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2014 Trade Compliance Resolutions You Can Actually Keep!

It's that time of year. Everyone starts to take stock of what they achieved last year (both personally and professionally), and usually a whole laundry list of resolutions are made – some within reach, and some just wishful thinking. At BPE Global, we tend to do the same wishful thinking as everyone else, but when it comes to helping our clients, we always focus on practical, achievable, and *strategic* goals!

Whether you subscribe to making resolutions, or whether you are just sitting down to work on your 2014 compliance calendar, here are three goals we recommend you consider to get the most impact from your time and energy in the new year.



Let's start with something that really isn't an option (if you are an exporter of encryption items). Every January, you should be considering your **encryption reporting** requirements. The annual self-classification report for encryption products self-classified under Sections 740.17(b)(1) and mass-market encryption products self-classified under 742.15(b)(1) is due February 1st for activity during January through December of 2013. The semiannual ENC license exception report for exports to all destinations other than Canada, and for reexports from Canada ONLY for items described under paragraphs 740.17(b)(2) and 740.17(b)(3)(iii) is also due on February 1st for activity during July 1st through December 31st of 2013. Additionally, if your encryption registration information has changed over the past year, you will need to submit a new encryption registration form.

Another resolution should be to **review your certifications, licenses and other program documents**. This might sound like a massive and daunting task, but think of resolutions along the lines of:

- "Each month, I will review one policy or procedure that hasn't been reviewed in the last year."
- "I will input reminders on my calendar to review export licenses one month before they expire."
- "I will check with my manufacturing and procurement departments on any 2013 sourcing changes related to my blanket NAFTA certificates by first half of this year."

Don't forget about certificates or documents you receive from your customers. You might consider a blanket email to all suppliers who provide you with certificates, so you can ask for renewed NAFTA or other certificates from multiple people at one time. Don't forget to check on whether there are any newly imported products that are eligible for preferential duty savings programs.

As you look ahead at the upcoming year, you should also resolve to do an **internal assessment or audit** of at least one business unit or product line, and one major supplier or business partner. It is clear in recent enforcement actions that the bar has been raised to not just accept what you receive, or assume operations are compliant; checking for evidence of implementation, or proof of accuracy is the new norm. Be sure to conduct a risk-based analysis using your findings to help you determine which compliance initiatives to prioritize in 2014. What you find in one location, is likely going on in other locations as well. Plus, this is great evidence of how you are using internal findings to continually develop and improve your program!

Lastly, resolve to plan and execute your **compliance training** sessions for the company. The entire company should be trained on general trade compliance with an emphasis on high risk areas for your company. Whether these are in person or online trainings, the earlier you plan and coordinate with other company initiatives, the more successful you will be.

Thank you for investing your valuable time reviewing this BPE Global Hot Topic. Our hope is that you will benefit from this information for your Trade Compliance Strategy for 2014.