



# GlobalWatch®

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## Logistics is Important in Opening Markets

This year marks the eighth annual TransBaltica International Conference, which opens February 25th in Riga, Latvia. Many international companies are expected to attend this year because the economic climate of the region suggests that it is ready for foreign investments and growth.

The conference focuses on logistics issues related to doing business in the Baltic states. It should be of particular interest to managers of international and Baltic freight forwarding companies; managers and specialists of customs services wanting to do business in the region; representatives of branch and state structures, global financial institutions and investment companies; repre-

sentatives of international committees and associations on transport infrastructure development; and representatives of scientific and academic institutions

*What will be the solution of the Baltic interstate transportation issue?*

Logistics trends and forecasts for the Baltic states will be presented as they relate to the united Europe. Experts on Baltic issues and logistics specialists will provide answers on these and many other questions, such as:

*How do leading experts evaluate the transport and transit market situation in the world and on European markets specifically?*

*What will be the solution of the Baltic interstate transportation issue?*

*May we consider the European Union (EU) widening as a new impulse for transit development in the Baltics?*

*How to strengthen positions that would be able to ensure competitive advantages of the Baltic transit?*

*Development of new transport routes and projects – will they be demanded?*

For more information, please visit <http://www.rms.lv>  
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**Editor's Note:** The topics of this conference are not unique to the Baltic states. They are important to every country as they gauge their competitive status in the global marketplace of the future. This conference gives companies interested in doing business in the Baltic states the opportunity to explore the possibilities.

Read all the past issues of **GlobalWatch®** at [www.iei.edu](http://www.iei.edu)

### Baltic States Open For Business

Ten years ago Germany opened its first trade representative offices in the Baltic states. Since then, companies from many nations have shown increasing interest in the area, and the need to better serve these interests. One trade organization, the German Baltic Chamber of Commerce (AHK) is leading the way.

On March 1, the chamber was established in Berlin by representatives from German, Estonian, Latvian and Lithuanian companies. Essentially the German trade offices in Tallinn, Riga and Vilnius merged with the German business associations in Latvia and Lithuania to form a new entity with approximately 250 members under the presidency of Dr. Gunter Dunkel, a member of the managing board of Nord/LB bank. The chamber's office in Tallinn: (372) 627-6940

The Baltic states represent a forward thinking, expanding market that has potential for many companies. (See Estonia Country Profile on page 8.)

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## Notes from the Executive Director

# Blow out the Candles

and then back to work

*by Dr. Donald N. Burton*



As the year 2005 unfolds, IIEI passes a milestone: our 10<sup>th</sup> anniversary. What many thought was an impossible endeavor, to establish international trade certification standards and supporting training, and to also be so bold as to believe it would gain the trust and respect worldwide, was laid to rest several years ago as the industry embraced our certification program. Now in our tenth year, our industry certification is the recognized standard and IIEI has become a global leader for international trade training through our online delivery and through our many Approved Providers worldwide. However there is much work still to be done.

In most regions of the world, international trade certification is still just beginning to take hold. As Approved Provider organizations across the globe train more and more individuals to the Certification Board of Governors' set standards, the impact of certification will be felt. The world is growing smaller as global supply chains are woven into a rich tapestry, reflecting the rapid movement of goods and services traversing the globe. Without the standardization brought about by trade certification, further increases in productivity and performance will be dif-

ficult to achieve. Neal Burnham, Deputy Assistant Secretary, U.S. Department of Commerce, U.S. Commercial Services agrees and formally applauded our efforts stating "A program like this helps facilitate trade among all nations."

During 2005, the world should start to see more activity from the Certification Board of Governors (CBG) as the various committees become fully staffed and engaged in establishing and monitoring industry standards. The volunteers who serve on the CBG committees are world class. Their efforts will help solidify support of the certification program.

At your request, IIEI is dedicating more resources toward meeting the needs of those involved in trade compliance. As detailed in the last issue of GlobalWatch®, five new compliance courses will be offered in 2005. To support the trade compliance segment fully, IIEI is seriously considering adding a masters degree program in trade compliance. If such a program sounds like something you might be interested in, let our staff know. If enough of you want it, it will still take well over two years to fully roll out.

Globally, our bachelor degree program is generating increased interest. We expect it to double in

*Candles -Continued on page 9*

Updated Trade  
& Tariff Data

## International Trade Commission

**FREE** Data Warehouse

The U.S. Department of Commerce's International Trade Commission (ITC) has updated its interactive tariff and trade data warehouse, the ITC DataWeb, which is available to the public free of charge. ITC describes the DataWeb system as "a self-service, interactive, Internet-based system that provides access to extensive tariff and trade data."

"The system is designed to enable even novice users to find their way - unassisted - through the numerous options available in working with tariff and trade data," ITC adds. "The ITC DataWeb responds to user-defined queries rapidly, and it allows both expert and non-expert users to create and save customized country and product lists for future re-use from anywhere in the world."

The Interactive Tariff and Trade DataWeb page includes the following features:

- "Quick Look-Up - Tariff Programs" - Tariff preference programs, eligible countries, GSP eligibility by product and country.

- "Commodity Translation Wizard"

- Translates among Harmonized Tariff Schedule (HTS), Standard International Trade Classification (SITC) and North American Industry Classification System (NAICS) codes.

- 2004 Tariff Database - Quick lookup; effective dates; related

- trade data. - 2004 U.S. Tariff Online by Chapter - Full legal text; headnotes; footnotes; change record.

- U.S. Trade with Sub-Saharan Africa - Annual, Quarterly and Monthly data, imports under GSP and AGOA; and updates on Inv. 332-415, U.S. Trade and Investment with Sub-Saharan Africa.

- U.S. Trade by Geographical Region - Country groups and trade changes highlighted; U.S., Trade by Partner Country - Trade balances by country - drill down to trade details; and Production Sharing - U.S. Imports Under HTS 9802 - U.S. goods exported for processing

- abroad and returned to the United States

- Tariff Database Tables 1997-2004 - for browsing or downloading.

DataWeb also offers a "Future Tariffs Lookup" feature, which allows users to access scheduled U.S. tariff reductions under the following programs and agreements:

- Caribbean Basic Trade Partnership Act (CBTPA) - for 2000-2008.

- Chile - U.S. Free Trade Agreement - for 2004-2016.

- Jordan - U.S. Free Trade Agreement - for 2001-2010.

- NAFTA for Mexico - for 1999-2008.

- Normal Trade Relations - for 1999-2004.

- Singapore - U.S. Free Trade Agreement - for 2004-2014.

According to the ITC, the DataWeb integrates international trade transactions with complex tariff and cus-

toms treatment. Import and export materials are updated monthly. Data are available for years 1989 to present, on a monthly, quarterly, annual, or year-to-date basis and can be retrieved in a number of classification systems, including the HTS, SIC, SITC or NAICS. Predefined reports are also available by geographic region and partner country.

The USITC Interactive Tariff and Trade DataWeb can be accessed online at:

[www.usitc.gov/tata/hts/other/dataweb/](http://www.usitc.gov/tata/hts/other/dataweb/)  
<http://dataweb.usitc.gov>.

Courtesy Expeditors Newsflash

**even novice  
users to  
[easily] find  
their way**

### About the ITC

The U.S. International Trade Commission is an independent, nonpartisan, quasi-judicial federal agency that provides trade expertise to both the legislative and executive branches of government, determines the impact of imports on U.S. industries, and directs actions against certain unfair trade practices, such as patent, trademark, and copyright infringement.

The mission of the Commission is to: (1) administer U.S. trade remedy laws within its mandate in a fair and objective manner; (2) provide the President, US Trade Representative, and Congress with independent, quality analysis, information, and support on matters of tariffs and international trade and competitiveness; and (3) maintain the Harmonized Tariff Schedule of the United States.



**U.S. Bureau of Industry and Security**  
News and Announcements

### BIS Mandate

The Bureau of Industry and Security (BIS) is responsible for implementing and enforcing the Export Administration Regulations (EAR), which regulate the export and reexport of most commercial items. We often refer to the items that BIS regulates as “dual-use” - items that have both commercial and military or proliferation applications - but purely commercial items without an obvious military use are also subject to the EAR.

### New Deputy Assistant Secretary for Export Enforcement Named

The U.S. Department of Commerce is pleased to announce that Wendy L. Wysong has assumed the position of Deputy Assistant Secretary of Commerce for Export Enforcement in the Department’s Bureau of Industry and Security (BIS), effective today. Ms. Wysong will serve as the senior career executive in the Export Enforcement arm of BIS. She also becomes acting Assistant Secretary, pending the nomination and confirmation of a new Assistant Secretary to fill the current vacancy in that position.

Ms. Wysong will help lead BIS’s activities to protect U.S. national security and foreign policy interests by vigorously enforcing the export control and antiboycott provisions of the EAR. BIS conducts its enforcement activities through eight field offices, one resident office, and five overseas attaches, as well as headquarters staff in Washington, DC

### Customs and WCO Agree on Standards

The Bureau of Customs and Border Protection (CBP) issued a press release today announcing that the World Customs Organization (WCO) has endorsed a Framework of Standards to secure and facilitate global trade that is based upon principles designed and implemented by the CBP. The WCO represents 164 Customs administrations from around the world and accounts for 99 percent of all global trade. CBP stated that the WCO Framework is designed to encourage cooperation between worldwide Customs administrations to secure international supply chains and facilitate the movement of goods, with the use of advanced electronic information and smarter, more secure containers as vital components.

## How To Determine an Export Control Classification Number

There are three ways to determine an Export Control Classification Number (ECCN):

1. Contact the manufacturer, producer, or developer of the item in question. If the item has been exported in the past, then they may know the ECCN, what countries require an export license and whether the item qualifies for a license exception.

2. Consult with the Export Administration Regulations (EAR), which can be found in most public libraries or in the Code of Federal Regulations (15 CFR Parts 730-774). Determine the ECCN from the Commerce Control List (CCL), Part 774 in the EAR. Instructions on how to use the CCL can be found in Part 730.

3. Request an official classification on the Bureau of Industry and Security (BIS) Multipurpose Application Form, BXA-748P, from the Department of Commerce. This, and other BIS forms, can be obtained by faxing a request to 202-219-9179; by calling the Exporter Counseling Division on 202-482-4811; or by completing the order form found on the internet ([www.census.gov](http://www.census.gov)).

Classification requests are processed within 14 calendar days after receipt. Mail Form BIS-748P to one of the following addresses:

Office of Exporter Services  
Attn: Classification Request  
P.O. Box 273 Washington, D.C. 20044

Or: Office of Exporter Services  
Attn: Classification Request, Room 2705, 14th & Pennsylvania Avenue, N.W. Washington, D.C. 20230



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[www.usexportcompliance.com](http://www.usexportcompliance.com)

## DDTC: Announces New Registration Fee

The U.S. Department of State's Directorate of Defense Trade Controls (DDTC) has announced that, effective December 8, 2004, all new or renewing registrants must pay the increased annual registration fee of \$1,750.

According to the DDTC Registration web page, registrants may renew up to a maximum of two years. Prior to an amendment to the regulations, published in a Federal Register notice on December 8, 2004, the maximum registration period had been up to four years.

All manufacturers, exporters, and brokers of defense articles, defense services, or related technical data, as defined on the United States Munitions List, are required to register with DDTC. According to the web page, registration is primarily a means to provide the U.S. Government with necessary information on who is involved in certain manufacturing and exporting activities. Reg-

istration does not confer any export rights or privileges, but is a precondition for the issuance of any license or other approval for export.

DDTC noted that, while Form DS-2032 has the old registration fee schedule, registrants are still required to pay the new registration fee, adding that a revised form will be issued in the near future. DDTC's registration web page can be accessed on-line at: [www.pmdtc.org/registration.htm](http://www.pmdtc.org/registration.htm).

The Federal Register notice providing further details on the changes in the regulations can be accessed on-line at:

[www.pmdtc.org/docs/FRNotices/22FR70888.pdf](http://www.pmdtc.org/docs/FRNotices/22FR70888.pdf).

Courtesy Expeditors Newsflash

**DDTC Announces Publication  
of Online D-Trade Newsletter**  
visit

[http://pmdtc.org/dtrade\\_newsletter.htm](http://pmdtc.org/dtrade_newsletter.htm)

### *Export Control Primer* for Universities and R & D Organizations

#### What is an "export"?

Under the Export Administration Regulations (EAR), an "export" is any actual shipment or transmission (including via electronic means) of items out of the United States. It also includes any release of technology or software to a foreign national within the United States. [Editor's Note: An "Export" is defined differently under the International Traffic in Arms Regulations administered by the U.S. State Department.]

#### What is "export control"?

The Bureau of Industry and Security (BIS) — part of the U.S. De-

partment of Commerce, is responsible for administering exports (other than military use items) on behalf of the federal government.

The BIS issues the EAR, which contain the information exporters need to determine what, if any, authorization (usually given by a license) is needed before exporting their items or technology abroad. Other U.S. Government agencies regulate exports, too. Therefore, before exporting from the United States, you must determine what U.S. agencies regulate the particular export and how they regulate it. The EAR covers most commercial

CITA and EU Officially  
Remove WTO Textile  
and Apparel Visa  
Requirements for 2005

The Committee for the Implementation of Textile Agreements (CITA) published a Federal Register notice today containing a directive to the Commissioner of the Bureau of Customs and Border Protection (Customs) instructing the agency on the cancellation of visa, Electronic Visa Information System (ELVIS), Guaranteed Access Level (GAL) Certification and exempt certification requirements for member countries of the World Trade Organization (WTO).

The European Commission adopted the CITA's proposal and timeline. "This definitively seals the disappearance of textiles quotas that have been in place for four decades and there is no going back," declared EU Trade Commissioner Peter Mandelson..

Under the Uruguay Round Agreement on Textiles and Cloth-

*Textiles -Continued on page 9*

exports as well as dual-use (military and commercial) exports. Export licensing is primarily based on products or technology exported, the destination and end-use, and the identity of the end-user.

#### Frequently Asked Questions regarding export control

##### **Do I need a license in order for a foreign graduate student to work in my laboratory?**

You don't need an export license if the research on which the foreign student is working qualifies as "fundamental research." Fundamental research is basic and applied research in science and engineering,

*Primer -Continued on page 9*

# In Compliance....

## *Expert Advice on:* Update on Mandatory AES and Changes to Foreign Trade Statistics Regulations

by Douglas Jacobson, Esq.

The long-delayed regulation implementing the Security Assistance Act of 2002 (Public Law 107-228, 116 STAT. 1350), which requires all Shipper's Export Declarations (SEDs) to be filed electronically through the Automated Export System (AES) and increases penalties for delinquent SED filings, has been finalized by the Bureau of the Census (Census) and is being circulated to other agencies for review. Census expects the Notice of Proposed Rule Making (NPRM) to be published in the Federal Register in early 2005. The NPRM will provide the public with a 60 day comment period. Census expects the final rule to be published in late 2005. Census plans to give exporters an additional 90-day period to phase-out the filing of all paper SEDs. Census expects to phase out the paper version of the SED (Form 7525-V) in early 2006.

In addition to requiring the mandatory filing of export-related data via AES, the NPRM will also implement several major changes to the Foreign Trade Statistics Regulations (FTSR) (15 CFR Part 30) that are required by law. First, the FTSR will be renamed the Foreign Trade Regulations (FTR). Second, because export data will be filed electronically, the term SED will be replaced by the term EEI (Electronic Export Information). Third, current SED filing options 2 and 4 will be renamed, Pre Departure filing and Post Departure filing, respec-

tively. Current Option 4 filers will be grandfathered into the new system (a list of current AES Option 4 filers can be found at

[www.census.gov/foreign-trade/aes/approved-aes-opt4.html#W](http://www.census.gov/foreign-trade/aes/approved-aes-opt4.html#W)).

There will be a number of changes to the current system for companies that are not, but would like to become, Post Departure filers.

One of the most significant changes that was required by the Security Assistance Act of 2002 and

will be implemented by the new Census regulation is a significant increase in the penalty provisions associated with the fil-

**Significant increase  
in penalties to be  
imposed**

ing of SEDs/EEIs. Because of the current emphasis on the SED/EEI as an export control document, Census will move from the current system of virtually no enforcement activity to a system where significant penalties can and will be imposed for late or inaccurate filings. Census has indicated that it is re-asserting its authority over the enforcement of the FTRs and will have the authority to refer violations of the FTRs to the Bureau of Industry and Security's Office of Export Enforcement. CBP and Immigration and Customs Enforcement will have jurisdiction over violations discovered in the field. Under the new Census regulation, civil penalties for the late filing of SEDs/EEIs can be imposed on the U.S. Principal Party in Interest (USPPI), the

USPPI's agent (i.e., freight forwarder) AND the carrier. Monetary penalties up to \$1000 per each day for late filings can be imposed on exporters/forwarders/carriers, up to a maximum of \$10,000 per violation. The Census regulation will set forth a number of mitigation and remission considerations.

Even though the mandatory filing of export data via AES for US Munitions List and Commerce Control List items went into effect in October 2003, some ports are still requiring exporters to provide a paper copy of the SED for exports of military and other controlled products. Census expects this practice to cease in the near future since Census and the State Department's Directorate of Defense Trade Controls (DDTC) have recently signed a Memorandum of Understanding whereby Census will supply export data directly to DDTC.

In anticipation of the forthcoming move towards mandatory AES and increased enforcement activity on export data, companies interested in performing an internal audit of their prior SED filings can request one year's worth of SED data from Census at no cost. Census will charge exporters \$125 for each additional month's worth of data.

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### Case Studies Receive Increased Certification Programs Emphasis

John Priecko, Chairman, Ethics & Professional Standards Committee

The EPSC has unanimously recommended that situations and the lessons learned from them be given more emphasis in Certification Programs. The Certification Board of Governors (CBG) has approved the initiative which includes adding case studies and related short-answer questions to individual course finals and certification exams.

The EPSC and CBG are convinced multiple-choice questions alone do not adequately measure the full range of knowledge a student takes away or should take away from courses and certification exams. These situations will provide an opportunity to practically consider and apply material learned to further assess an individual's ability to find information in the regulations and relate responses to specific circumstances. Course participants will review a scenario and then respond to specific short-answer questions that apply directly to the case study to include identifying violations, issues, courses of action and making recommendations.

Exam case studies will include at least five related short-answer questions. On final and certification exams, case studies will represent no more than 20% of the total exam grade. Situations and related questions can be submitted by students to individual course instructors or developed by Content Area Specialists. All case studies must be reviewed by Content Area Specialists and validated by an independent Subject Matter Expert before inclusion in any course's curriculum. Case studies for course exams will

not be the same as those used in the related certification exam.

The International Import-Export Institute began a phased implementation of this initiative on January 1st, 2005 with the goal of all their certification programs including case study based situations with related short-answer questions on final and certification exams by the end of 2005.

The EPSC has also reviewed curriculum for several new courses. Next on our agenda is a new certification program that folds in customs, imports, ethics and compliance program development. In conjunction with that effort, we are also looking at a separate certification specifically for Empowered Officials. Additionally, we are considering where best to place the "Ethics in Trade Compliance" course as a requirement in several existing certification programs.

If you have any questions, comments or other suggestions, please don't hesitate to contact me directly at [jpriecko@industrycertification.org](mailto:jpriecko@industrycertification.org).

For more information on the EPSC go to [www.industrycertification.org/standards\\_com.htm](http://www.industrycertification.org/standards_com.htm).

### Certification Board Appoints Executive V.P.

The Board of Directors of the Certification Board of Governors (CBG) has appointed John P. Priecko as Executive Vice President of the CBG. Along with John's many other volunteer contributions to the 501(c)3 non-profit organization, he will also now act as a liaison for the CBG with the US Government, foreign embassies and related trade/professional associations.

He will continue his duties as Chairman of the Ethics and Professional Standards Committee (EPSC). The EPSC is responsible for setting and maintaining the industry's professional and ethical certification standards and insuring individual course curriculums' learning outcomes remain current with the dynamic international trade environment.

If you would like to know more about the CBG, it's mission, organization, committee structure and related volunteer opportunities, go to

[www.industrycertification.org](http://www.industrycertification.org)

Where in the industry do you see yourself 10 years from now?

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Over **40** of the top **50** U.S. aerospace and defense companies have enrolled their employees into courses leading to industry certification.



*Country Profile*  
**Republic of Estonia**

For centuries until 1920, Estonian agriculture consisted of native peasants working large feudal-type estates held by ethnic German landlords. In the decades prior to independence, centralized Czarist rule had contributed a rather large industrial sector dominated by the world's largest cotton mill, a ruined post-war economy, and an inflated ruble currency.

Since re-establishing independence, Estonia has styled itself as the gateway between East and West and aggressively pursued economic reform and integration with the West. Estonia's market reforms put it among the economic leaders in the former COMECON area. A balanced budget, flat-rate income tax, free trade regime, fully convertible currency, competitive commercial banking sector, and hospitable environment for foreign investment are hallmarks of Estonia's free-market-based economy. Estonia also has made excellent progress in regard to structural adjustment. Today, near-ideal conditions for the banking sector exist. Foreigners are not restricted from buying bank shares or acquiring majority holdings.

During recent years, the Estonian economy has continued to grow. Estonian GDP grew by 6.5% in 2001 and by 6.0% in 2002. Inflation declined modestly to 4.2% in 2001; for 2002 the inflation rate was 2.7%.

**Estonia relies on its greatest natural asset—its location at the crossroads of East and West**

**Foreign Trade**

Estonia's liberal foreign trade regime, which contains few tariff or nontariff barriers, is nearly unique in Europe. Estonia also boasts a national currency which is freely convertible at a fixed exchange rate, and conservative fiscal and monetary policies. Estonia has free trade regimes with EU and EFTA countries and also with Latvia, Lithuania, Ukraine, Slovakia, Poland, Hungary, Turkey, the Faro Islands, Slovenia, and the Czech Republic. Estonia's business attitude toward the United States is positive, and business relations between the United States and Estonia are increasing significantly.

**Estonia at a Glance**

- GDP:** ppp - US\$6.5 billion (2002)
- GDP - real growth:** 6.0% (2002)
- GDP - per capita:** \$4,720
- Inflation rate:** 1.3% (2004 est.)
- Labor force:** 654,000 (2004 est.)
- Unemployment rate:** 10.1% (2004)
- Population:** 1,341,664 (July 2004 est.)
- Exports:** \$4.075 billion (2004 est.)
- Exports - commodities:** machinery and equipment 33%, wood and paper 15%, textiles 14%, food products 8%, furniture 7%, metals, chemical products
- Exports - Markets:** Finland 21.9%, Sweden 12.5%, Russia 11.4%, Germany 8.4%, Latvia 7.4%, Lithuania 4% (2003)
- Imports:** \$5.535 billion (2003 est.)
- Import Commodities:** machinery, chemicals, semi-finished goods, fuels, transport equipment
- Exchange Rate:** Krooni per US Dollar - 13.8564 (2003)
- Note:** The information above was compiled from several sources, including the US CIA World Fact Book and various reports from the Republic of Estonia.





*Candles -Continued from page 2*

number of students in 2005. When new applicants to the program first contact IIEI, they state how surprised they are that we are the only university offering this unique practical curriculum. During 2005, we will be adding more lower division courses to assist students in meeting their general education requirements. Two introductory courses are already up online: Introduction to Psychology and Introduction of Physical Science. Watch our web site for other new offerings.

So what happens next? Beyond what I mentioned, our continual focus is to better meet your needs. We will be adding faculty and staff to keep up with the growth in students and the continual increase in the number of people worldwide taking the certification examinations. Every three to six months all courses will continue to be updated to reflect the latest knowledge. Compliance related courses are under revision constantly as the rules and regulations change. And lastly, and most importantly, we will continue to listen to you, our customer, and hopefully continue to exceed your expectations.

*Textiles -Continued from page 5*

ing, the fourth and final phase of the integration of textiles and textile apparel manufactured in countries that are members of the WTO will take effect on January 1, 2005. As a result, textiles and textile apparel manufactured in a WTO country and exported on or after January 1, 2005 will no longer be subject to WTO-based quota restrictions.

*Primer -Continued from page 5*

where the resulting information is ordinarily published and shared broadly within the scientific community. Fundamental research can be distinguished from "proprietary research" and from industrial development, design, production, and product utilizations, the results of which ordinarily are restricted for proprietary reasons or specific national security reasons. Fundamental research is not subject to the EAR.

**What if I'm working under a cooperative research arrangement with a research group at a U.S. university, and one of the researchers in that group is a People's Republic of China (PRC) national — do I need to obtain a license to release information to that group?**

No. The EAR do not apply to the disclosure of information to any scientists, engineers, or students at a U.S. university in the course of university research collaboration under specific arrangements between you and the university. However, if the agreement were with an industry sponsor and contained restrictions on publication, you would need to obtain either a license or qualify for an exception from the license requirements before disclosing information.

**My research group will be hosting a prominent scientist from the PRC who is an expert on research in engineered ceramics and composite materials. Am I required to obtain a license before telling our visitor about my latest, as yet unpublished, research results in those fields?**

Probably not. If you performed research at your school, and you were subject to no contract controls on release of the research, your research would qualify as "fundamental research," which is not subject to the EAR.

Nevertheless, you should probably assume that your visitor will be de-

briefed later about anything of potential military value that she learns from you. If you are concerned that giving such information to her, even though permitted, could jeopardize U.S. security interests, the U.S. Commerce Department can connect you with appropriate Government scientists who can advise you. Write to: Department of Commerce, Bureau of Export Administration, P.O. Box 273, Washington, D.C. 20044.

**Would it make any difference if I were proposing to talk with a PRC expert in China, rather than in the United States?**

No, if the research at issue is fundamental research.

**Could I properly do some work with her in her research laboratory in China?**

Application abroad of personal knowledge or technical experience acquired in the United States constitutes an export of that knowledge and experience, and such an export may be subject to the EAR. If any of the knowledge or experience you export in this way requires a license under the EAR, you must obtain such a license or qualify for a license exception. Contact the Patent Department for assistance on this issue.

**What if I am asked while in China to consult briefly on applying my fundamental research on a practical application problem that they are experiencing?**

The product of your work would be going beyond fundamental research would likely require a license.

If in doubt, you should err in favor of not exporting the knowledge until you speak with your school's or organization's Patent Department who will be well versed in determining whether a license is required.

ECCN -Continued from page 5

You may request an ECCN electronically through the Electronic Licensing Application Information Network (ELAIN). You must obtain a PIN number prior to submitting an electronic request. For further information regarding ELAIN and PINs, contact the Operations Support Division at (202) 482-3290.

### Requirements for Classification Requests

1. Each request is limited to five items. Exceptions may be made on a case-by-case basis for several related products if the relationship between these products is substantiated and documented.

2. Attach descriptive literature, brochures, technical papers or specifications to assist licensing officials in determining the correct ECCN.

3. On the BIS form 748P (information on obtaining this form is located at <http://w3.access.gpo.gov/bis/ear/pdf/748.pdf>), complete Blocks 1 through 5, Block 14, Block 22 (B) (only if the item is a computer), Block 22 (C), Block 22 (I), and Block 22 (J). If more space is needed for technical description required in Block 22 (J), use the Item Appendix Form 748P-A for additional space. Once completed, the form should be signed and submitted to BIS at the following address:

Bureau of Industry and Security Office of Exporter Services Exporter Counseling Division, Room 1099C 14th & Pennsylvania Ave., N.W. Washington, D.C. 20230

Classification schedules are available at the U.S. Census Bureau at <http://www.census.gov/foreign-trade/reference/codes/index.html>

## A Personal Journey with Honors

IIIEI recently unveiled its new Honors designation for the Certified U.S. Export Compliance Officer® program. We thought you might enjoy hearing about the first person to earn the CUSECO® with Honors, Mr. Art Causin.

Art told us his motivation for excellence was born of necessity when he was recently appointed Director of Corporate Compliance for the EDO Corporation, a company that provides military products and professional services to the United States Government, allied governments and their prime defense contractors. Before he officially took the position to oversee the new compliance effort, Art knew he needed expert knowledge and he needed it fast. A search on the Internet turned up the Institute. After he did his due diligence, Art wasted no time in enrolling in the CUSECO® program. His new position also meant other changes. Art found that he no longer had a quick auto ride to work, but a long train commute, which he says turned out to be good. He used his commute time for quality study time for his courses, which ultimately earned him the CUSECO® with Honors.

Art's business background until this time had focused on manufacturing quality. He says his new role in compliance is really just an extension of what he has been doing for over thirty years. He says quality is always about the details and compliance is details. His formal education includes a bachelors degree in statistics and an MBA from Long Island University.

The intensity of the CUSECO® program is what attracted him to it, he said. "I didn't want a little infor-

mation as I would get from a two day conference, such as the Society for International Affairs or BIS. I wanted it all. I needed it all. I was also concerned that I might have bitten off too much in taking on the program. I even spoke with Dr. Burton at the Institute about this. "He assured me that I could do it."

When asked what caused him to strive for perfection, Art said, "Excellence was my only option. The law requires strict compliance and I take it very seriously." He followed up by saying that the compliance program is only as good as its people, which made his effort critical to EDO's success.

Art says that he quickly learned the importance of paying attention to detail in his studies, and was pleased that the Institute's online courses were structured in such a way as to force him to look at the details. He was also pleased that he could structure his studying around his hectic schedule.

"Earning my CUSECO® gave me a sense of accomplishment and it validated my efforts," Art said. "And it certainly will be included in my credentials from now on, showing that I've met the professional standard. I am honored to be the first person to earn this distinction." He was quick to point out that he greatly valued the support he received from his instructors and his fellow classmates, which made all the difference in how much he learned.

Art added "The CUSECO® program is not a free ride. To succeed requires effort." He said compliance is a serious business and to get the most out of the program one should take it seriously too.



Art Causin



## Season's Greetings

By Melissa Jensen

It's passing by so quickly, that time of year when we roast chestnuts, shovel our driveways (well, for many of you anyway) and look forward to a new year of possibilities, dreams and of course the always well-intentioned new year's resolutions. One aspect of this season that seems to get overlooked is reflection of the year gone by. Many of us are so busy preparing for what is to come that we forget the value of remembering our past. Maybe you should stop and take a moment to think about all that has transpired for you in 2004. Did you make history? What milestones have you crossed? Did you keep last year's resolutions?

We at the International Import-Export Institute hope that each year we gain a rung in the ladder we're climbing, and some years we gain two. The year 2004 was very exciting at IIEI. With our first full year of accreditation, we saw a dramatic increase in the number of degree-seeking students. We saw some change in staffing, adding the wonderful Luis Rico and the incomparable Keri Timmons. We were pleased to welcome General Dynamics as our latest Corporate Member, who also chose to outsource their export compliance training to IIEI. We were pleased that our enrollment for 2004 reached an all-time high.

We are anxiously awaiting 2005. If 2004 was any indication, we better hold on to our hats! We thank you for your support and promise in 2005 to continue our efforts at serving you better. We wish you a prosperous and joyful New Year, and hope you had a happy holiday season from all of us here at IIEI.

### Your Industry Certification May be about to Expire

If you are a Certified Professional through IIEI, then you understand the importance of keeping current and staying on top of this fast growing industry. Did you know that your certification status has an expiration date? All international trade certifications are good for five years, and then you must complete update courses or approved Continuing Education Units (CEU) training for renewal. For holders of the Certified U.S. Export Compliance Officer® (CUSECO®) designation, being current is even more crucial, so you must complete CEUs every year.

IIEI has self-study courses to update your CUSECO® certification, and any of the regular classes offered by the Institute can be applied to the other certifications. In addition, the Institute accepts training from other sources such as seminars or in-house mandatory training. In the event that you have attended a function outside of IIEI, you can submit those hours spent to be ap-

plied toward your certification renewal. If you don't earn your CEUs before your certification expires, you must take the exam again.

It's easy to keep your certification current, so don't delay, and get your CEUs before it's too late. If you have questions, or need more information, speak with an Educational Advisor today, and check our website for upcoming courses for which to register.

### Tuition Increases April 1, 2005

Tuition for all courses will increase \$15 per credit hour for all registrations completed after April 1, 2005. For example, a compliance 3 credit course will increase from \$840 to \$885. Students may pre-pay future courses prior to that date to obtain the savings. The last tuition increase was prior to the 2003 school year.

## IIEI Certifications

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

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Henry Juan, FL

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### Compliance Officer®

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Nina Owen, CO

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## IIEI Student Honor Roll

*Outstanding performance for two or more semesters.*

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Gabriel Garcia

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***Congratulations!***



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