

# Frequently Asked Questions to Export Licensing Requirements



**U.S. Department of Commerce**  
**Bureau of Industry and Security**  
**Office of Exporter Services**

*This brochure is designed to give people who are new to exporting, and, in particular, new to export controls, a general understanding of Department of Commerce regulations and how to use them. However, nothing provided here can substitute for consulting the Export Administration Regulations (EAR).*

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## **GENERAL EXPORT LICENSE FAQs**

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### **Does my shipment require an export license?**

Maybe. A U.S. export license requirement from the Department of Commerce can be triggered by several important factors specific to your transaction: the actual item (commodity, software, or technology) that will be exported, where it is going, who is going to use it, and what they will be using it for. If any of these factors change in your transaction, the license requirements may change.

### **Does the Department of Commerce regulate all exports?**

No, the Department of Commerce does not regulate all goods, services, and technologies. Other U.S. Government agencies have export control responsibilities for regulating more specialized exports. For example, if you are shipping military goods, your item may be subject to the licensing jurisdiction of the Directorate of Defense Trade Controls at the Department of State. The Department of the Treasury's Office of Foreign Assets Controls administers and enforces economic and trade sanctions against targeted foreign countries, terrorism sponsoring organizations, and international narcotics traffickers.

The BIS website identifies other U.S. Government agencies with export control responsibilities in [Supplement No. 3 to Part 730 of the EAR](#). Furthermore, some limited categories of goods, services and technologies, including printed books, certain published materials, and certain information concerning fundamental research, are not subject to the EAR (see [Part 734 of the EAR](#)).

### **What types of items does the Department of Commerce regulate?**

The Bureau of Industry and Security (BIS) implements and enforces the Export Administration Regulations (EAR). The EAR regulate the export and reexport of most commercial items, and some military items. Many items that BIS regulates are referred to as "dual-use" because they have both commercial and military or proliferation applications, but some military items, and purely commercial items without an obvious military use also are subject to the EAR.

**How do I find out which agency has jurisdiction over the item that I want to export?**

Review the regulations and contact the agencies that you believe might have jurisdiction over the item. The BIS website provides contact information for agencies with export responsibilities in [Supplement No. 3 to Part 730 of the EAR](#). If you are unsure if your item is subject to the International Traffic in Arms Regulations (ITAR) or the EAR, you may submit a commodity jurisdiction request to the [Department of State, Directorate of Defense Trade Controls](#) to receive an official U.S. Government jurisdiction determination.

**How do I know if my shipment needs an export license?**

The first step is knowing your item's Export Control Classification Number (ECCN). ECCN entries are found on the Commerce Control List (CCL) and identify reasons for control which indicate licensing requirements to certain destinations. Other reasons an export license may be required for your shipment relate to concerns about the parties to the transaction and the end use of the item.

**Do the licensing requirements change depending on how I'm sending the item?**

Generally, no (see [Part 734 of the EAR](#) for limited exceptions). Export license requirements usually stay the same regardless of the method of shipment or transmission. This includes technology shipments via the Internet or items hand-carried in a briefcase.

**I'm not a company. I'm sending something overseas to a friend. Do I still need to determine if my item needs a license?**

Whether or not something is being given away or sold does not affect the license requirements of your shipment. You still need to determine whether or not an export license is required.

**What if I'm sending something under \$2,500?**

The value of the shipment does not affect the export license requirements. However, the value of the shipment may affect the availability of a license exception (LVS or GFT), and the requirements for filing an AES record. If an export license is required, AES filing is also required.

**Is a shipment to an Army Post Office (APO) or Fleet Post Office (FPO) considered an export?**

Yes. These shipments are exports because they are being shipped to destinations outside the United States. You will need to determine if a license is required. Certain license exceptions, such as license exception GOV, may also be available.

**I own a small business and only export one or two times a year. Do I need to follow these regulations?**

Yes. Keep in mind that most consumer goods and low-level technology are designated EAR99 and are generally eligible for shipment under the NLR designation. Products with this designation will only require a license to certain prohibited destinations, end users, or end uses.

**My company has been exporting for years and I've never heard of an ECCN or license requirement. Is this requirement new?**

No, this requirement is not new. Perhaps someone in your company already determined that the items that it exports are not listed in a specific ECCN on the Commerce Control List and do not require export licenses for the destinations to which it ships. However, be aware that classifications may change over time and that exporters are responsible for determining the proper authorization for shipments. If you find there have been exports without proper authorization, you should notify your company's management and consider filing a voluntary self-disclosure to BIS. (See [Part 764 of the EAR](#))

**I am a new employee, and I found paperwork from exports made prior to my arrival. Can I use the same information again for new exports?**

Not necessarily. Export license requirements are transaction specific. If the item, country of destination, end user or end use has changed, the type of authorization for which the export is eligible could also change. The EAR requirements might also have changed in the interim between the transactions.

**Is there a list of restricted countries to which I cannot export?**

Restrictions vary from country to country and from item to item. The most restricted destinations are the embargoed countries and those countries designated by the Department of State as state sponsors of terrorism, including Cuba, Iran, North Korea, Sudan, and Syria.

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## CLASSIFICATION FAQs

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### **How do I get an Export Control Classification Number (ECCN) for my item?**

There are three ways to obtain an ECCN:

1. Contact the manufacturer, as they may know the ECCN of the item;
2. Self-classify the item by reviewing the Commerce Control List (CCL); or
3. Submit an official commodity classification request to BIS electronically using SNAP-R.

### **I know the Schedule B number for my item; will that help in determining the ECCN?**

No. The ECCN and Schedule B number do not correlate, although you will need to know both when you make a shipment.

### **Do all items have an ECCN?**

Many commercial goods are not on the CCL and do not have an ECCN. These goods are designated as EAR99. EAR99 items generally consist of low-level technology, consumer goods, etc. and do not require a license in most situations. However, if your proposed export of an EAR99 item is to an embargoed country, to an end user of concern, or in support of a prohibited end use, you may be required to obtain an export license.

### **Where do I find the Commerce Control List?**

The CCL is [Supplement No. 1 to Part 774 of the EAR](#). The ten CCL categories appearing near the top of the Export Administration Regulations Downloadable Files table. The CCL can also be viewed in a different format in the [Government Publishing Office's electronic Code of Federal Regulations](#).

### **If my item is EAR99, does that mean I don't need a license?**

EAR99 items will generally ship under the export designation "NLR" which stands for "No License Required." However, if your proposed export of an EAR99 item is to an embargoed country, to an end user of concern or in support of a prohibited end use, you may be required to obtain an export license.

**I've found an official classification done by the Department of Commerce back in 1996. Can I still use this?**

We don't recommend it. The Commerce Control List (CCL) and ECCNs change often – sometimes items are added to the CCL and other times item specifications are changed or removed. In addition, your item may have different technical characteristics than what was classified previously. It's important to stay up-to-date with changes to the CCL which may affect your item's classification. One way to do this is by signing up for email notifications of changes to the EAR. The sign-up form is found by clicking the "[eMail Notification](#)" icon on the Exporter Portal page on BIS's website.

**What is the difference between EAR99 and NLR?**

EAR99 is a classification designation for an item that is subject to the EAR but not specifically described by an ECCN on the CCL. NLR, which stands for "No License Required," is a shipment designation. NLR may be used for either EAR99 items or items on the CCL that do not require a license for their destination, end use and end users. Note that while exports of an item classified as EAR99 generally do not require a license and may be shipped under the shipment designation NLR, if the item is destined to an embargoed country, an end user of concern or in support of a prohibited end use, a license may be required.

**I've been told that I can I get an official ECCN determination over the phone from the Department of Commerce. Is this true?**

No. The ECCN is based on the technical characteristics of the item; the process to determine one requires a detailed analysis of the item. The Department of Commerce cannot provide you with an ECCN over the telephone. However, BIS counselors may assist you in understanding how to self-classify an item using online resources and your technical understanding of the item. BIS counselors may also explain the process to submit an official request to BIS to classify the item for you. BIS counselors available to assist you from Washington, D.C. at (202) 482-4811 and from California at (949) 660-0144 or (408) 998-8806.

**I don't have time to wait for a response to my classification request. Are there any alternatives to this?**

If you are not the manufacturer of the item you are exporting, the item may have already been classified by the manufacturer. One of the quickest ways to determine the ECCN of your item is to check with the manufacturer. Many companies list ECCNs on their website. Also, BIS has a [Classification Information Table](#) on its website listing companies that have voluntarily provided information for 3<sup>rd</sup> parties to receive classifications. You may also self-classify the item. BIS offers a [decision tool](#) on its website to assist with self-classifying items. Additional information to determine ECCNs is available on the [BIS website](#).

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**EXPORT AUTHORIZATION FAQs**

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**Once I've determined my ECCN, what do I do?**

Once you have classified the item, the next step is to determine whether you need an export license. You begin by determining the "Reason(s) for Control" of the item which is found in the ECCN entry, and cross-referencing the "Reason(s) for Control" with the country of destination in the Commerce Country Chart (Supplement No. 1 to Part 738 of the EAR). An "X" in the box means there is a license requirement for the item. In addition to reviewing the "Reason(s) for Control" against the Commerce Country Chart, a license requirement might exist if you are shipping the item to a prohibited end user or end use.

**What do you mean by prohibited end user or end use?**

Part 744 of the EAR provides specific restrictions related to end-user and end-use controls. Certain individuals and organizations are prohibited from receiving U.S. goods, and others may only receive goods under an export license. For example, if you know or have reason to know your item would support a proliferation activity, such as nuclear, chemical, biological, or missile proliferation activity in a country of concern, a license would be required. The [Consolidated Screening List](#) is a searchable database that includes proscribed parties from the Departments of Commerce, State and Treasury.

### **How do I screen my customer?**

Certain individuals and organizations are prohibited from receiving U.S. exports. Others may only receive goods if BIS has licensed the transaction, even for items that do not normally require a license based on the ECCN and country or based on an EAR99 designation. There are various [lists](#) that may be relevant to your export or reexport transaction such as the Denied Persons List and the Entity List.

The [Consolidated Screening List](#) is a searchable database that includes proscribed entities from the Departments of Commerce, State and Treasury. In addition, BIS has guidance on its website on [knowing your customer](#) and potential [red flags](#).

### **If I need an export license, how do I apply for one?**

If an export license is required, you may submit an export license application via the online [Simplified Network Application Process Redesign \(SNAP-R\)](#).

### **Is there a fee associated with submitting a license application to BIS?**

No, there is no fee associated with submitting a license application or a commodity classification request to BIS.

### **What is a license exception?**

A license exception is an authorization that allows you to export, reexport or transfer (in-country) under stated conditions, items subject to the EAR that would otherwise require a license based on the ECCN and destination. License exceptions are found in Part 740 of the EAR.

### **What happens if I don't get the proper export authorization?**

Responsibility for export compliance rests with the exporter. Administrative and criminal penalties exist for violations of U.S. export law. Administrative violations can also result in denial of export privileges. All parties that participate in transactions subject to the EAR must comply with the EAR. Delegating or re-delegating authority, does not in and of itself relieve anyone of responsibility for compliance with the EAR.

**What if my customer asks me to send the item to their freight forwarder here in the United States? Do I still have obligations?**

Yes. Even though your customer is directing the U.S. forwarder to ship the items, you are not relieved of your obligations. The responsibility for determining the proper export authorization and obtaining an export license, if necessary, is your obligation unless your customer provides you something in writing indicating that they are assigning the licensing responsibility to another party in the United States, such as the forwarder. However, even when this occurs, you will still be listed as the “Exporter” on the AES record and on the export declaration as the U.S. Principal Party in Interest (USPPI). If your customer provides you with a written document verifying that they are assigning licensing responsibility to another U.S. person, you will need to provide specific information to the U.S. person in order for them to take the necessary steps to ensure compliance.

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**EXPORT CLEARANCE FAQs**

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**I determined my item is classified EAR99 and I can ship under NLR to my customer; what do I do next?**

After you determine the shipment designation, you will need to determine whether you need to file electronic export information (EEI) in the Automated Export System (AES). If your shipment is designated NLR, the general requirement to file EEI in the AES is when the value of goods is over \$2,500 per Schedule B number. Refer to the Census Bureau’s website for additional information on [AES](#) and information on [Schedule B numbers](#). You should also keep records relating to your NLR determination and the export transaction for five years (see [Part 762 of the EAR](#)).

**What is the Schedule B Number and how do I get it?**

Schedule B commodity codes are 10-digit numeric codes used to identify products for trade statistics purposes. For more information on Schedule B numbers, visit the [Census Bureau’s website](#) or contact the Foreign Trade Division at 1-800-549-0595.

**Can I have my freight forwarder fill out the license related information on the AES record?**

Please refer to the [Census Bureau's website](#) for AES filing requirements. The U.S. Principal Party in Interest (USPPI), typically the exporter, is responsible for providing the necessary information for export clearance requirements (see [Part 758 of the EAR](#)).

**Is there someone I can call if I have additional questions or need specific guidance?**

Yes, BIS's Office of Exporter Services has counselors available from our Washington, D.C. headquarters at (202) 482-4811 and our Western Regional Office in California at (949) 660-0144 or (408) 998-8806.

**Is there information available online?**

Yes, additional export control information and related resources are available online at [www.bis.doc.gov](http://www.bis.doc.gov).

# USEFUL TERMS

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## **Automated Export System (AES)**

The AES is an electronic export information gathering and processing system developed through the cooperative efforts of U.S. Customs and Border Protection, the U.S. Census Bureau, other federal agencies and the export community. The AES is used to collect electronic export information from participants approved to use the system. Website: <https://www.census.gov/foreign-trade/aes/index.html>

## **Bureau of Industry and Security (BIS)**

An agency of the Department of Commerce that is responsible for administering and enforcing export controls on certain military and most commercial items. BIS administers the Export Administration Regulations by developing export control policies, issuing export licenses, prosecuting violators, and implementing anti-boycott provisions. BIS also enhances the defense industrial base and assists U.S. defense firms. Website: [www.bis.doc.gov](http://www.bis.doc.gov)

## **Commerce Control List (CCL)**

A list of items subject to Bureau of Industry and Security export license requirements based on their description or technical parameters. The Commerce Control List (CCL) is found in Supplement No. 1 to Part 774 of the EAR. Website: <https://www.bis.doc.gov/index.php/regulations/commerce-control-list-ccl>

## **Directorate of Defense Trade Controls (DDTC)**

Department of State agency that licenses defense services and most defense (munitions) articles. Website: <https://www.pmdtdc.state.gov/>

## **Export Administration Regulations (EAR)**

Regulations set forth in parts 730-774, inclusive, of Title 15 of the Code of Federal Regulations (CFR). Website: <https://www.bis.doc.gov/index.php/regulations/export-administration-regulations-ear>

## **EAR99**

The classification designation for items subject to the EAR that are not specified on the Commerce Control List.

### **Export Control Classification Number (ECCN)**

Individual entries of items on the Commerce Control List (CCL) are identified by an Export Control Classification Number.

### **No License Required (NLR)**

A symbol entered on the AES record certifying that no BIS export license is required.

### **Office of Foreign Assets Control (OFAC)**

Department of the Treasury office that licenses exports to and other transactions with certain embargoed countries and sanctioned individuals and organizations. Website: <https://www.treasury.gov/resource-center/sanctions/Pages/default.aspx>

### **Schedule B Numbers**

The commodity numbers appearing in the current edition of the Bureau of the Census publication, Schedule B Statistical Classification of Domestic and Foreign Commodities Exported from the United States. Website: <https://www.census.gov/foreign-trade/schedules/b/index.html>

### **Shipper's Export Declaration (SED)**

An obsolete term. Electronic filing is now required in AES to create an AES record, a document used by the Bureau of Census for compiling U.S. trade statistics and by the Bureau of Industry and Security (BIS) in administering and enforcing the Export Administration Regulations.

### **Simplified Network Application Process Redesign (SNAP-R)**

A method of submitting license applications and commodity classification requests to BIS via a secure online web portal. To use SNAP-R, you must have a SNAP-R account and a BIS-issued Company Identification Number (CIN). Website: <https://snapr.bis.doc.gov/snapr>

### **U.S. Census Bureau**

The U.S. Census Bureau serves as the U.S. Government's provider of quality data about its people and economy, including trade statistics. Website: [www.census.gov](http://www.census.gov)

# WEBLINKS

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Classification Information Table

<https://www.bis.doc.gov/index.php/licensing/commerce-control-list-classification/publicly-available-classification-information>

Consolidated Screening List

<https://www.export.gov/article?id=Consolidated-Screening-List>

Email Notification

<https://mailinglist.bis.doc.gov/lists/?p=subscribe&id=2&id=2>

Export Administration Regulations Downloadable Files

<https://www.bis.doc.gov/index.php/regulations/export-administration-regulations-ear>

Government Publishing Office Electronic Code of Federal Regulations

<https://www.ecfr.gov>

Know Your Customer Guidance

<https://www.bis.doc.gov/index.php/all-articles/23-compliance-a-training/47-know-your-customer-guidance>

Red Flags

<https://www.bis.doc.gov/index.php/compliance-a-training/export-management-a-compliance/freight-forwarder-guidance/23-compliance-a-training/51-red-flag-indicators>

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