-up somewhere they shouldn't, and violate US sanctions, you are ultimately responsible, even if the goods were <u>reshipped</u> without your knowledge.

And the legal penalties can be quite severe. -CLICK-

Here's a

sample End User form, with a destination control statement at the bottom.

Now, be aware that simply a adding this statement doesn't totally absolving you of blame,... but at least it proves that you told your customer not violate US sanctions. -CLICK-

Here's a closer look at some key points in this statement. Of course, the precise wording may vary considerably.



Before shipment all agricultural products must be inspected by the US Department of Agriculture's "Animal and Plant Inspection Service," which is also known by the acronym APHIS.

Animals are given a clean bill of health with a certificate like this. -CLICK-

Fresh food, plants, and plant products (like lumber) must be checked for bug or bacterial infestation. And, if deemed safe, they are issued what is called a phytosanitary certificate.... that looks like this.

Without these certificates, your goods may not be allowed into the destination country.



Origin documents basically certify where a product is from.



There are three common types of Origin Documents:

-click-

- · Certificates of Origin
- Free Trade Agreement..... Certificates of Origin, and
- Certificates of Free Sale.

SESSION 12 B.C.D.: EXPORT DOCUMENTS			CERTIFICA	ATE OF ORIGIN		- 1		
TES	Shipper/Experture Uninderwiper, Inc. 123 Someplace Street Any Trans, Georgia 19883. U.S.A.			Occument No. ABC-181 (Apart Reference) Wassistrage Ref. secu 12 de 1 April 2008 Acros Cardel Ref. 12 IMSA de 23 ret 2008 LCE 12346-1-15 State LCE 17584-German Sanio				
CERTIFICATES	Consignee Aume Could [3] legended 3110100 Werkelstoon Kedenal Standbirt of Con-		Forwarding Agent: Althol. Corgenous, Vinight Forwarder 12 Fire Threat Seasonals, Storges U.S.A. Finish & Country of Origin Any Town, Georgia, United States of America Democratic Resting/Export Instructions:					
	Notify Fung. (Traggins Attens, Godel Custome Robers 315 Brewster Str. (Sumbers, Germany							
OF about origin	Flor or Abports 123-5AV Exporting Carrier/Vexxet/Airline Partiel			Port of Leading: Levernain, Georgia, U Air/Sea Port of Disch BronorSayon, Custra	urge: rry	Dresord Intend Routing: Humburg, Gormany Departure Date: 25 May 05		
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. No Tailon No T	The anter-regard (1995) (port) (some or agency data leavely declare for the stone named stepper, the groots as the control above were shipped and consigned as indicated and are products of the United States of America. Dated at Age Times, DOCKER, U.S.A., on the255s_Dep ofMax2006. Separate of County/Sparce. Makery Public.							
· · · · · · · · · · · · · · · · · · ·	The Anna Lean Chartees state of Concess. Inc. of of the recordances, an	assented the Lacronding	manufacturery of to best of no loss	nusius or stappers of whodgs and belof, for	tidowit acore do the pro	erring the origin facts surveil		
	"Wond	en	wipe	s" wi	pe	r blades		

Certificates of Origin basically prove where a product was manufactured, and guarantee that you are
-CLICK-

not making any false claims about it's origin.

This is important, since the -CLICK-

import duty rate your customer pays often depends on where the goods were produced.

Occasionally, some countries require that their consulate or embassy in the US must attest to the certificate's authenticity. They typically charge a fee and -CLICK-

provide what is called a consular or visa'd invoice.



The United States has free trade agreements with quite a few countries. And, often these reduce the overseas duty rates assessed on goods.

But, to get these reduced rates you must prove that your products were made here. Sometimes, this requires a special Free Trade Agreement Certificate of Origin,...but not always.

A good way to check if you need one of these special certificates is to call the US Trade Information Center at 1-800-USA-TRADE.



Finally, some countries require a Certificate of Free Sale. This form basically states that products like food, cosmetics, and medical devices are -CLICK-

freely sold in the US, and that they -CLICK-

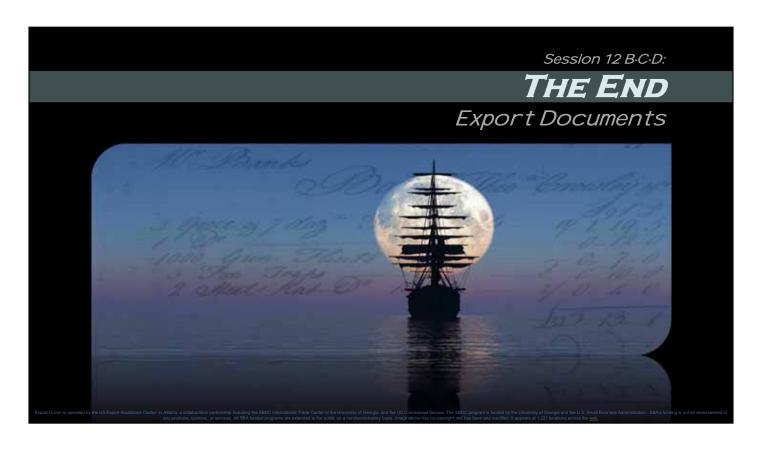
meet American quality and safety standards. There is -CLICK-

no required special format, but these certificates must be..... -click-

Issued, signed, and stamped by a local chamber of commerce.I should note that only...

-CLICK-

a few countries require Certificates of Free Sale, but it's always a good idea to check.



That concludes our second webinar on export documents.

We hope you found it helpful.