



AUTOMATED EXPORT SYSTEM (AES)

GOODBYE SED, HELLO EEI

What is AES?

The Automated Export System (AES) is a database system housing export shipment information that is required by multiple federal government agencies. AES provides electronic filing to the U.S. Census Bureau, using the efficiencies of electronic data transfers and the convenience of the Internet. AES is now the mandatory method of filing the “Electronic Export Information” (EEI), a new term that replaces the paper-based Shipper’s Export Declaration (SED).

AES was designed to enhance compliance with export laws, improve trade statistics, reduce duplicate reporting to multiple agencies, and improve customer service. With over 1.3 million shipments processed each year, AES has made the filing and review of shipments more efficient by handling larger volumes almost instantly, and more effective by detecting possible errors at the time of filing. AES is a nationwide system for all methods of transportation, which can be accessed worldwide, around the clock.

When Did AES Filing Become Mandatory?

The process began several years ago, and was implemented in three phases. The final phase went into effect on October 1, 2008, with the enforced compliance of AES filing of the EEI and the denial of paper SEDs. Fines and penalties will now be imposed on shipments without the proper AES filing confirmation number. *Paper SEDs are no longer acceptable!*

If you are not prepared for AES, give your Freight Forwarder (agent) written authorization to file the EEI on your behalf. Since paper SEDs are no longer valid, it would be better to prepare a thorough Shipper’s *Letter of Instructions*, which your agent will use to file the EEI via AES. As the U.S. Principal Party of Interest (USPPI), you are still responsible to make sure the EEI is filed accurately and on-time!

Other Important Changes

- Social Security numbers are no longer used for the AES. An Exporter’s Identification Number (EIN) must be requested from the Internal Revenue Service.
- All exemptions are found in Sections 30.35-30.40 Subpart D. The \$2,500 low value exemption (for shipments under \$2,500) is in FTR 30.37(a); the Canadian exemption is FTR 30.36.
- Penalties increased from \$100/day to \$1,100/day with a maximum of \$10,000 per violation. Penalties can be civil or criminal and carry up to 5 years in jail. Penalties can be assessed against USPPIs, Forwarders/Agents, and/or Carriers.
- The new regulations are called “Foreign Trade Regulations” and can be found at the [Federal Register Website](#), along with more information on the implementation.
- An AES filing exemption (i.e. confirmation) statement is called the “Proof of Filing Citation”. AES filers are required to cite the Internal Transaction Number (ITN) as the AES Proof of Filing Citation on bills of lading, air waybills, commercial invoices, or other loading documents.
- The term “Pre-departure” replaces the term “Option 2”. The term “Post-departure” replaces the term “Option 4”. The new Post-departure Proof of Filing Citation must be in this format:
AESPOST USPPI ID # - Filer ID # - Date of Export
Example: AESPOST 123456789AB-987654333-04/15/06
- A new AES Filing Citation for shipments moving under the AES Downtime Policy is required.



AUTOMATED EXPORT SYSTEM (AES)

The Downtime Citation may only be used when *AESDirect* or your AES filing system is not available, and the shipment does not classify on the U.S. Munitions List (USML). If the Filer's system is down, the filer will need to hold cargo or find alternative electronic means for filing. If AES or *AESDirect* is down, filers must use the following filing citation format:

AESDOWN FilerID Example: AESDOWN 987654333

Getting Started with AES

Filing via AES is easy to learn and has many new conveniences. For example, you can easily retrieve an existing EEI to make changes or copy it for another shipment. But don't forget, records pertaining to the shipment must be retained for five (5) years from the date of export. First, see the "Getting Started with AES" website, which has information procedures and useful tips: <http://www.census.gov/foreign-trade/aes/gettingstarted/index.html>

How your company files the AES will determine the potential costs and levels of difficulty:

- File online via *AESDirect*, or download and install *AESPcLink*, which are both FREE!!!
- Contract with an approved vendor that has developed and tested software with AES.
- Develop your own software based on the specifications available.
- Use a value-added network, electronic mailbox, or the facilities of a service center, port authority, or freight forwarder acting as your agent.

Next, submit a **Letter of Intent** to Census (see website above for instructions). Upon receipt of the letter, a Customs Client Representative and a Census Client Representative will be assigned to serve as your technical advisor during development, testing, and implementation. Once you have registered, you will be assigned a Customs and Border Patrol Client Representative.

After you are registered with a username/password, you can **begin using *AESDirect***.

For more information, contact the Foreign Trade Division at Census (800) 549-0595, Monday-Friday, 7:30 AM to 6:30 PM EST, or email askAES@census.gov.

To keep informed about updates or changes, view the AES Newsletters and request an email subscription. Archives and most recent newsletters are available online at:

http://www.census.gov/foreign-trade/aes/documentlibrary/index.html#aes_newsletters

AES Filing Website or Software and User-Training

Remember, filing an EEI is free! Simply use the *AESDirect* website or download the user-friendly *AESPcLink* software. *AESPcLink* is a free Windows or network-based program that can be downloaded at: <http://www.aesdirect.gov/pclink.html>.

Online user training classes are officially provided by Flagship Custom Services, Inc. (the developer and operator of AES), and supported by Census FTD staff. To schedule training, visit: <http://www.census.gov/foreign-trade/aes/meetingsandpresentations/index.html>



AUTOMATED EXPORT SYSTEM (AES)

Pre-Departure Filing Time Frames

Depending on the mode of transportation and whether the item is on the U.S. Munitions List (USML), your Electronic Export Information (EEI) must be filed prior to shipment and according to the following tables:

<i>For non-USML shipments, file the EEI as follows:</i>	
Vessel cargo	24 hours prior to loading cargo on the vessel at the U.S. port where the cargo is laden.
Air cargo	2 hours prior to the scheduled departure time of the aircraft.
Truck cargo	1 hour prior to the arrival of the truck at the United States border.
Rail cargo	2 hours prior to the time the train arrives at the U.S. border.
Mail	2 hours prior to departure of exporting carrier.
Pipeline	Within 4 calendar days following the end of the month.

<i>For USML shipments, the EEI must be filed earlier as follows:</i>	
Vessel cargo	24 hours prior to loading cargo on the vessel at the U.S. port where the cargo is laden.
Rail cargo	24 hours prior to the time the train arrives at the U.S. border.
Truck cargo	8 hours prior to the arrival of the truck at the United States border.
Air cargo	8 hours prior to the scheduled departure time of the aircraft.

Note: Electronic transmissions and intangible transfers (such as downloaded software) are outside the scope of the Foreign Trade Regulations and are excluded from filing via AES.

Export Compliance

With the advent of electronic applications, many export compliance processes have become easier and more efficient. It is important to remember everything you already know about export compliance regarding licensing, record-keeping, and the responsibilities of the “shipper of record”. Filing the EEI on licensed cargo has been mandatory for some time. Although it is not considered an enforcement mechanism, AES is an export control tool that makes tracking easier. Also, be sure to keep detailed in-house records and have a comprehensive compliance program in place to protect your company.

For shipments that are “routed transactions”, or when there is a Foreign Principal Party of Interest, there is room for a breakdown in compliance due to confusion on who is responsible for filing the EEI. In the event that a shipment is not filed, or filed incorrectly, it is better for the shipper to make a voluntary self-disclosure (VSD), because it will be seen more favorably by Customs. Filing a VSD must be in writing to the appropriate agency. For more information, see the following website: <http://www.census.gov/foreign-trade/regulations/voluntaryselfdisclosure.html>



AUTOMATED EXPORT SYSTEM (AES)

VEDP Services

The VEDP offers a number of export-related services to Virginia businesses, including group market visits and market research by our Global Network of in-country consultants. These services are available to all Virginia exporters. For more information, please visit our website: www.exportvirginia.org

ADDITIONAL RESOURCES

- AES Software Vendors: <http://www.census.gov/foreign-trade/aes/documentlibrary/vendors.html>
- AES website: <http://www.census.gov/foreign-trade/aes/index.html>
- Federal Register Website: <http://www.gpoaccess.gov/fr/index.html>

WORKS CITED

AES Direct. <www.aesdirect.gov>

United States Census Bureau. AES. <<http://www.census.gov/foreign-trade/aes/index.html>>

United States Customs and Border Protection. How to Register for AES.
<http://www.cbp.gov/xp/cgov/trade/automated/aes/letter_intent/register.xml>

Last Updated: November 2009

**Information provided by VEDP Fast Facts is intended as advice and guidance only. The information is in no way exhaustive and the VEDP is not a licensed broker, banker, shipper or customs agency. VEDP shall not be liable for any damages or costs of any type arising out of, or in any way connected with the use of, these Fast Facts.*