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**CNS Experts Comment on White House Announcement
Regarding Export Control Reform Efforts**

President Barack Obama announced today further steps toward reforming the U.S. export control system, including his intention to sign an Executive Order establishing an Export Enforcement Coordination Center. Designed to improve interagency coordination, the new center is among a series of reform measures highlighted in the President's video speech before the Department of Commerce's Annual Export Controls Update Conference in Washington, DC.

These measures include a revision of export licensing policies and closer alignment of the two major U.S. control lists covering dual-use and munitions items. According to a White House press release, additional controls will be imposed on the re-export of normally uncontrolled items "to prevent diversion to unauthorized destinations." The White House further noted that, after a year-long review of the current U.S. control lists, the administration expected that "about 74 percent of the 12,000 items" that currently fall under the more stringently control Munitions List "will either be moved to the Commerce Control List or will be decontrolled altogether."

The proposed measures build upon the President's ongoing Export Control Reform Initiative (ECRI), announced earlier this year by Defense Secretary Robert Gates. Under this initiative, the U.S. export control system will be reformed around "Four Singularities," specifically the creation of a Single Control List, a Single Primary Enforcement Coordination Agency, Single Information Technology (IT) System, and Single Licensing Agency. Implementation of the ECRI is proceeding in three phases, the last of which will require Congressional action.

Designed to create a more streamlined yet effective U.S. export control system, the ECRI has been described by the White House as necessary to improve competitiveness of U.S. industry and enhance national security.

In parallel with the ECRI, Congress is drafting new export control legislation. Contributing to this effort, **Dr. William Potter**, the director of the James Martin Center for Nonproliferation Studies, testified earlier this year before a field hearing for the Committee on Foreign Affairs of the U.S. House of Representatives. In his testimony, Dr. Potter called attention to the need to devise more effective export controls focused on

WMD nonproliferation, increase funding for export control enforcement, and explore new remedies for export control violations. Additionally, Dr. Potter encouraged further investment in nonproliferation education and training across both public and private sectors. Dr. Potter's complete written testimony can be accessed at:

http://cns.miis.edu/testimony/pdfs/potter_william_testimony_100115.pdf

Other experts from CNS who have monitored the reform process offered further comments based on the President's announcement today:

CNS Research Associate **Robert Shaw** noted that the President's remarks "illustrate the top-level priority accorded to export control reform by the Obama Administration. While industry associations have voiced cautious optimism regarding the reform initiative, noting that key details remain unclear, Congressional staff working on related legislation have been more skeptical about the feasibility of a creating a single licensing or enforcement agency. Nonetheless, the elements of the President's initiative not requiring legislation are still far-reaching enough to be considered revolutionary."

Additionally, the Center's **Stephanie Lieggi** commented that "if carried out properly, this type of reform could have a positive impact on U.S. nonproliferation efforts by assuring that the resources being utilized by enforcement and licensing agencies are focused on the most sensitive technologies. However, there is likely to remain significant opposition to the President's efforts; having the strong backing of Secretary Gates has helped quell a certain amount of early opposition to the measures, but we can expect to see this change as the administration attempts to drastically reduce the number of controlled items—particularly on the Munitions List."

For additional commentary, please contact CNS experts:

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