

## DESTINATION CONTROL STATEMENT FOR EXPORTS

On August 17, 2016 the Bureau of Industry and Security and State Department published their final rules in the Federal Register revising the destination control statement (DCS) to be used for exports subject to the Export Administration Regulations (EAR) and International Traffic in Arms Regulations (ITAR). These changes will take effect on November 15, 2016.

EAR99 shipments and goods shipped utilizing license exceptions BAG and GFT will not require the new revised DCS. All ITAR controlled exports as well as all BIS controlled exports will be required to use the following revised DCS:

"These items are controlled by the U.S. government and authorized for export only to the country of ultimate destination for use by the ultimate consignee or end-user(s) herein identified. They may not be resold, transferred, or otherwise disposed of, to any other country or to any person other than the authorized ultimate consignee or end-user(s), either in their original form or after being incorporated into other items, without first obtaining approval from the U.S. government or as otherwise authorized by U.S. law and regulations."

Under this new rule both BIS and State Department are requiring that only the commercial invoice include the new DCS, as per the new rule no other commercial documents are required to have it. Exporters should properly plan for this November 15, 2016 implementation date by ensuring all commercial invoices, and other commercial documents used as part of the export transaction, have been updated accordingly.