

SUPPORTING STATEMENT
U.S. Department of Commerce
Bureau of Industry and Security
Import, End-User, and Delivery Verification Certificates
OMB CONTROL NO. 0694-0093

A. JUSTIFICATION

1. Explain the circumstances that make the collection of information necessary.

This collection is necessary under Parts 748.9, 748.10, 748.12, **748.14**, Part 748 Supplement No.5 762.5(d), 762.6, 764.2(g)(2) of the Export Administration Regulations (EAR).

Section 15(b) of the Export Administration Act (EAA) of 1979, as amended, authorizes the President and the Secretary of Commerce to issue regulations to implement the EAA including those provisions authorizing the control of exports of U.S. goods and technology to all foreign destinations, as necessary for the purpose of national security, foreign policy and short supply, and the provision prohibiting U.S. persons from participating in certain foreign boycotts. Export control authority has been assigned directly to the Secretary of Commerce by the EAA and delegated by the President to the Secretary of Commerce. This authority is administered by the Bureau of Industry and Security (BIS) through the EAR. The EAA is not permanent legislation, and when it has lapsed due to the failure to enact a timely extension, Presidential executive orders under the International Emergency Economic Powers Act (IEEPA) have directed and authorized the continuation in force of the EAR.

2. Explain how, by whom, how frequently, and for what purpose the information will be used. If the information collected will be disseminated to the public or used to support information that will be disseminated to the public, then explain how the collection complies with all applicable Information Quality Guidelines.

Parts 748.9; 748.10; 748.12; 748 Supplement No.5, 762.5(d); 762.6; 764.2(g)(2) of the EAR codifies the how, who, frequency and purpose of this collection. These sections of the EAR have been uploaded into ROCIS.

This collection of information addresses two activities: (1) Import Certificates/End Use Certificates, and (2) Delivery Verification. An explanation of each follows:

Import Certificates or End-User Certificates - There are a variety of Import Certificates or End-User Certificates (IC/EUC) currently in use by various foreign governments. The IC/EUC is obtained by the foreign importer and transmitted to the U.S. exporter (applicant). They are issued by the government of the country of ultimate destination to exercise legal control over the disposition of the items covered by the IC/EUC. The control exercised by the government issuing the IC/EUC is in addition to the conditions and restrictions placed on the transaction by BIS. Section 748.10 describes exceptions and relationships applicable to both Import and End-

User Certificates, and applies only to transactions involving national security-controlled items destined for one of the countries identified in Section 748.9(b)(2).

Delivery Verification - The Delivery Verification Certificate (DV) is required by BIS as part of its export control program. It is requested on a selective basis, using Form BIS-647P, Delivery Verification Certificate. The requirement for a DV is stated in the conditions of an approved export license. The license holder is responsible for having the ultimate consignee complete the BIS-647P, Delivery Verification Certificate Form when the goods are delivered.

BIS uses the DV procedure on an “as needed” basis. The DV is usually required when there is suspicion of violation of the EAR. Therefore, if the exporter cannot supply the DV, BIS must be notified to determine if an exception is legitimate. Otherwise, the exporter would be in violation of the EAR.

The Section 515 Information Quality Guidelines apply to this information collection and comply with all applicable information quality guidelines, i.e., OMB, Department of Commerce, and specific operating unit guidelines.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological techniques or other forms of information technology.

The International Import Certificate (BIS-645P) and Delivery Verification Certificate (BIS-647P) are available and can be submitted via the Internet on the BIS web site: www.bis.doc.gov.

4. Describe efforts to identify duplication.

The information required by this collection is unique to each application. The information is not duplicated anywhere else in Government nor is it available from any other source.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize burden.

BIS is sensitive to the needs of small businesses; however this collection must be conducted by all affected entities to ensure full compliance with the EAR.

The information required when applying for an export or reexport license must be submitted by exporters or their designated agents, regardless of size. This procedure, as part of the EAR, is governed by national security, foreign policy and proliferation of weapons of mass destruction requirements. BIS maintains an active seminar and counseling program to help all businesses understand and comply with BIS requirements.

6. Describe the consequences to the Federal program or policy activities if the collection is not conducted or is conducted less frequently.

Conducting this collection less frequently would be a violation of the EAR. It would also jeopardize the policy objectives of the United States, as enumerated in the EAA.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

There are no special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

8. Provide a copy of the PRA Federal Register notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions taken by the agency in response to those comments. Describe the efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

The notice requesting public comment was published in the Federal Register on May 27, 2014, Vol. 79, page 30079. No comments were received.

9. Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

There are no plans to provide payments or gifts to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation, or agency policy.

Export licensing information submitted to the Department is protected from release to the public under article 12(c) of the EAA. No assurance of confidentiality is given on the form or website.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

There are no questions of a sensitive nature.

12. Provide an estimate in hours of the burden of the collection of information.

There is a total of **1,619** annual burden hours associated with this collection of information. This estimate is based on a search of the BIS Export Control Automated Support System (ECASS) database.

During the period July 31, 2013 to July 31, 2014, BIS received 5,444 Import and 208 End-User Certificates. Based on an average time of 15 minutes for preparing each IC/EUC response, the annual burden for this portion of the collection is 1,413 hours (5,652 x 15 minutes = **1,413 hours**).

The annual recordkeeping requirement for IC/EUCs is based on an average time of one minute for filing each response. The recordkeeping burden for this portion of the collection is 94 hours (5,652 x 1 minute = **94 hours**).

When a U.S. exporter must notify BIS of changes in representations, statements and certifications, the notification procedure requires approximately 30 minutes. Since BIS receives about 200 such requests a year, it is estimated that this procedure amounts to 100 hours (200 x 30 minutes = **100 hours**).

There are approximately 20 requests for exception to the IC procedure annually. Each request takes about 30 minutes to prepare for a total of **10 hours**.

During the period July 31, 2013 to July 31, 2014, BIS collected 1 DV. Each of these DVs requires about 15 minutes to complete for a total estimated burden of **0.25 hour**.

There is an average of only one request for exception to the DV procedure per year. This request also takes about **30 minute** to prepare.

This information is summarized in the table below:

Activity	Burden	Number	Total Hours
IC/EUC	15 min.	5,652	1,413
IC/EUC Recordkeeping	1 min.	(5,652)	94
IC/EUC Changes	30 min.	200	100
IC/EUC Exception Requests	30 min.	20	10
DVC's	15 min.	1	25
DV Exception Requests	30 min.	1	0.5
Total		5,874	1,619

The total cost is estimated to be \$63,160. This is based on 1,579 hours times a labor rate of \$40 per hour.

13. Provide an estimate of the total annual cost burden to the respondents or record-keepers resulting from the collection (excluding the value of the burden hours in Question 12 above).

Not Applicable.

14. Provide estimates of annualized cost to the Federal government.

The estimated annual cost of the Import Certificate and Delivery Verification procedures is based on an average time of 5 minutes to record each of the 7,861 import and delivery verification items at an average salary of \$40 per hour. This equals **\$26,203** per year.

15. Explain the reasons for any program changes or adjustments.

As explained in Question 12, the decrease in responses and burden hours is an adjustment based on actual data from the BIS Export Control Automated Support System (ECASS) database for the period July 2013 to July 2014.

The Net Decrease for Import Certificates or End-User Certificates and Delivery Verification Certificates = Responses: -1,987 (from 7,861 to 5,874) Burden Hours: -506 (from 2,124 to 1,618).

16. For collections whose results will be published, outline the plans for tabulation and publication.

There are no plans to publish information obtained under this collection.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons why display would be inappropriate.

Not applicable.

18. Explain each exception to the certification statement.

Not applicable.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This collection does not utilize statistical methods.