**Defense Export Control and Compliance System (DECCS)**

**Tips and Tricks Webinar - DDTC Public Announcements**

**June 10, 2020**

Coordinator: Thank you for standing by. At this time all participants will be on a listen-only mode until the question-and-answer session. At that time, please press star followed by the number 1 to ask a question. Today's call is being recorded. If you have any objections you may disconnect. And I'd like to introduce Wendy Peebles. Ma'am, you may begin.

Wendy Peebles: Thank you, operator. Good afternoon everyone. Again, my name is Wendy Peebles, lead outreach coordinator, Census Bureau Economic Management Division. I'm so happy so many of you have joined the webinar today. This shows your due diligence and adherence with the State Department policy and guidelines.

With me today is Karen Wrege State Department Directorate of Defense Trade Controls, chief information officer who will be the presenter for today's hot topics webinar. The Census team is happy to collaborate with the State Department to bring you this webinar. We have formative webinar plan and want to let you know the webinar is being recorded. The materials from today's webinar will be posted to the State Department and census Web site. So no worries the materials will be available for you for future viewing.

We asked it during the Q&A that you only provide your first name and do not disclose your company's name or any other sensitive information. And the Q&A will take place at the end and more instructions will follow on how to submit your questions. And presenters will address as many questions as possible during the webinar. And their contact information will be provided as well for further follow up. Also, we have an evaluation for you to complete. We value your feedback.

So please complete the evaluation that will be emailed to you via the chat feature so that we can plan for future webinar content. So once again, thank you for joining today. And at this time, we're ready to proceed with the subject matter for today. Thank you, Karen.

Karen Wrege: Thank you, Wendy. And thank you, Census for providing all the support so that we can provide information to deck users. Today we have a special guest on Deputy Assistant Secretary Mike Miller is going to speak about the measures that we've put in place in response to COVID. So that's really the first thing that's going to happen. On the screen right now. You'll see there's some bios for Mike Miller and myself along with a description of our organization.

Let's go ahead and talk about what's in store for today. As I said, Mike is going to talk about the DDTC’s COVID-19 response to kick things off, and then Lisa is going to go through a variety of different demonstration in the deck system, and then from there, we're going to have this question and the answer.

Now what I would suggest is to submit your questions and answers using Sligo.com. And when you get to the Sligo.com, you just put in DDTC, and then you'll be able to submit questions, you can do that throughout the program. And then we'll get to just as many as we can at the end of the session. So I'd like to at this point, turn it over to Deputy Assistant Secretary Mike Miller.

Mike Miller: Thank you, Karen, very much for the kind introduction. Thank you to windy Peebles and our friends at census, as you said, for making this possible. And for their continued support to this decks webinar series. I thank all of you who are listening along for taking the time to join us. I know this is a rare treat these days that you get to participate in a teleconference and as it doesn't happen, but we're very happy to put it on and to help support industry in the public.

Understand what we're up to in DDTC, everyone staying cool and healthy with the start-up summer, apparently today in Washington DC. I'd like to start just for a minute to talk a little about a-- little bit as a lead in about a recent orientation. We did in DDTC for new staff, who recently joined us to add time to join any organization, we did our best to sort of give them a sense of who we are and what we're about.

One of the things that I covered In my piece that was describing and some few words, what we're, you know, what we're about what we're working on, certainly DDTC for those who are a little less familiar with us or unique institution inside the State Department, and that we are a regulatory body within state. And certainly we're covering very sensitive issues of defense trade with a huge scope of responsibility.

I'd like to think reasonably influential that we have a broad audience that is essentially what we're doing in the public and regulated entity certainly in the Congress, as it relates to, of course, our administration of the International trafficking arms regulations. We're a diverse group and all senses of the world. We're all backgrounds, and that culture makes us better. I also talked about some other things, but I close with resiliency. I think we're quite a resilient organization.

We've, in the last couple of years, gone through quite a number of policy and regulatory and process changes, including the completion of 10 years of work, regulatory reform, when we moved, large number of technologies, and the jurisdiction of the Commerce Department earlier this year. And of course, we've been beset by all the challenges of the COVID-19 pandemic. This is the rest of the interagency.

But we've done our best, despite those challenges, deliver on our mission across all of our directorates, and that would certainly include our licensing division which continues to operate at producing Work at effectively a normal pace. Our registration functions have continued we continue to process voluntary and direct disclosures or administering multiple consent agreements with regulated industry. We maintain regular liaison with Congress, briefings, requests for information unlike on a daily basis.

We're continue to support law enforcement. We're continuing to provide interpretive guidance for industry, working with our treaty allies and close allies on defense trade matters on the bilateral diplomatic effort. We're continuing to do blue lantern checks across the board and across the world, say, for our embassies, and we even managed to hold a virtual session of the defense trade advisory group mid-May, which helps provide really valuable inputs that guide our thinking on next innovations we were tackle.

So as we've continued all of that, despite the challenges and by the COVID-19 pandemic, we also thought certainly that we should help industry be as resilient as they can be to in light of these challenges. Next slide, please. So to that end, following the declaration of a national emergency with the President on March 13, state took it upon itself to take the initiative to help mitigate some of the worst impacts of the COVID-19 pandemic on defense industrial base, or at least the ones that were in our power to address.

So we reached out to the demonstrate advisory group, congressional staff range of industry and certainly consulted ourselves in the house experts on what measures we might take that resulted in announcements on April 23. And made first that were posted to our Web site and also to the Federal Register.

Amongst those and I will I'll provide some highlights in there and there enumerated here on the slide that some of you can see, but not all of you. We took a range of measures that fall across our enterprise. And I'll touch on again on some of the highlights. The first related to registration. This group wall moves all manufacturers, exporters’ temporary importers and brokers’ expense articles are unfinished goods and services are required to register with etc.

Given the extraordinary impact of the pandemic, on the national economy in the defense industrial base, we temporarily reduced registration fees for DDTC registrants that fall into our tier one and tier two categories to $500 which is a steep reduction for those entities. And we extended that out over the course of a year now till May 31 to April 30 2021.

We also reduced the registration fees for new applicants also took $500 to give away We did this out over the course of the year ahead to make sure that everyone could take advantage of this one time price reduction.

It was our intent, again that this be a one-time fee reduction. And we made that clear in the Federal Register Notice that we put forward, it is our hope that this one time reduction will save registrants across the board over $20 million. In total over the course of the coming year.

We focus this reduction on our tier one and tier two registrants because that tier contains the most small and medium enterprises. Who, if you hear if you listen to our colleagues and partner defense, they're talking about the health defense industrial base, Under Secretary Lord and her staff.

That's the area most acute concern for them as small and medium enterprises in the defense industrial base. So we thinking along the same lines targeted this one term, one time Registration reduction toward that group. In addition to that, we granted extensions for our registrants, where their registrations were expiring out through June 30th of this year and gave them an extra two months to register. We did this in recognition of the disruptions, the COVID-19 pandemic, a lot of folks having to move to remote work moving off site.

Just in order to allow folks have additional time to get the registrations. And, of course, notably is, as Karen has described in separate webinars with this group, obviously, we move forward with a massive change to our registration and licensing policies in February. And we certainly recognize it took some and regulated industry longer to adjust to that change than others. So this was again a good faith effort to give folks additional time to get registered.

So there wouldn't be any concerns about being late and registering and falling out of registration. We also granted an additional 30 days for responses related to volunteer and district directed disclosure matters. For our request for information letters, again, given all the disruption to allow folks to have additional time to meet these requirements.

On the licensing side of things, we did push forward a number of extensions for a wide range of licenses for six months past the original date of expiration, so long as there was no change the scope or value of the authorization, and that there was no name or address change to that.

This was widely desired by regulated industry, as it again, was trying to deal with the personnel and administrative disruptions of the COVID-19 pandemic. We scoped this carefully to ensure that the expansion of scope and value were not authorized. Certainly we have an obligation under our regulations and also to our congressional oversight committees.

To ensure that we do not have a bridge on the oversight to this was a prudent measure to provide some relief, but it was, again fairly scoped. We also provided regulatory changes that supported telework regarding a temporary suspension modification exception to the requirement that a regular employee work at a company's facilities, and we also allowed those working remotely to make use of technical data in the conduct of their work.

So these two measures taken together, expanded the ability of regulated authorized parties to telework, and the conduct of ITAR controlled work. We've gotten great feedback on this, particularly from some of our closest partners, who were able to allow remote work during a time period where that is increasingly the norm.

And this is I'll come to this a bit at the end, but this is certain One of the elements that we'll be looking at as something that we might extend further with. Thanks. I'll just touch on a couple more with thanks to our partners in Congress, we've been able to move to the submission of progression notification documents via electronic means.

This is fairly self-explanatory in terms of how that works mechanically, as I said, our engagement with them is continued on a bridge since the start of the crisis. So we will be sending them and having sending them notifications from major arms sales, via electronic means, which has been very useful for or efficiencies on all on all ends.

You'll also see on the slide we've taken another other administrative type measures to attempt to facilitate the provision of documentation via electronic means, wherever possible, and to streamline our processes and there's more to do there. We've also sought to bolster our staff, particularly as it relates to our response and help desk functions that can be responsive to industry if they have issues, be it with decks or where they have regulatory or licensing questions.

I think I think I'm on to the next slide, you can find all the details of the steps we took to implement these measures on our Web site. I would flag breaking news. Just today, we published a reference to federal register notice that we have submitted for notice of inquiry. That is out and published in the Federal Register and noted on our Web site.

We have great, smart, dedicated folks with DDTC who are committed to innovation as part of what they do on a daily basis and filling our national security and foreign policy mission care. Our CIO Karen Wrege is a great example. But we don't claim to have all the best ideas and the practitioner insights that we get from industry are particularly vital for us.

So I would greatly encourage you to submit your thoughts in response to the notice of inquiry. But this is a very simple, very short, because they go with that it's basically asking you to take a look at what we have done. And these measures related to COVID-19.

And I'm, I'm from New Jersey area Greenup. So appeal and Cox thing, you know, how am I doing? You know, have we hit the mark, have we addressed the right issues? And what if not, what further should we do? Should we extend measures we've taken should we adopt new ones?

So we asked for that feedback through the federal register notice, and we welcome it. That's all for me. Thank you for your time and attention. And I'll turn things back to Karen Wrege.

Karen Wrege: Thank you so much, Mike, I really appreciate you dropping in on us and providing all this really good information. And also, that notice of inquiry, I wasn't even aware of that. So that's great to know. And this is the community to ask, because they have really good ideas about these matters. So thank you so much for that. And just wanted to introduce Lisa Parker, who's going to go through some of the new features and also some of the most confusing parts about using decks and we know they're confusing because people have been asking questions to the help desk.

So a lot of what we're going to talk about today is in direct relation to what users have asked us through our channel. Also customer support and that sort of thing. And so we're going to we're going to be looking at that the one thing I wanted to mention, right up front, so that I want you to be thinking about is the ECA certificate.

We've been, I know you all have been using these for year’s decades in the trade as well as decks on and there's been a lot of information put forth about the sun setting of those ECA certificates. So that program was sun-settled by the General Services Administration, and they extended our use of the ECA certificates until the end of this July. And so that is going to be the end of their lifespan. And then there's two other companies.

Two other products I should say. There's the identity trust ECA, sir, and the wide point ECA, sir, that the decks will still be using, so you'll want it if you are using an ECA search, you're going to want to create Bert that over to one of these new certificates, because after the end of July, it's no longer going to work.

And I would start that process sooner rather than later because so many of our users that that submit licenses, use the ECA certificate. And so I think there's going to be a lot of demand. And I wouldn't want you to be in a position where you're in a pinch and not able to submit a license to us, which is really what will happen.

If your certificate expires and you don't have the new one. You could have a break in being able to submit licenses on to us so just want to put that up front and center. And then I want to turn it over to Lisa who is going to do the demonstration, and then all the back to field your questions and do an interactive question and answer period with (Charlie). So over to you Lisa.

Lisa Parker: Thank you so much, Karen. Now we're going to cover some new functionality and review some helpful tips and tricks when working in deck. Next step, I'm going to show you how a drafter can select which empowered officials if they want to review their license before submitting to DDTC. And as a quick reminder, for an empowered official to submit a license to DDTC, the corporate administrator but give them that role in the user management application.

The empowered official must be in the correct licensing group. As Karen mentioned, they must have a digital certificate and it must be associated with the email address that they use for logging into deck and the digital certificate must be installed on the workstation that the individual is using. So in the licensing application factors, they now select which empowered official that they want to review and submit their license.

So once you get to the end of your license application, click the Select empowered official drop down and select the empowered official instructions has more than one person with the empowered official role. Please select the one that you would like to review this particular license and then click the Submit. Submit to empowered official button. Please let them know that there is a license awaiting their review in deck.

Now we're going to take a look at the final steps to the empowered official to submit a license to DDTC to suit. When the empowered official goes to the licensing application decks. They're going to be prompted to select their digital certificate. Select okay empowered officials can always find licenses that are in the awaiting signature status.

On the licensing dashboard, they can also send the license that in a waiting signature back to draft by clicking the return arrow and they can also review and edit the form and make any changes as needed. Here I'm going to select the license that is in the awaiting signature status after reviewing the app session, they will go to the applicant’s statement.

And if the empowered official’s digital certificate is valid and installed properly, they will see their name automatically filled in at the top of the applicant’s statement. And then at the bottom, they can click sign and submit. Click OK. And this is that license application now has a taste number.

So this license is now ready to go over to US exports and will be available the following business day for a DDTC licensing officer to review. Next, we're going to go over a brand new feature to back and this was one of the most requested features from the ECA conference from the defense trade advisory group. We've also heard a lot from our user community and tickets for the help desk and Response Team.

Users may now copy any License and any state that they have access to. You can use this feature to create a license for future use to limit data re-entry for similar types of licenses. Again, navigate to the licensing application. And from your licensing dashboard, select the copy icon. Select OK to copy or you may cancel at this point. If the symbol let you know when the application has been copied.

Here you can see my copy license appears. And you can see that the transaction number is now copy of 123 which was the license so that copied from my dashboard. Everything copied over except any of the attachments. So you can see that the system is displaying the message no documents found. Select the document type from the drop-down.

Choose your file and click upload to add any attachments needed for this license. However, you can see that the rest of the information copied over as you can read this information and make any necessary changes to the application. Feel free to save this application at any time for later or you can complete and submit your empowered official. Next, we're going to talk about registrations and we're going to go over some of the commonly asked questions that we've received at the help desk.

Reminding with absolutely said at the beginning of this session, remember that for the COVID-19 measures, the tier one and tier two registration fee is now $500. With decks, the May expirations have already been extended to July 27.

And the registrations that are set to expire on June 30 will be extended, but you will not see that reflected in the system until later this month. Please notice that there's been some confusion about registration statuses and what they really mean. So we've changed the status theme to reflect more with more clarity where your application is in the process.

You can always find the status of your registration on your dashboard. And here I want to specifically highlight a few of them. If your registration is an awaiting applicant’s senior officer’s signature, the registration is still with your company. At this time, decks does not send notifications to the senior officers. So as a drafter just be sure to let them know that there's a registration ready for their review. And remember that the senior officer needs a decks account in order to submit this to DDTC.

If your registration is in a waiting DDTC analyst review or waiting DDTC officer review. The registration application is currently under review by our office. And if you see your application is pending payment, your application is waiting for payment from you.

This only occurs for new and renew registrations as we do not charge a fee for amending the system will let you know when it It's time to pay because you will see a make payment button on your registration dashboard. We've also seen some questions asking how to select the senior officer who can submit your registration to DDTC. Remember that there are user guides available on our Web site and industry portals that will walk you through each block of the BF 2032.

So today, we're going to really focus on the process of submitting your registration to DDTC. Once you get to block six, the drafter will enter the member of the board of directors, senior officers, partners, and owners. This is where you'll designate the senior officer who can sign and submit your registration. The corporate administrator does not designate the senior official.

Click the plus sign to expand on an existing person or select the Add senior official button to create a new one. Notice that all senior officers designated in black six are not fair. See, not all senior officers designated in block six are eligible to sign and submit your registration. They must be a US person as defined by icons section 120.15.

And their email must match the email that they use to log into the deck. So as the drafter you will continue filling out the rest of your DS 2032 and once you get to block 11, you will see the statement of registration. Registrations cannot be submitted until all mandatory fields are completed and blocks 11 and the senior officer field use a drop-down to select the officer that will find the registration for submission.

These options are sourced from the parties that were entered in block six of your form. When uploading a supporting document, you must select the document type from the drop-down. All documents with an asterisk are required. And you'll know that you've successfully uploaded this document when you see the file name type. Life, you may click the trashcan to remove the file, because we received a number of questions asking what constitutes proof that the applicant is currently authorized to do business.

What we mean by that is DDTC needs legal documentation. New and renewal registrants must, must attach documentation that has been issued or endorsed by state government authority that enables that I just tend to engage in business in the United States. Once you've selected your senior officer and uploaded all necessary documentation, you may click the button to submit to senior officer and click Yes to send the further review and signature.

Now we're going to show the view for a user who has logged in as that selected signing in your officer. They can on the dashboard, they can always click review and sign returned to draft or delete the entire application. Here I'm going to click review in size and the senior officer is directed to block 11 after reviewing everything they make click complete application.

And the senior officer will enter their name and click Submit. At this point, they will be redirected to the registration dashboard and this registration application is now in a waiting DDTC analyst review. Finally, we're going to cover the self-service, which is the best way to engage with the DDTC helpdesk in response.

As a reminder, once you're on the industry portal, click the Create a support case under the need help piece on the right-hand side of the screen to start a help desk or responsive inquiry. The important thing to note here is that you should create a new case for a new issue, because it's easy for things to get lost if you're responding to an old or a closed case.

Also, it's important to not duplicate issues. If you already have a ticket in the system. Any other duplicate tickets, we'll just slow it down faster. So once you click the button, you will go ahead and create your support to click the drop-down to see the list of options. And as you're typing in the short description, note that help is populating below. We are continually updating this database of knowledge based on any questions and answers we're getting.

So just like from this webinar today, anything that we're seeing needs a little bit more guidance, we're always going to be updating our self-service, as well as our FAQ. So be sure to fill in all of the information such as the category, subcategory and descriptions before submitting your case. And after submission, you'll generate a case number and that you can add notes to your case and chat with your help desk agent.

Thank you for listening for the demo portion of today's webinar, and please check the news and events section of our Web site regularly to stay current on decks and other developments. I'm now going to kick this over to (Charlie) who will start with a Q&A. We have (Charlie).

(Charlie): Charlie's here and enjoying the fabulous double mute that is making all of us suffer these days. Hi, everyone. First of all, I just wanted to thank everyone it seems like we've got a lot of people already embracing our new technology today using the Slido.com application. For those of you who aren't familiar with it again, Lisa's got the address up on the screen now please feel free to go in there and submit your question. While you're looking through the app, there are already a list of questions out there that folks have submitted. If you see a question that you have, you also have are also interested in the answer of rather than typing in a question of your own. The easiest thing to do is actually vote or give the thumbs up in the slideshow app to that question, and that'll push it further up our list and make it more popular and let's one little tackle sooner. Okay, Karen, Mike, you guys ready?

Karen Wrege: We're ready.

Mike Miller: Feel good.

(Charlie): Feeling good, Okay. So I'm going to bring one up. And for folks on the line who can read these questions. I'm still going to read them out loud so that everyone can hear them. But Mike, I think the first one is going to go to you. Because this seemed like a good overall question for the COVID response specifically is will the extension on the expiring licenses be renewed if COVID continues to affect the industry.

Mike Miller: Thanks, Charlie, and thanks for whoever submitted the question. It was that measure was put forward as a very sort of finite one in terms of duration. However, much, unfortunately, like the pandemic itself, circumstances and related circumstances evolve.

So, for now, that was very much time-bound, but we're taking those inputs from industry to see if further extensions are desired. So I it could be something that we renew, or that perhaps we leave aside for now and then come back to depending on what conditions are like in the United States and abroad, so really remains to be determined, but it will be informed heavily by what we get from regulated industry. Back to you.

(Charlie): Right. Perfect. Okay, Karen, I feel like this one's getting a lot of attention, so we probably can't ignore it. Are there plans to bring in status information from Elisa into decks?

Karen Wrege: Yes, this is a great question. 21 votes for this question. The plan is to evolve decks and to allow more information coming from US exports over to deck so that it's more of a one-stop-shop. But it does take a little bit more in terms of level of effort with index enhancement like this, because we need to modify our interface with the U.S. export system. So certainly it is on the roadmap. And we do want to have this be a one-stop-shop for our deck users. So thank you for the question. It's an excellent one.

And by the way, I'm looking at the questions and some of them are really hard. So I take that as a good thing because it means that people are moving on from, from some of the simpler questions that I could answer really readily to difficult questions. So I hope you'll bear with me internally. You know, you can ask me the hard questions, but I may not have the answers and they may have battled back and provide this on the Web site after this session.

Mike Miller: Sure. And I'll try to sneak in a couple of easy ones. I know they're in there. But I'll I should also mention to the group, there are some questions about will this information be available after the presentation? So we are back on track with our recordings as you guys can see in the chat notes on the WebEx we will have this recording and the so the answers we are giving to the question here will be up in about a week.

And then in addition to that, for those of you looking for the help, the walkthrough, help delete just gave us these slides are actually going to be up on the State Department, the DDTC Web site this afternoon. So you'll be able to download those and go through the steps just as Lisa described them with that documentation at hand. So, I always know that's a popular question too.

All right. So Karen, next one for you. I'm going to go to (Gary)'s question here. Will DD PC accepted digitally signed DSP 80 threes due to the COVID response, or must we still retain a physically signed original copy for record retention purposes?

Karen Wrege: This is an excellent question. And this is one of them that I don't know the answer to. I mean, I know that we do require the physically signed originals. But I know that this actually came up as part of the COVID response. And you know, Mike, this is a situation where people have to have a variety of physical signatures on the BFP 83.

So the question is, you know, with COVID, and the difficulty in getting, you know, pen signature forms, you know, is that we will consider, so I'm going to, I'm going to see if you have any ideas on that as well. But my understanding is this, this has just not been a measure that we've put forward. But you know, something that we could certainly think about.

Mike Miller: Yes. Thanks, Karen. It's a point well made. I don't think I have a definitive answer at this point for the purposes of this call. But as a general matter where we, where we can get away from, you know, we can move to digital signatures and things that don't require sort of the older way of doing things we'd like to get there. But I don't have - I don't have a definitive answer for the call and take that back.

Karen Wrege: Thanks, Mike.

(Charlie): All right. Thank you both. This one's an easier one. Karen. Does the senior official need a deck security certificate to sign the registration?

Karen Wrege: Yes, that's a great question. And it's something that gets thing. And the answer is, there's no certificate requirement to sign a registration. So that's only applicable to licenses. For the senior officer, as, as Lisa pointed out in the demonstration, there are requirements and they do have to be part of this, they have to be enrolled in tax.

And they have to the corporate administrator has to give them that access. They have to be on the form of being a senior official. But other than that, you know, those kinds of requirements, they do not have to have a certificate and that's a good thing. And we the certificates are really about both authenticating and having you sign the license application.

So the registration is different in that, you know, we want people to be able to like a new entity that comes in, we want that senior official to be able to just go in and sign it. Then if you are going to be going into the licensing realm, you do need to have the power official does need to have the certificate. So that's how the chain of events goes through as you get more and more involved in the deck system.

(Charlie): Okay, excellent. All right, let's tackle this top one, then. Is it possible Karen to see more detailed status information and the assigned licensing officer index?

Karen Wrege: Yes, it's absolutely possible. This is this is sort of the same question as the Elisa question. It does require that we get more information than we currently get from the US export system. And so we do have a, an interface with them and that will just need to be modified and our plan is to modify that that that process and allow you to get more information is tax. And that's something that's only works for now.

(Charlie): Perfect. More coming. People always just want as much information as possible, right? All right. I’m going to go to the second question here. Again, this goes back to the ECA certificate. So the EAC expiration is in July, I already have access to decks, do I need another digital certificate?

Karen Wrege: Right, so you don't need one between now and July. But come August 1, if you're going to do licensing activity, you're going to need one of the new certificates and that is either from wide point or from my den trust. And so the point I made earlier is that you're going to just want to make sure that that's on your to do list to go ahead and get those other shirts, you know, one of those other certificates on so that you can continue to do business. In our licensing system after July 31, when the ECA certificate sunsets.

(Charlie): I think it's just- I feel like I'm going to probably throw that question out there again, just because it's so important. I want people to hear it. So if it comes up again, don't be surprised. We may we may repeat. Alright, I think this next question, Karen is basically asking about systems that are compliant to hold this information. So with many people working from home is Microsoft Teams a compliant platform for discussing and sharing (unintelligible) restricted technical information and files? Or how about zoom?

Karen Wrege: I mean, this is a great question. And it's a difficult one. The department considers this that technical data to be (unintelligible). At that designation, would preclude people from using any platform that wasn't authorized at a high level. And so, you know, it's really it depends. I can't tell you every platform, there's different rules for industry than there is for the government and our, our rules and the government, you know, pertain to how we handle the data.

So I would strongly suggest, and I know that there's been some recent work on this, and Mike may be able to talk a little bit about this as well, on the encryption rule, you know, those are the sorts of things that you have to consider when it comes to whether or not you can use a platform like Microsoft Teams, you know, and it really depends on how that how that's configured. And, and, and how, how you're using it and all the rest of it. So it's not as simple. Yeah, this is a compliant platform. Oh, no, this is not a compliant platform.

So I really would highly recommend that you get by someone who understands the ITAR and the recent regulations relating to encryption and also your technical person to determine whether or not you're meeting those requirements of the ITAR in using those platforms. Mike, did you want to mention anything else on that topic?

Mike Miller: Yes, thank you. We did put out a fact sheet on SP. effect. We had an effective date of March 25 on the new rule that described or rather an amendment to our rigs that described a new definition of activities that are not exports, re-exports, retransfer, etc. and included in that it's an eye toward 120 54.

It described in that reporters the encryption rule, which is as you said, talked about the use of secured data that's secured using end to end encryption and we provided a baseline level of encryption that would be required for such a movement of technical data to not be considered an export. That was in an effort to get close for to a standard that our colleagues at the Commerce Department have had in place for some years.

So trying to sort of get closer to the standard that they've put forward. But again, as you said, I think being cautious in that regard, is prudent. And asking the right questions. Because, again, this was intended to essentially put a four under those activities to facilitate remote work and the use of secure, secure, secure cloud, which is certainly part of our work and complements what we did as it relates to the COVID-19 measures. So I would echo your comments about being cautious of what the what the requirements are, but we attempted to support that, that those types of transfers Thanks

Karen Wrege: Thanks, Mike.

(Charlie): Okay, so this question, I want to make sure I ask it, I think to both of you, someone asked. Does the six month extension to licenses extend to classified licenses as well?

Mike Miller: Sure, that's, that's a good question. My understanding of things is that there was not a difference made between classified or unclassified actions. So my understanding is that it did extend to that. Again, it was these this was applied to licenses that expired between March 13 and May 31, giving them an additional six months pass the original date of expiry. But there was not I don't believe we drew a distinction between classified or unclassified licenses or

(Charlie): Okay

Karen Wrege: And I mean, I think that's - I think that's right. And, you know, I think that the important thing to remember is that this expiration is just the expiration date. It's not the value. So, you know, if you have an English license doesn't grant you any additional approvals, and there was no distinction between the classified or unclassified license. And the way that we implemented this was to extend the expiration date.

And, you know, send that data over to CBP so that those would not receive a fatal error. If they still had value. You wouldn't get caught up in an error because of an expired license, so you could continue to sip on that license.

(Charlie): Excellent. Okay, Karen, we're going to go back to the digital certificate question, but this one's a little different. The question is specifically will this ECA explanation be extended Due to the COVID virus, since the signature from business official is more difficult to obtain at this time of remote work.

Karen Wrege: Oh, gee, that's a really good question too. And I had a conversation with ident trust. And I haven't had a conversation with GSA, and we haven't posed that question to them. But that might be something that we would ask. You know, they had a GSA really, you know, has extended this for DDTC well beyond what they had hoped we were almost like the last I think we are the last users of the ECA cert. And I don't know whether or not they are going to be able to extend it based on COVID. But I'm happy to make that inquiry. So thanks for that good question.

(Charlie): Mike, I'll send this one to you. You certainly both can answer but the question is simply, how do we know if we are tier one or tier two?

Mike Miller: Sure, the tier one or tier two designation, all the information on the tiering can be found on our Web site under our registration tabs. Registered registrants who are in Tier One are those who did not require an export license from DDTC during the previous year. So the way this works so all new registrants pay on for the next year will pay the $500 flat fee.

If you are an existing registered and did not require a light license from us, you would fall into a tier one. Tier two registrants are those which required 10 authorizations or fewer. So it's based upon the amount of licensing work that was done in support of that registration. And the particulars of that, again, are posted to our Web site.

If you like that is going to be a good answer for a lot of these is if you have further questions Head to head to the Web site, which you will see shortly on the WebEx. All right, let's take this top question here. Karen. This is the simple one of can the person completing the license also be the empowered official?

Karen Wrege: Yes, absolutely. The person who is going to be the, you know, you could you can do all of the, the-- everything to decks if you want to be. So it's got the flexibility to allow you to be the drafter on and the signer and all of that. And in a lot of organizations, of course, those are different roles. But if you're an empowered official, you could be assigned the ability to be drafting the license as well.

(Charlie): Trying to make it as flexible as we can, right. Yeah. All right. Next question. What is the estimated current time it takes for licensing officers to review initial export license applications and send to outside agencies to be staffed?

Mike Miller: Okay, I'll take that one. I don't have the metrics on what the current what that current timing is. We typically in DDTC, I think the licensing process is split into sort of third one is the initial intake and review for sufficiency and review of what's been submitted and second is a were required an internal state department interagency review process.

And then the third would be the return back to us the completion of that process. And then issuance, so director of licensing (Kat Hamilton) has expended a great deal of effort on our staffing protocols, making sure and also review of provisos enterprises that are put in place also looking at that both for permit exports of standard type and also for agreements. And also looking at our agreements guidelines.

There's an enormous amount of effort to make sure that we are staffing appropriately and that licenses are coming out as high-quality products at the end, I don't have the, again don't have the metrics on what the average is for getting a case out of DDTC and into staffing. It's something we watch very carefully. I would note that while we have been able to maintain operations, we are doing so under department and DDTC guidelines for social distancing and the like.

So that is required us to move to, effectively a shift type of type arrangement to reduce our on-site footprint. Those as many of you are almost all of you likely know we still are supported by a sipper net-based backbone for US exports that requires on-site presence. So I would expect the amount of time for an average license to get into staffing as like be ticked up just because we are able to put fewer people to the problem on a day to day basis.

But folks are working really hard to keep up with the intake which has been pretty much normal by historical levels, thank you.

Karen Wrege: Yes, and I would just add that that this would be a good question to pose, I think to our, you know, to put in self-service to just, you know, provide your, your case number and just ask, you know, what's the status of this? Because, you know, that seems like a long time to me, and just want to make sure that there's not something going on that is prohibiting your license from, you know, from getting up to set sports or something like that. So, if you've got something that's, you know, probably over five business days, you know, it might be worth a call and to find out what the current status is.

Mike Miller: Yes, certainly agree with that.

(Charlie): Yes. All right. Karen will pick this next top one here. We already submitted our 20 $250 renewal fee for 2020. For the registration that expired in April, will $17050 be refunded?

Karen Wrege: Yes, that's a good question. I'm not sure if it's going to be refunded, or whether the person will be subject to a $500 fee next year. Mike, do you know how that's going to work?

Mike Miller: Yes, I was talking to our director compliance, about this. There were - the numbers should be - the dates are a little tricky for me to keep straight because there's the dates of the original expiry and then there's the extended dates and I appreciate that we've had to do very clear communication about how that works.

But for folks who already had submitted their registration fees associated with a registration And I think that was those were those expiring, I think on May 1, the last time I had this conversation with Jay, we were working to provide refunds for those folks at the current moment and not apply it outwards, if that makes sense.

So if we had an effect, because of the changes we made, if we had over-collected, we were seeking to return those funds back to folks, and there was a process in place for that to be affected. So if there's a particular concern that that didn't happen, or some confusion on that point, we would definitely take that as back as an individual inquiry, but we were attempting to have those. Have those fee reductions take place over the time parameter I described and not, not receive the funds and then apply it beyond that date range? Does that make sense? Thank you.

Karen Wrege: Yes. And I think what I would suggest there is to, to that particular case, if there is a particular case where we're happening to contact the response team so that they can respond, specifically on the April because I'm not clear about the dates either. And I know that we will make some new funds. And the timing of it is more the question of whether it applied to the April expiration date, or was it the May expiration date?

(Charlie): And I also know, Karen, like we've had just logistical issues with getting back into the system to process those refunds. Just getting the contact person into the office to process them has been tricky these past couple of weeks. So-- it may be playing into it

Karen Wrege: Right, yes.

Mike Miller: Yeah and to be clear, I mean, it was the one time right was for registrants whose original expiration date was between May 31, 2020 and April 30, 2021. So if it was the case that the registration fee was due prior to that date range, when the - that registration will be up for renewal, that's when the applicant would receive a reduction in registration fees rate. If they're in Tier One or tier two, we did it in this manner.

And I wasn't as clear as it could have been, when I laid this out. We did this in this manner for a yearlong block, being slightly forward looking to make sure that every all of our registrants who fall in those categories would have the opportunity to take advantage of the price reduction, even if that meant that it was just something that they could count on, say in February of 2021. That's something that we weren't able to provide an immediate refund the reduction there was something that they could effectively bank and in the months to come. Over.

(Charlie): Perfect. Thank you both. All right, as we're closing in on the end of the session here today, I think we'll just take the last question from the top of the list. And that question is for both of you will be DDTC do more of these help sessions.

Karen Wrege: I'll start by saying that this is something that we really think is important to provide this kind of level of customer service to allow people to come in and sort of see what's coming up, see what's new, though, certainly from the decks perspective. We are we are very much in favor of working with the customers.

As a matter of fact, we're looking at doing, you know, some working groups to try and make sure that what we're doing with the system is going to be working for the industry, as well as for our analysts and try to get as much done as possible. So we want to continue to statement and we are so delighted that there's so many of you that are willing to, to come in and learn more about the deck system and hear more from DDTC about what we're what we're doing. So Mike, do you have a final comment on that? I think it's a great question to end with. So-

Mike Miller: Thank you, Karen. How are you? Yeah, thank you. I strongly associate myself with your comments. When I say just all things like we hired internal DDTC and Outreach Coordinator facilitator, who has a great background and doing that, both here in the Washington area and our US embassies abroad. Obviously, the best laid plans of mice and civil servants didn't quite come to fruition with our ability to conduct outreach in person.

But we're continuing to look for opportunities like this one to really expand our Presence working for the colleagues and commerce and DOD looking for join opportunities to talk to these issues looking for opportunities, look at these issues across the whole landscape of what it is that we do. I think DDTC can be its best advocate in this regard and help to dispel some of the myths and more as it relates to the ITAR and are the guidance be provided to supplement the regulations.

So, you'll be seeing that as being a big emphasis of what we're attempting to do in the month coming forward. We really value the input we get from industry to help guide our work. So it's not nice to have, it's essential to our mission over.

Karen Wrege: Looks like we're out of time. And I just want to thank you all again for participating and want to turn it over to Wendy Peebles from Census.

Wendy Peebles: Okay, great. We had an excellent turnout over 1000 participants that joined today. So we certainly hope that this aids in your business operations want to thank the State Department team for your wealth of knowledge. Great webinar, we look forward to assisting and hosting future events.

Once again, we'd like to remind you to complete the evaluation because this does help us with planning for future webinars. And if you're interested in outreach events, sponsored by the Census Bureau on export training, please visit the Web site at www dot census that org slash foreign bash trade. This completes the webinar for today. Thank you and enjoy the rest of your afternoon.

Coordinator: Thank you. This does conclude today's conference call you may disconnect your lines. Thank you for your participation.

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