



Global Watch[®]

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Internet Gap Hamstringing Businesses In Developing Countries, UNCTAD Information Economy Report 2005 Finds

Africa and other non-industrialized regions - which already face numerous obstacles in the areas of commerce and trade - are facing a competitive disadvantage as businesses around the world increasingly use the Internet, a UNCTAD (United Nations Conference on Trade and Development) report found. But mobile telephones are proving to have great advantages for development in the world's poorer nations.

The Information Economy Report 2005(1) (IER 2005) points out that use of the Internet for obtaining and providing business information, carrying out financial transactions, setting up

deals, and finding and nurturing customers, is growing rapidly in a limited number of developing countries that have succeeded in participating in the wired economy. The Internet is a tool that can help firms find contracts and clients in ways never before possible - but only 3.1% of Africans had access to the Internet in 2004, and less than 1% had access to the broadband connections that are most useful for business and related financial activities. Although use in South-East Asia and other developing regions is higher, even in China - the world's second-largest Internet market - there is an Internet

penetration rate of only 7.2% inhabitants.

The gap in business use between the developed and non-developed world appears to be vast, the report states. Some 89% of enterprises in European Union (EU) nations are connected to the Internet. Figures are scarce for developing countries, but while Trinidad and Tobago, where 77% of firms are connected, and Singapore (76%), have high rates of business use, connections in Mauritius (5%) and Thailand (9%) are much lower. Many developing countries

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G-6 MINISTERIAL IN LONDON FAILS TO BREAK DEADLOCK IN DOHA ROUND

Trade ministers from the EU, the US, Australia, Brazil, India, and Japan — the so-called G-6 — proved unable to bridge the gaps that have deadlocked the Doha Round trade negotiations during a gathering in London on 10-11 March. The talks followed a 7-9 March preparatory meeting in Geneva of senior trade officials from a larger group of ten influential WTO Members at which, in the words of a Geneva-based negotiator, "no one moved one inch."

The inconclusive high-level discussions have prompted some delegates to suggest that members were unlikely to be able to meet the April deadline for 'full modalities' — a comprehensive framework agreement

including numbers for tariff and subsidy cuts — on agriculture and non-agricultural market access (NAMA), and that their chances of doing so were decreasing by the day.

In spite of the incremental progress the ministers reported on technical issues related to farm subsidies, Indian Commerce Minister Kamal Nath said after the meeting that "we have no formula... no numbers, the only thing there is hope." Australian Trade Minister Mark Vaile said that "the connections between the issues and areas for compromise were clearly identified" despite the absence of breakthroughs.

Source: www.ictsd.org/weekly/06-03-15/story1.htm

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Notes from the Executive Director

Global Market & IIEI

by *Dr. Donald N. Burton*



The impact of the IIEI and the People's Republic of China (PRC) signing an agreement to bring all of IIEI's certification programs and supporting training courses to China is huge. Since my return in December, the IIEI has hosted a delegation from China, including Madame He Ying, director of training for the China Council for Promotion of International Trade (CCPIT). The CCPIT indicated it wants to utilize IIEI's certification programs, including emphasis on the Certified U.S. Export Compliance Officer® Program and also wants to work together to develop special certifications programs and training that focus on PRC issues such as a Certified PRC Export Compliance Officer program.

In a brief meeting I had with U.S. Deputy Under Secretary for Industry and Security, Mark Foulon at the BIS Export Control Forum, he expressed interest in understanding this effort.

Based on our agreement with the PRC Training Center for the State Administration for Foreign Expert Affairs, IIEI will provide Train the Trainer courses are expected to start in May 2006. IIEI will send a team of experts to China to begin the process of training Chinese experts to teach the rigorous curriculum that can lead

to industry certification through IIEI.

MultiMix Academy, one of our oldest global training partners has an article in this issue of GlobalWatch®. Over the past nearly four years they have graduated scores of IIEI Certified International Trade Logistics Specialists® in Lagos Nigeria. Well done!

On another note, Congress has changed the rules so that online universities like IIEI can apply to offer its students Federal Financial Aid (Title IV). As a result, IIEI is moving rapidly through the process and hopefully, without delays, will have this funding available for students in early 2007. We will keep you advised on the progress.

I am very pleased to announce the birth of a new IIEI division here. IIEI Press has now published its first book: Zodl's 4th edition of his highly acclaimed book titled *Export-Import: Everything You and Your Company Need to Know to Compete in World Markets*. (See review on page 10.)

As usual this issue is packed with many other details of interest, including BIS current enforcement actions and bringing back "Update West." With the number of students now enrolled, it is not surprising that the Student Honor Roll has grown so large. Take a look. I hope you enjoy the mix in this issue.

Africa Focus

Multi Mix Academy Meets the Needs of Central Africa Business

Multimix Export Academy as an International Trade and Logistics Training firm was born out of Obiora Madu's experience in the banking industry. As an officer on the export desk of banks, he watched with shock how clients who approached the bank for export transactions knew next to nothing about exporting or even about the product they wish to export. The level of lack of awareness was alarming and he saw a big gap that needed to be filled.

There is no doubt that the absence of trade training institutions is one the contributing factors to the low development of international trade in Africa and among all developing countries. Most of the governments are yet to realize the importance of training as a catalyst to international trade development. What you find in most developing countries are a few private sector initiatives like with limited capacity to reach the length and breadth of the nation.

International trade has become very knowledge intensive so much so that what seems like a little wrong step can lead to a huge loss capable of destroying a business.

To underscore the importance of knowledge in international trade, an UNCTAD study identifies that Import/Export procedures can be significant non-tariff barriers to trade. This the UNCTAD said can add up to 10% to overall product costs particularly in the developing countries.

In the face of all the issues and difficulties associated with exporting, there is one clear need for the enterprise to meet before embarking upon the development of an export market for its products. This is the need to have personnel within the enterprise who have the skill, knowledge and confidence to initiate and develop the export function. Such personnel are difficult to find in developing countries, and so a key element in any exporting strategy must be the training and develop-

ment of existing enterprise employees in the skills of exporting.

The Sub Saharan Africa and all developing countries must see the need for trade training institutions to assist in addressing the low level of awareness in their respective countries. As the saying goes "the quality of a nation's exports is a reflection of the quality of manpower in the sector"

CORPORATE PROFILE

Multimix Export Academy is an integrated International Trade and Logistics Development and Training firm, with the main objective of providing and delivering fast, reliable services and Training programmes of international standard for total customer satisfaction.

MISSION STATEMENT

"We promise to provide exceptionally high quality International trade and Logistics education and services that are Practically Appli-

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American Conference Institute

Upcoming 2006 International Trade & Defense Related Events



9th National Forum on EXPORT CONTROLS
April 19 & 20, 2006 - Washington, DC

National Forum on ITAR COMPLIANCE
June 20 & 21, 2006 - Washington, DC

FCPA Boot Camp
June 15 & 16, 2006 - San Francisco, CA

For complete details and registration go to www.americanconference.com



**U.S. Bureau of Industry and Security
Update**

**Man Sentenced For Attempting
To Export Military
Night-Vision Equipment**

NAJI ANTOINE ABI KHALIL pleaded guilty on August 9, 2005 to attempting to provide material support to Hizballah, a Lebanon-based terrorist organization; attempting to contribute goods in the form of military night-vision equipment and infrared aiming devices to Hizballah; and conspiring to export sensitive military equipment from the United States without first obtaining the necessary licenses from the State Department and the Commerce Department. KHALIL was indicted on these charges in Manhattan federal court on June 16, 2004, and pleaded guilty to the charges contained in the indictment in the Eastern District of Arkansas, where he has also pleaded guilty to money laundering charges and is presently detained.

At his sentencing, KHALIL also received a prison term of 57 months on the attempted material support charge and 60 months each on the attempted contribution and conspiracy to export charges. He was also sentenced to 57 months' imprisonment for the Eastern District of Arkansas money laundering charge. The terms of imprisonment are to run concurrently.

**60 Month Sentence Prison for
Exporting Restricted Electronic
Components to China**

Manitowoc Wisconsin resident, Ning Wen (DOB: 4/12/49) was sentenced on January 18, 2006 to 60 months' imprisonment by United States District Judge William C.

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**BIS Export Control Forum a
Resounding Success**

Over 300 hundred people attending what many called the BIS Update West, remembering the conference of that name that had been forgotten and shelved since 2002. Those in attendance said they were glad BIS Update West was back.

Below are excerpted remarks by Mark Foulon Deputy Under Secretary at the Bureau of Industry and Security's 2006 Export Control Forum Newport Beach, CA March 13, 2006

"The context for so much of what we call globalization is the stunning march of democracy. Fifteen years ago, Freedom House identified 76 democracies of varying shades of effectiveness. Today, there are 119 electoral democracies. This global expansion of democracy has enormous and positive implications for us. For as the circle of democracy expands, the sphere of chaos and conflict contracts. The sea within which terrorists can train and proliferators can plot dries up. The security challenges that we must address through export controls become more manageable.

Marching in tandem with democracy is the international expansion of free markets. Here, the pace

Foulon Speech - Continued on page 9

IIEI Update

By Tyra Andrews

With spring just around the corner, everyone is primed to make good on those New Year resolutions- especially the faculty and staff here at the International Import-Export Institute (IIEI).

If furthering your education or industry credentials falls on your list this year, the IIEI can help with a variety of improved services.

IIEI is undergoing a much needed face lift in nearly all departments, which has resulted in a number of changes to IIEI policy and operational procedures. There are no additional forms or requirements for registration, but there are new deadlines for enrollment effective this April. Please contact your Advisor for the full details of these enrollment policies changes.

In addition to the changes to the Advisors, additional administrative personnel are tackling the certification and memberships with gusto. We encourage all members or certified professionals to contact the IIEI today for information regarding their certification or membership status. For more on the changes in those departments, please see the Membership article on page 13.

In addition to the internal happenings of each department, a large undertaking is finally coming to fruition for the IIEI Administration in its entirety. A new web-based administrative software is being launched, and the IIEI faculty and staff are already seeing the benefits of this all-inclusive program. It will streamline the processes for registrations, memberships, certification maintenance, as well as course schedule tracking. By utilizing such a comprehensive system, all of the

IIEI Update - Continued on page 10

DDTC Update

Directorate of Defense Trade Controls

Notice on License Support Documentation

Section 123.1(c)(4) of the International Traffic in Arms Regulations (ITAR) establishes that the Directorate of Defense Trade Controls (DDTC) may require all pertinent documentary information in order to consider the issuance of a license or other approval. Consistent with our longstanding practice, in addition to requiring a purchase order, letter of intent, or other documentation, DDTC's Office of Defense Trade Controls Licensing (DTCL) may require a signed contract to be submitted with any application for the permanent export of defense articles.

The purpose of this requirement is to confirm the legitimacy of the transaction, including the roles and responsibilities of all the parties. DTCL has received with increasing frequency supporting documentation that calls into question whether the applicants are in a position to fulfill their responsibilities as registered exporters and, in fact, whether anyone at the companies could meet the obligations as Empowered Officials under Section 120.25. In these instances, the applications have been Returned Without Action advising the applicants of the ITAR requirements.

At this time, DTCL finds it prudent to reiterate to exporters of defense articles the fundamental

Suspension of Eagle Global Logistics from Defense Trade

Effective February 27, 2006, the U.S. Army suspended Eagle Global Logistics (EGL) Inc. from future contracting with any agency in the Executive Branch of the U.S. Government (USG).

The basis of the suspension was the guilty plea from Mr. Christopher Joseph Cahill, former EGL VP for the Middle East and India region, entered on February 16, 2006 in the U.S. District Court Central District of Illinois. The one-count information to which Mr. Cahill pled guilty charged him with committing major fraud against the U.S. in violation of 18 U.S.C. 1031(a)(2).

Introduction of General Inquiry Form DS-6000

DDTC plans to receive and adjudicate General Inquiries electronically via the D-Trade system. A form, DS-6000, has been designed for this purpose and is being developed for D-Trade use. In the interim, DDTC is pleased to present this form and instructions as guidance for the preparation of such requests. This form is not meant for hardcopy use. Please do not fill out the form and send it to DDTC for review (it will be Returned Without Action).

Once the DS-6000 is fully developed for the D-Trade system, its use will be mandatory. Adherence to the guidelines as captured in this form and accompanying instructions even at this time, however, can help ensure that your General Inquiry has all the information that is necessary and sufficient for timely, accurate USG review.

DTAG Plenary Meeting, Scheduled for April 21

A Defense Trade Advisory Group (DTAG) plenary meeting is scheduled for April 21. It will be held from 9 a.m. until noon in Room 1912 of the Harry S. Truman building (Main State). While open to the public, prospective attendees are requested to advise the DTAG Secretariat of their interest in attending. For this and other information, [please read the Federal Register notice announcing the plenary.](#)

DDTC States Unacceptable File Attachments to D-Trade Applications

DDTC is able to accept most files types and formats submitted as part of a D-Trade application. But industry users should bear in mind that ZIP files are not acceptable, and neither are submissions containing executables. Applications with either of these types of documents will be rejected or Returned Without Action. DDTC will also reject or Return Without Action any D-Trade application that they feel contains an attached file that is not in an acceptable format or in some way is deemed inappropriate or could adversely effect the D-Trade System. If there are any questions, please contact the D-Trade HelpDesk for further information.

Users are reminded that use of searchable .pdf is preferable for attachments.

Remember

Certification requires current IIEI membership, questions email vsanchez@expandglobal.com

In Compliance....

Census Reminds Exporters of Importance of Filing Export Data in a Timely Manner

By Douglas N. Jacobson

The Census Bureau's Foreign Trade Division recently sent "Dear Filer" letters to a number of exporters advising them that they "failed to successfully report Electronic Export Information (EEI) through the Automated Export System (AES) in a timely manner." The letters, which were directed at both Option 2 (pre-departure) and Option 4 (post-departure) filers, were intended to remind exporters that Census monitors AES filings for "data quality, timeliness and accuracy" and that the Foreign Trade Statistics Regulations (FTSR) require complete export information to be submitted in a timely manner. The letter also informed exporters that the late filing of export data results in shipments not being published in the proper statistical month.

The Census Bureau's "Dear Filer" letters serve as an important reminder that all exporters should ensure that they are filing their export data in an accurate and timely manner. While the mandatory filing of export data via AES for items included on the U.S. Munitions List (USML) and Commerce Control List (CCL) has been required since October 2003, Census will soon be issuing the long-anticipated regulation

implementing the Security Assistance Act of 2002 (Public Law 107-228, 116 Stat. 1350). The new regulation will require export declarations for ALL shipments to be filed electronically and will significantly increase the fines and penalties for late filings. This regulation, which was published in proposed form by the Census Bureau in the February 17, 2005 Federal Register notice and is now being finalized by Census, will be published in the very near future. Census plans to give exporters a 90-day period to phase-out the filing of all paper Shippers Export Declarations (SEDs) (Form 7525-V).

In addition to requiring the mandatory filing of export-related data via AES, the forthcoming Census regulation will implement several major changes to the nomenclature commonly used by exporters. Not only will the FTSR be renamed the Foreign Trade Regulations (FTR), the term SED will be replaced by the term EEI. The regulation will also rename filing options 2 and 4 as "Pre Departure" filing and "Post Departure" filing, respectively. Current Option 4 filers will be grandfathered into the new system. The mandatory AES rule will also provide specific time and place-of-filing requirements for filing export data.

The Census Bureau's forthcoming regulation will also enhance

the penalty provisions associated with the late filing of export data. Because export declaration data is now commonly used by the law enforcement community as an export control tool, exporters will be faced with moving from the current system of virtually no enforcement activity to a system where significant penalties can and will be imposed for late or unfilled export data. Once the new system takes effect, civil penalties will increase from \$100 per day to \$1,100 per day of delinquency, with a maximum of \$10,000 per violation. The civil penalties for the late filing of EEI can be imposed on all of the parties in the transaction, including the U.S. Principal Party in Interest (USPPI), the USPPI's agent (i.e., freight forwarder) and the carrier. These penalty provisions will be enforced by the Bureau of Industry and Security's Office of Export Enforcement

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About the Author

Douglas N. Jacobson, a partner in the Washington, DC office of Strasburger & Price, LLP, concentrates in international trade law. He is also the publisher of International Trade Law News (www.tradelawnews.com) an online international trade newsletter. He can be contacted 202-743-8603 or at douglas.jacobson@strasburger.com.

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(OEE) and by U.S. Customs and Border Protection (CBP) and Immigration and Customs Enforcement (ICE) at the Department of Homeland Security.

While a high percentage of export declarations are now being filed electronically (96%, according to the Census Bureau), many exporters have not yet completed their migration to the electronic system of filing export declarations. Exporters are encouraged to review their export documentation procedures to ensure that they are filing their export declarations electronically and are doing so in a timely manner. There are several ways for companies to comply with mandatory electronic filing requirements. Although carriers and freight forwarders can submit export declarations to Census electronically on an exporter's behalf, exporters can also file their own export declarations via AES using AES Direct, the Census Bureau's free, internet-based system. Census also offers free PcLink software that allows companies to manage their AES filings from their own computers. Many vendors of international trade documentation software also offer their customers the ability to submit AES data to Census electronically.

Even though the final migration to mandatory AES for the filing of all export data presents a number of technical and practical issues for shippers, the increased penalties for the inaccurate or untimely filing of export information should be of even greater concern to exporters, forwarders and carriers alike.

American Conference Institute Brings Much Needed Training

As international trade regulations and national security standards are becoming more complex and restrictive, international trade executives and attorneys rely on the American Conference Institute (ACI) for comprehensive, insightful and practical guidance on critical international trade compliance issues.

ACI's critically acclaimed Conferences on Export Controls, Foreign Corrupt Practices Act, ITAR Compliance, China Trade and Import Compliance events bring together senior government officials, industry executives and international trade attorneys who provide an update on regulatory and policy initiatives and take delegates through the intricate EAR, ITAR, OFAC, FCPA and CBP controls.

ACI conferences supply attendees with a foundation for setting up internal controls to comply in this constantly changing global legal landscape. Upcoming conferences include:

- 2nd Advanced Forum on Import Compliance, March 21 & 22, 2006 – Washington, DC
- 15th National Forum on FCPA, March 28 & 29, 2006 – New York, NY
- 9th National Forum on Export Controls, April 19 & 20, 2006 – Washington, DC
- FCPA Boot Camp, June 15 & 16, 2006 – San Francisco, CA
- National Forum on ITAR Compliance, June 20 & 21, 2006 – Washington, DC

The American Conference Institute is part of C5 Group of Com-

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ITAR requirement for supporting documentation.

The purchase documentation must be from the foreign party purchasing the defense articles. The purchase documentation cannot be from its U.S. subsidiary since the latter entity is considered a U.S. person under the ITAR. The purchase order must be addressed and directed to the registered U.S. party selling the defense articles and submitting the export license application. This ensures that the applicant is in a contractual position to fulfill all responsibilities of registered parties under the ITAR, including being knowledgeable of all elements of the transaction. The documentation may contain references to other parties and their roles (e.g., suppliers, manufacturers, freight forwarders), but at a minimum must specifically explain the role of the party submitting the license application.

All applications submitted after September 16, 2005, not in compliance with this requirement will be Returned Without Action. In the interim, DTCL will consider applications on a case-by-case basis and determine whether they may be approved pending full implementation of this requirement.

Source: www.pmdtc.org

Empowered Officials

Do you meet the letter and spirit of the International Traffic in Arms Regulations Part 120.25 requirements?

If not, aren't you putting yourself, your organization and perhaps national security at risk?



Country Profile
 Republic of South Africa

The Republic of South Africa is located at the southern tip of the continent of Africa and is slightly less than twice the size of Texas.

After the British seized the Cape of Good Hope area in 1806, many of the Dutch settlers (the Boers) trekked north to found their own republics. The discovery of diamonds (1867) and gold (1886) spurred wealth and immigration and intensified the subjugation of the native inhabitants. The Boers resisted British encroachments, but were defeated in the Boer War (1899-1902). The resulting Union of South Africa operated under a policy of apartheid - the separate development of the races. The 1990s brought an end to apartheid politically and ushered in black majority rule

On 3 February 1997, South Africa enacted its new constitution, which is based on Roman-Dutch law and English common law.

South Africa is a middle-income, emerging market with an abundant supply of natural resources; well-developed financial, legal, communications, energy, and transport sectors; a stock exchange that ranks among the 10 largest in the world; and a modern infrastructure supporting an efficient distribution of goods to major urban centers throughout the region. However, growth has not been strong enough to

lower South Africa's high unemployment rate of its 15.2 million economically engaged labor force; and daunting economic problems remain from the apartheid era, especially poverty and lack of economic empowerment among the disadvantaged groups. South African economic policy is fiscally conservative, but pragmatic, focusing on targeting inflation and liberalizing trade as means to increase job growth and household income.

In summary, South Africa continues to hold great potential in the international trade arena, particularly as the government continues its course of managing its debt and inflation. The number of higher income individuals is increasing, which signifies that disposable income is rising for the country as a whole, even though the lower 10% of the population is not economically engaged.



South Africa at a Glance

- GDP:** \$527.4 billion (2005 est.)
- GDP - real growth:** 4.5% (2005 est.)
- GDP - per capita:** purchasing power parity - \$11,900 (2005 est.)
- Inflation Rate:** 4.6% (2005 est.)
- Labor Force:** 15.23 million economically active (2005 est.)
- Unemployment Rate:** 25.2% (2005 est.)
- Population:** 44,344,136
- Exports:** \$50.91 billion f.o.b. (2005 est.)
- Exports - Commodities:** gold, diamonds, platinum, other metals and minerals, machinery and equipment
- Exports - Markets:** US 10.2%, UK 9.2%, Japan 9%, Germany 7.1%, Netherlands 4% (2004)
- Imports:** \$52.97 billion f.o.b. (2005 est.)
- Import Commodities:** machinery and equipment, chemicals, petroleum products, scientific instruments, foodstuffs
- Import Partners:** Germany 14.2%, US 8.5%, China 7.5%, Japan 6.9%, France 6%, Saudi Arabia 5.6%, Iran 5% (2004)
- Exchange Rate:** rand per US dollar - 6.19 (2005)
- Internet Users:** 3.1 million (2002)
- Internet Hosts:** 288,633 (2003)

Source: CIA World Fact Book

Did You Know

The U.S. Trade Representative noted that under the Generalized System of Preferences, 137 beneficiary developing countries export approximately 3,450 different products duty-free to the United States, and that least developed beneficiary developing countries are eligible to export another 1,400 products duty-free.

**International Rule-Setting
for Global Investment in
Developing Countries**

UNCTAD (United Nations Conference on Trade and Development) plays a key role in shaping the international legal framework for investment. We help to facilitate numerous International Investment Agreements (IIAs), and particularly bilateral investment treaties. These kinds of agreements and treaties are very useful to developing countries because they can reassure potential investors by providing a clear legal framework.

UNCTAD has a special work programme to build capacity in developing countries on issues in IIAs. In 2005, this programme involved 75 countries and has provided training guidance to policy makers all over the world. A recent independent evaluation of this programme offers useful ideas and suggestions on how to further support developing countries make the most from IIAs

However, it is not always easy for developing countries to work out how to best use these kinds of investment agreements. More and more agreements are signed at the bilateral, regional and inter-regional levels. And the content of these agreements is increasing in complexity and sophistication. This ever-expanding universe of complicated IIAs has an impact on economic development policy and this presents new challenges for policy makers. These issues will be addressed at the Investment Commission.

Source: www.unctad.org/Templates/Startpage.asp?intlItemID=2310

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Courtesy of the U.S. Department of Commerce, 14th and Constitution Ave NW, Washington DC 20230.

Foulon Speech - Continued from page 4

can leave one breathless. In barely a quarter of a century, we have seen literally billions of new capitalists and consumers enter the global marketplace. China, India, Southeast Asia, Mexico, and other countries have embraced market economics. That's billions of potential customers for our products – and billions of potential competitors

Billions of New Customers

for our market share. Clearly, our management of our security concerns through export controls must take this reality into account.”

To read the entire speech, go online to the location noted below.

Source: www.bis.doc.gov/News/2006/FoulonExportControlForum.htm

Book Announcement & Review

Book Title: ***Export-Import: Everything you and your company need to know to compete in world markets***

Published in January 2006, this fourth edition continues to target individuals and companies that are new to importing and exporting. It takes the novice through all the logical steps of conducting international trade with a focus on general merchandise.

It is well written and easy for those new to international trade to understand and follow. It has examples of all the common forms used and clearly explains their usage.

As you would expect from a book that has been in print longer than any other book on the subject of helping people enter the world of international trade, Mr. Zodl, with over two decades of experience, offers the reader a complete guided tour of the intricate workings of global trade. There are plenty of resources noted for personal assistance and it addresses most of the common questions people have when beginning to trade internationally.

Price \$39.95

ISBN 0-9773098-0-0

Publisher: IIEI Press

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cannot even provide statistics on the topic. It also appears that the small and medium-sized enterprises that are considered essential for economic growth and employment in developing countries - and which can benefit greatly from e-business - are much less likely to be Internet-connected than larger firms, and are extremely unlikely to have broadband links.

By speeding up all Internet-related business activities, such as using interactive web pages and data files, handling customer requests, or automating supply-chain management, broadband enables companies to work more efficiently and respond quickly to customers' needs. The report states that broadband is spreading quickly in developed countries and in a few Asian developing nations, but most of the world's poorer countries lag far behind. Broadband penetration rates of less than 1% were found even in nations relatively advanced in Information and Communication Technology (ICT), such as South Africa, Mauritius, Egypt and Tunisia. Similarly, while e-banking and other financial services are used by 68% of enterprises in the EU, almost no developing economies covered by the UNCTAD survey re-

port are employing the Internet for these purposes.

The survey found that use of the Internet continues to grow in all regions and that some of the most rapid increases are in the developing world. The highest growth rates have been in Africa. But the gap between haves and have-nots is closing only slowly. Complicating the picture is that Internet use is relatively costly in poorer nations, the apparent result of limited and less efficient technology, fragmented bargaining by service providers in developing countries with the firms that provide international linkages, and a general lack of telecommunications skills and market knowledge. The report recommends that international support be provided to help overcome these obstacles. It also recommends ways for service providers in poorer nations to cooperate so that they have greater clout when negotiating deals for international connections. (See UNCTAD/PRESS/PR/2005/046)

UNCTAD is participating in a global Partnership on Measuring ICT for Development to coordinate work on ICT statistics and to help developing countries collect comparable data

IIEI Update - Continued from page 4

faculty and staff have time to devote to making further improvements for our students.

Thank you to all of our students and supporters for your feedback and encouragement. We welcome your inputs. Email comments to:

tandrews@expandglobal.com

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enrolled their employees
into courses leading to
industry certification.

IIEI Press Opens Doors

IIEI Press, a division of the International Import-Export Institute, officially began operations with the publishing of Joseph Zodl's latest book. (See book review on facing page.)

IIEI Press was created to meet the demand for books and materials that are of a practical nature and meet the needs of the industry. Zodl's book will be added to other texts and materials historically internally published by IIEI, including the Global Desk Reference Handbook and the Journal of Practical Global Business, a peer reviewed journal.

Starting in July, IIEI Press will accept inquiries from authors seeking to have their manuscripts published. IIEI Press expects to add up to four titles to its book list in the 2006-07 season.

You can visit the publisher at:
www.iiei.edu/IIEI-Press

ACI Training - Continued from page 7

panies. Over 25,000 senior business and public sector executives, attorneys and other professionals around the globe will attend a C5 event this year.

To learn more about the ACI and C5, go to

www.americanconference.com

Did you know that you should check the Denied Persons Lists when **Importing? ICE and Homeland Security do. Shouldn't you?**

MultMix - Continued from page 3

cable to the Market requirements and Satisfies ever-changing needs of the industry”.

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For further enquiries contact:

Obiora Madu ACIB, FIEoN, CITE

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Website:

www.exportacademynigeria.com

Editor's Note: Multimix Academy has been an IIEI Training Partner for four years.

60 Month - Continued from page 4

Griesbach for export control and money laundering violations. He was also ordered to pay a \$50,000 fine and given two years' supervised release. He has also agreed to forfeit his interest in his Manitowoc home and \$329,000 cash.

A jury convicted Ning Wen of nine counts related to his participation in a conspiracy to illegally export more than \$300,000 in electronic components to the People's Republic of China (PRC) from 1991 to 2004.

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Source: www.undp.org/rba

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Government Student Loans

A bill has passed Congress and has been signed in to law by President George W. Bush on February 8, 2006 enabling IIEI and other online universities to qualify to offer Federal Financial Aid – Title IV to its students.

Long before that date, the IIEI began preparations for this event. With all the government processes and requirements that must be completed, it is expected that Federal

Financial Aid will be available to IIEI students beginning in 2007, if not sooner. As details become clearer, future issues of GlobalWatch® will discuss the time line further.

The Reauthorization of the Higher Education Act (RHEA) is still before Congress. The portion dealing with approving online education for Title IV funding was pulled from the RHEA and added to a non related bill in order to expedite is approval.

The RHEA will pass Congress very soon. As now agreed in both the House of Representative and the Senate, the RHEA gives a single definition of an “accredited institution” thereby removing the issue of regional versus national accreditation. Accordingly, the U.S. Department of Education will note colleges and universities as as having only “Nationally Recognized Accreditation”. This also means that

Under the soon to be enacted law, organizations must provide education benefits to their employees without discriminating on the school’s accreditation - such as regional or national accreditation

the issue of transferability of credits between schools will be easier. Schools will not longer be able to deny credits based on the accreditation of the school the student earned the credits from. A final vote by both houses is needed before the bill can be signed into law.

Under the new proposed law, organizations must provide education benefits to their employees without discriminating on the schools accreditation--

such as regional or national accreditation. The new RHEA says that only one type of accreditation body exists as recognized by the U.S. Department of Education. and that is a “Nationally Recognized Accrediting” body.

Jobs Anyone?

Did you know that IIEI puts job postings on its web site free of charge to employers and free to users? Visit our main page (www.iiei.edu) and then click on *Library Store and More*, then click *IIEI JobNet*. Enjoy!

Employers may send their postings in Word Doc format only to jobnet@expandglobal.com.

Empowered Officials Course Update

As a result of Beta Testing of the 3-week online version of the “Orientation for Empowered Officials (EOs)” Course modifications are underway. The unanimous consensus of industry and US Government (USG) participants is that we tried to cram 50 pounds of material into a 30 pound bag. Beta testers also indicated the course is a much needed long-overdue foundation for EOs. It was initially developed in response to industry practitioners and strongly recommended by several large defense contractors.

Therefore, to help raise the standards and in response to feedback and international trade compliance community needs, the course is being expanded from 3 to 6 weeks with some information added and modified. Additionally, the amount of material in each lecture/lesson will be better balanced throughout the entire course. These refinements are an important step away from having EOs in name only and giving EOs the tools they need to better understand the job and comply with the letter and spirit of the law and regulatory requirements.

The revised edition, IIEI-257, will still be titled Orientation for Empowered Officials although it broadly covers senior trade and compliance position responsibilities under a variety of USG regulations. The new version will hopefully put 60 pounds into a 60 pound bag. IIEI-257 will most likely be Beta Tested sometime this summer in about the May/ June timeframe. Look for that offering....



IIEI Membership

The International Import-Export Institute's (IIEI) membership program has always been a valuable tool for both members and IIEI as an organization. As we usher in spring and prepare for another busy year at the Institute, there will be a number of opportunities made available to corporate or individual members around the world.

We are in the early stages of building a centralized website as a helpful resource for members only. It will provide forums, chapter organization and contact information, as well as event information from IIEI's headquarters.

Along with the website, we are also concentrating on expanding memberships into IIEI Chapters around the globe. Chapters are being established and reviewed daily- the odds that one exists nearby is better than ever. Call the IIEI today and find out if there's one available in your city or area!

We are also going to start a "Interesting quote of the Month" program that would allow you, the members, a chance to submit interesting quotes that you may have run into.

I would also like to remind our certified professionals (CUSECO®, CITP®, etc.) that current membership is required in order to maintain certification, per the Certification Board of Governors standards of certification. Certified members will receive the same care and support services as our other non-certified members, with a few perks. Remember: An IIEI Membership gets you 10% off all certification exams and other benefits.

In addition to the departmental overhaul going on in memberships, we are also restructuring the Certification

and Testing Department. If you are certified and would like information regarding the updates services and support made available, please contact the IIEI for more information.

As always, member feedback is invaluable and appreciated by all of us in the Member Services Department. A survey will be sent out to all current and expired members regarding improvements to the program- please take a moment to complete it and return it to the IIEI. If you have any additional comments or suggestions for the rebuilding of our Membership Program, please contact us at:

members@expandglobal.com or by phone at (800) 474-8013.

Thank you to our members for your continued support and investment. We welcome your inputs.

IIEI Certifications

Congratulations to the following on successful completion and recent award of the respective certifications.

Certified Exporter®

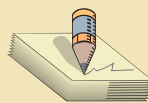
Mykola Chobotar PA

Certified International Trade Logistics Specialist®

Heidi Sankey WI

Certified U.S. Export Compliance Officer®

Dave Bowman TX
 Bobby Butler TX
 Jason Coombs TX
 Brent Jones TX
 Laura Kraus TX
 William Lawyer TX
 Kenneth May TX
 Brian McCormick TX
 Darrell Williams VA



IIEI Student Honor Roll

Outstanding performance for two or more semesters.

Adkins, Kara
 Albasini, Colby
 Aleman, Mario
 Allen, Connie
 Alvares, Dana
 Arzt, Kathleen
 Baker, Carol
 Bass, Glenda
 Behnke, Julianna
 Brown, Debra
 Browning, Jennifer
 Butler, Bobby
 Clark, Amy
 Clark, George
 Coombs, Jason
 Councill, Mike
 Decker, Dixie
 DuBois, Trisha
 Dunham, Lesley
 Elrod, Bradley
 Floccher, Roberta
 Forgey, Catherine

Forsythe, Zorrie
 Galawish, Elsia
 Galloway, Mary
 Goding, David
 Gozdan, Tina
 Hall, Dan
 Hawkins, Katie
 Hunt, Krista
 Hutchinson, Ingrid
 Jenkins, Eileen
 Johnson, Roberta
 Jones, Brent
 Kraus, Laura
 Laneville, Monique
 Lawyer, Bill
 Maier, Martin
 Malik, Roxanne
 May, Ken
 McAlpine, Lionel
 McCauley, Michael
 McCormick, Brian
 Meddoza, Eddie

Moloney, Blake
 Montez, Michael
 Nelson, Harry
 Peck, Jody
 Perez, Antonette
 Precord, Dennis
 Quesada, Paul
 Owen, Nina
 Rich, Jim
 Robinson, James
 Rozar, Dave
 Schaefer, Melissa
 Seaver, Connie
 Siler, Marie
 Stendal, Wendy
 Stiglets, Timothy
 Tuchon, Janie
 Vybiral, Shelley
 Wallett, Janet
 White, Walter
 Williams, Denise
 Wong, Charles

Congratulations!



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