Update on U.S. Export Control Reform & DoD's Technology Security Foreign Disclosure Reform

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COMDEF 2012

September 05, 2012

Build the Flexibility to Address 21st Century Security Challenges

- **Fundamental reform of the U.S. export control system is driven by national security – protect "crown jewel" technologies and expedite cooperation with allies and partners**

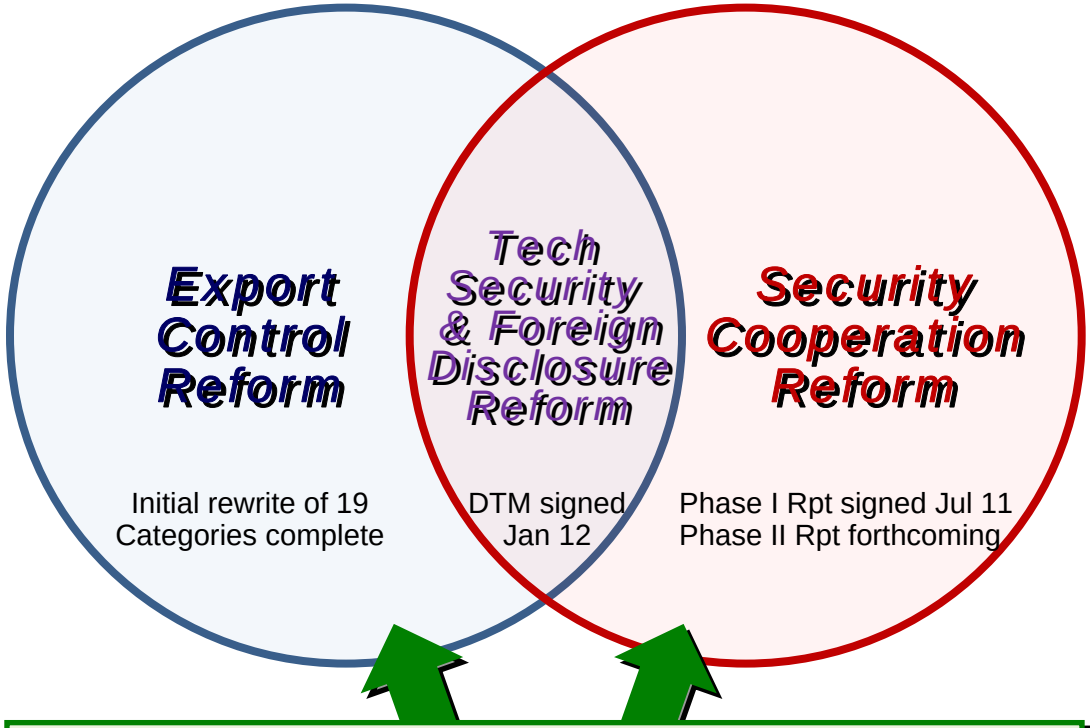
- **Export Control Reform supports new DoD Strategic Guidance set forth in "Sustaining U.S. Global Leadership: Priorities for the 21st Century Defense," including:**

  - Ensuring allies and partners have advanced capabilities so they may take on greater defense roles and missions, but protect the very technology that enables "Smart Defense" – smaller, more agile and technologically advanced forces

  - Facilitating cooperation with our allies and close partners in order to share technology and costs of developing future weapons systems

DoD's On-going Major Reform Efforts

Owners of key reform initiatives are working together



Important Complementary Efforts

- **DoD Acquisition (e.g., DEF, BBP alignment/integration efforts)** (Pilots Designated in Jan 12)
- **Congressional Notification Reform (State)** (SecState ltr to Hill in Apr 12)

Lots of Effort to Address Identified Problems

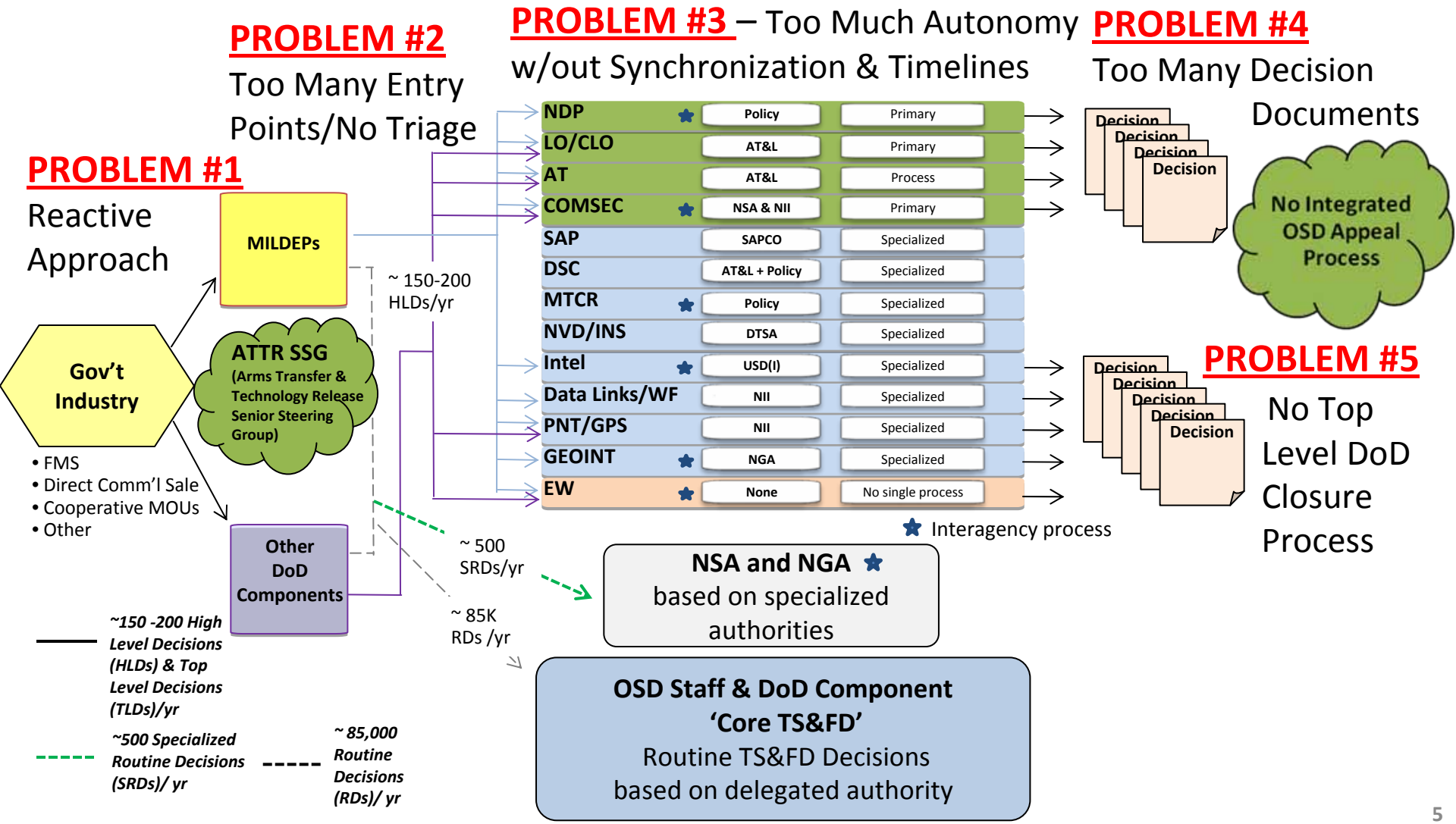
- **ECR – 4 Major Initiatives**
  - Single Export Control List
  - Single Enforcement Agency
  - Single IT System
  - Single Licensing Agency
- **TSFD – 4 Major Initiatives**
  - Upfront guidance / ATTR SSG policies
  - Triage/track/process High-Level Decisions
  - Consolidate processes and decisions
  - Empower ATTR SSG / Common Escalation process
- **SCR – 5 Major Focus Areas**
  - Conduct Better SC Planning – anticipate better
  - Generate More Precise Partner Reqm'ts
  - Improve/accelerate FMS-related processes
  - Generate a "fast track" process for urgent needs
  - Improve SC workforce's skills / knowledge
- **AT&L – 2 Major Initiatives**
  - Defense Exportability Features
  - Better Buying Power – Foreign Initiatives
- **State – 1 Major Initiative**
  - Compress Congressional Notification

Status of the Four Singles

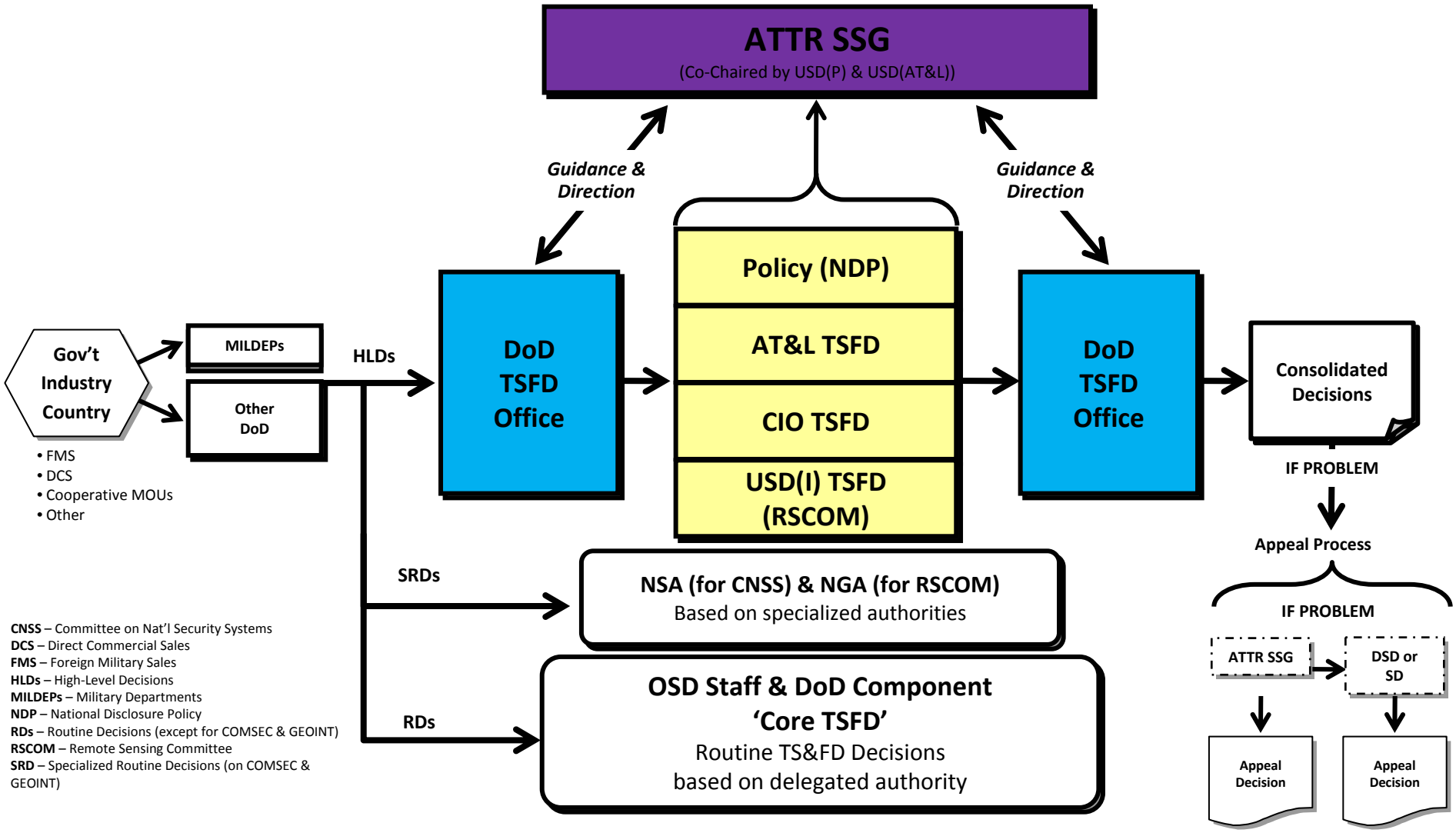
- **Single IT system (based on DoD's USXPORTS)**
  - Expect full operational capability with all agencies by late-2012 (Departments of Commerce, State, Treasury, Energy, Intelligence Community, Homeland Security, NASA)
- **Export Enforcement Coordination Center (E2C2) at DHS**
  - E2C2 opened on March 7, 2012
  - Also opened new Information Triage Unit, under the Director for National Intelligence, to coordinate intelligence community support
- **Single Export Control List**
  - Work on-going to rewrite USML and CCL – so that eventually the two can be merged into one list
  - New controls, with clear and objective parameters, should be easier for allies and partners to navigate
- **Single Control (Licensing) Agency**
  - Requires legislation – Administration's bill has not yet been submitted to Congress

Technology Security/Foreign Disclosure (TSFD)

Previous: Multiple Entry/Exit – Multiple 'Pipes'



New DoD TSFD System
– Process Overview (from DTM-11-053) –



CNSS – Committee on Nat'l Security Systems
DCS – Direct Commercial Sales
FMS – Foreign Military Sales
HLDs – High-Level Decisions
MILDEPs – Military Departments
NDP – National Disclosure Policy
RDs – Routine Decisions (except for COMSEC & GEOINT)
RSCOM – Remote Sensing Committee
SRD – Specialized Routine Decisions (on COMSEC & GEOINT)

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Questions?