

Export Controls, Security and Prosperity

Bureau of Industry and Security
U.S. Department of Commerce

International Export Control Conference
London, November 2004

The Purpose of Export Controls

- Protect national security and promote foreign policy
- Carry out international responsibilities
- Prevent proliferation of weapons of mass destruction and their means of delivery
- Facilitate trade in a new environment

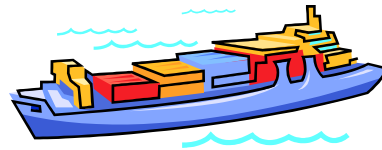
Why Are They Important?

New Trading Environment

- Worldwide concern about security and safety
- No country is immune
- Economic interdependence and globalization
- Expectations about security among trading partners

What Are Strategic Trade Controls?

- Dual-use items - goods and technologies with commercial and military, and proliferation applications
- Military items
- Controls on export, re-export, transshipment, or transit of goods and technologies



Why Control Strategic Trade?

- To meet international treaty and other obligations
- To be a responsible trading partner
- To protect its trade infrastructure



Meeting International Obligations

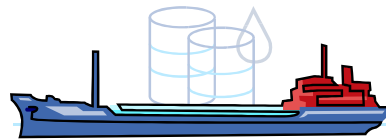
- International obligations often require governments to have effective trade controls. For example:
 - UNSC Resolution 1540
 - The Chemical Weapons Convention (CWC)
 - UN sanctions regimes

Acting as a Responsible Trading Partner

- If terrorists and other parties of concern use a shipping route to divert strategic items from legitimate trade flows, then:
 - Proliferation risks increase
 - Health and safety concerns heightened
 - Trade partners lose confidence in the country and tighten controls on trade with or through that country

Physical Protection of the Trade Infrastructure

- Terrorists can use many strategic items to threaten the security of a shipping route.



Efficient export control systems

- **Facilitate legitimate commerce by:**
 - Focusing enforcement efforts on higher-risk transactions;
 - Improving tracking through appropriate private and public sector compliance procedures;
 - Enhancing security of the supply chain.

Objective:
Make Trade Controls on Strategic
Items a Competitive Advantage

