

Export Controls Reform (ECR)

Brief Description:

In 2009 President Barack Obama initiated the Export Control Reform (ECR) initiative to modernize the export control system. By that time, the U.S. Munitions List administered by the Department of State and the dual-use control list administered by the Department of Commerce had not been comprehensively updated since the early 1990s in the first Bush Administration. The purpose of this comprehensive review of the export controls system is to identify possible reforms to better address current threats and to navigate the rapidly changing technological and economic landscape of the 21st century.

ECR Initial Assessment Summary:

The initial review was conducted by an interagency task force, created by the direction of President Obama, which included all applicable agencies and departments with roles in export controls, such as the Department of State, Defense, Commerce, Energy, Treasury, Justice, Homeland Security and the Office of the Director of National Intelligence. The assessment, completed in early 2010, found numerous deficiencies in the current export control system, such as a multitude of enforcement agencies with overlapping and duplicative authorities, and a number of separate information technology systems or agencies with no IT system at all that issues licenses. As a result the Administration determined that comprehensive reform of the U.S. export control system was needed in its four main areas: Single Control List, Single Primary Enforcement Coordination Agency, Single Information Technology (IT) System, and Single Licensing Agency. Based on the assessment led by the Departments of State, Defense, and Commerce, and also including representatives from other departments and agencies, these reforms will be developed in close consultation with the private sector and Congress with extensive public review and comment. The Administration's three-phase approach to deploy the new system is currently moving forward to make specific reforms which can be initiated immediately and implemented without legislation.

ECR New Proposed System:

The new proposed system for determining which items need to be controlled will be based on a three-tier model combined with a corresponding set of policies for determining when an export license is required will be implemented. This will include a "catch all" control for sanctioned end-users and destinations, proscribed entities, and proliferation, and counterterrorism end-uses. The reform process also intends to develop a Single Control List and provide the clarity needed to end jurisdictional confusion between controlled items from the USML and CCL.

ECR Impact on Small Businesses Link:

[ECR Factsheet- Improvements for Small Businesses](#)

ECR Library- Link to Fact Sheet, Speeches, Public Comments, Reports to Congress, GAO reports:

[The ECR Library](#)

ECR Completed Reforms- Consolidated Export Screening List:

The initial phase of the reform process was completed in 2010. Lists administered by the Department of State, Commerce and the Treasury were consolidated to provide a “one stop” screening list for companies during the license application process. The lists were consolidated into a common electronic format to facilitate the screening of parties to export transactions to ensure compliance with U.S. export control and sanctions regulations. [Sign up for email updates to the Consolidated Screening List.](#)

ECR Three Phase Reform Process:

The export controls reform (ECR) process has a three phase review effort for implementation:

- **Phase I.** *Develop methodology for rebuilding control lists. **STATUS:** Phase I completed in 2010*
- **Phase II.** *Apply methodology, restructuring the USML and CCL into identical tiered and positive lists, and utilize “bright line” process. **STATUS: PENDING***
 - *(See [ECR Dashboard July 1, 2014](#) to track USML review)*
 - *(View the [ECR Control List Tracking Sheet \(PDF\)](#)) ([Accessible Text Version](#)) for updates on the current control list review)*
 - *(See [Licensing Policy](#) for additional information regarding changes in licensing policies to both the USML and the CCL under ECR. Note: As stated in “Amendment to the International Traffic in Arms Regulations: Revision of USML Category VIII” 76 FR 68695 (Nov. 7, 2011) explains the Administration’s decision to first revise the USML into a positive list before initiating the tiering process for both the USML and the CCL.)*
- **Phase III.** *Merge USML and CCL into one list of controlled items, which will be administered by a [single control agency](#). **STATUS: PENDING** (Phase III requires completion of Phase II list review as well as Congressional Legislation)*

ECR Site Link: [Export Control List Review and Creating a Single Control List](#)

ECR Timeline:

- 2009: President Obama announced the launch of a comprehensive review of the U.S. export control system and directed a task force to examine how to modernize it.
- 2010: The task force completed its initial review of the export control system in early 2010 and found numerous deficiencies.
- April 2010: [Fact Sheet on the President's Export Control Reform Initiative](#)
- November 2010: EO 13558 (Export Coordination Enforcement Center) established the Export Enforcement Coordination Center. The Center strengthens the enforcement of U.S. export laws

through the facilitation of partner agency communication and collaboration to keep our nation safe.

- December 2010: [President Obama Announces First Steps Toward Implementation of New U.S. Export Control System](#)
- July 2011: [White House Chief of Staff Daley Highlights Priority for the President's Export Control Reform Initiative](#)
- March 2012: [Latest Steps Implementing President's ECR Initiative](#)
- March 2013: [Fact Sheet: Implementation of Export Control Reform](#)
- March 2013: EO No 13637 (Administrative Changes from ECR) to update delegated presidential authorities over the administration of certain export and import controls under the Arms Export Control Act of 1976, and the Administration notified Congress of the first in a series of changes to the U.S. Munitions List.
- May 2013: [Fact Sheet: Reinventing the System and Promoting National Security](#)
- October 2013: [Export Control Reform: First Final Rules Go into Effect](#)
- October 2013: [Fact Sheet: Announcing the Revised U.S. Export Control System](#)

ECR Fact Sheets, and Quick Reference Dashboard Links:

- [Export Control Reform](#)
- [ECR Dashboard July 1, 2014](#)
- [Export.Gov](#)
- [ECR Teleconference](#)
- [ECR FAQs](#)

Fact Sheets:

ECR Fact Sheet Series

- Fact Sheet 1: [The Basics](#)
- Fact Sheet 2: [Myths and Facts](#)
- Fact Sheet 3: [Rebuilding the Control Lists](#)
- Fact Sheet 4: [License Exception Strategic Trade Authorization \(STA\)](#)
- Fact Sheet 5: [Benefits for Small Businesses](#)
- Fact Sheet 6: [Export Control Enforcement](#)
- Fact Sheet 7: [Congressional Notification Process](#)
- Fact Sheet 8: [Myths and Facts About the Impact of Reform on U.S. Foreign Policy Equities](#)

ECR Phase II:

- [Export Control Reform "Dashboard"](#) (PDF).
- [ECR Control List Tracking Sheet](#) (PDF) ([Accessible Text Version](#)). This “tracker” allows you to track the control list review progress under Phase II.
- Read public comments in response to the proposed USML categories and CCL entries in the [ECR Library](#), under the Public Comments section.