



International Traffic in Arms (ITAR)

Mose Lewis, Consultant to EME

What is the ITAR?

The Regulations that Rule Exports and Imports

Failure to Comply =

Fines

Debarment

Jail Time

Scope of Presentation

- Introduction, Mission & Topics
- Department of State (DOS), Directorate Defense Trade Controls (DDTC)
- Defense Security Cooperation Agency (DSCA)
- Defense Technical Security Agency (DTSA)
- U.S. Army Security Assistance Agency (USASAC)
- Department of Commerce (DOC)

Scope of Presentation (Cont.)

- Licensing
- Compliance
- Recent changes
- Helpers

AGENCIES

DEPARTMENT OF STATE (DIRECTORATE DEFENSE
TRADE CONTROLS)

DEPARTMENT OF COMMERCE

DEFENSE SECURITY COOPERATION AGENCY

DEFENSE TECHNOLOGY SECURITY AGENCY

USARMY SECURITY ASSISTANCE COMMAND

BASICS

EXPORTERS MUST REGISTER – (DDTC)

MUST DESIGNATE AN “EMPOWERED OFFICAL”

MUST SUBMIT LICENSE APPLICATIONS

MUST OBEY ITAR

EXPORT CONTROL

System of Licensing - Forms

DSP-5 Permanent Export

DSP-73 Temporary Export

DSP-61 Temporary Import

DSP-83 End Use Certificate

Certificate of Empowered Official

Technical Assistance Agreement

Manufacturing Licenses Agreements

When Does an Export Occur?

Obviously when shipping info, documents or items overseas.

May also create an export when:

- Talk or send emails to a foreign National

- Handout flyers at a trade show

- Create company web sites

- Give briefings when foreigners are present

- Carry company samples overseas

USG compliance is aimed at control of Technology

Licenses

Clearly State who-what-when-where-why-how of export

- ❖ Provide relevant documents and where to go if additional info is needed
 - ❖ Have knowledgeable Governmental POC
 - ❖ Have relevant graphics, demonstrate logic for approval with relevant prior approvals
 - ❖ Define the Scope of Export:
 - State unequivocally what will not be exported

Courtesy of Navy IPO

Characteristics of Poor Licenses

- ❖ Ask for everything, USG will tell us what we can't have)
 - ❖ Have conflicting statements, e.g. ,
 - Cover letter vs. support documents
- Have Government POC's who retired last year

Courtesy of Navy IPO

Characteristics of Poor Licenses (Cont.)

- Use Soviet approach to supporting documentation:
 - “Quantity has quality all it’s own”
- Do not exhibit graphics, clarity, logic for release and on relevant prior approvals
- Don’t have anyone in the company who can answer questions.

Courtesy of Navy IPO

What is Technical Data?

- + Classified Info on defense articles & services
- + Info covered by an invention secrecy order
- + Info in any form directly related to design, engineering, development, production, repair, of defense articles/systems
- + Blue prints, drawings, photos, etc.
- + Does not include general science, math, engineering taught in academia
- + Does not include marketing info on general defense systems

RESEARCH & DEVELOPMENT

- Exchange of basic research not defense-specific does not require an export license
- Government financial program level of 6-2 is uncontrolled 6-3 is a gray area
- Dual use technology biased toward commercial application is controlled by DOC

RESEARCH & DEVELOPMENT (Cont.)

- State makes the call whether defense or DOC
- National Academy of Sciences reports the issues
- Defense research is exportable with a TAA

NATIONAL ACADEMY of SCIENCES REPORT

(ON EXPORT CONTROL)

Current System is Broken – must be restructured

System harms National Security

Reduces economic prosperity

Many controls do not improve security

Best research is undermined by USG Regulations

Cannot fix the system below Presidential level

RECOMMENDATIONS

A NEW COORDINATION CENTER
AT NATIONAL SECURITY LEVEL –
REVIEW LICENSES

APPEALS PANEL TO RESOLVE
ISSUES

Office of Inspector General

A review of DOS Munitions export license process found many deficiencies:

Two examples:

1. DDTC is inefficient & unnecessarily burdensome
2. Process lacks tracking resulting in lost or misplaced applications

ITAR Problems

(Two of Many)

The ITAR “TAINT” is one small component, like a radio mount, can result in a whole system falling under ITAR control

A space heater for an arctic tent is classified as “significant military equipment” and therefore cannot be moved to another country without an export license

SEC DEF GATES

REFORM THE ITAR

- PRESIDENT HAS DIRECTED REVIEW OF EXPORT CONTROL REGEME
- SYST. FAILED TO PREVENT EXPORT OF HARMFUL TECHNOLOGY
- WASTING RESOURCES CONTROLLING TECH AVAILABLE AT RADIO SHACK

SEC DEF GATES

REFORM THE ITAR (Cont.)

- EXPORT CONTROL OF SMALL PARTS OF A WHOLE SYSTEM ALREADY APPROVED
- TOO MANY AUTHORITIES, ROLLS, MISSIONS IN DIFFERENT PARTS OF USG
- CONFUSION ABOUT JURISDICTION

SEC DEF GATES

REMEDIES

- SINGLE EXPORT CONTROL LIST OF ONLY CRITICAL ITEMS
- SINGLE LICENSING AGENCY OVER MUNITIONS & DUAL USE ITEMS
- SINGLE ENFORCEMENT COORDINATION AGENCY
- SINGLE UNIFIED IT STRUCTURE TO REDUCE REDUNDANCY & WASTE
- CHANGES WILL REQUIRE CONGRESSIONAL ACTION

RECENT CHANGES

- LICENSE PROCESSING – FASTER!
- ALL APPLICATIONS – ELECTRONIC
- STAFF INCREASED AT DDTC
- BROKERING REGISTRATION - CASE BY CASE
- IRAQ MOVING TOWARD U.S. EQUIPMENT/AMMO



HELPERS

When you have questions – Don't know what to do,
call for Help:

DDTC WEB Page – <http://pmddtc.state.gov>

DDTC Response Team – 202 663-1282

DSCA – Brett Floro 703 604-6626

DTSA – Patrick Merryman 703 325-4297

USASAC – Col. David Dornblaser 703 806-2292

SIA – Senior Advisor: Gregory Creeser, 703 597-2517

Email: <http://siaed.org/publications.cfm>

DOD INFO/Security – Donald Kluzic, 703 695-9580

EME Consultant – Mose Lewis, 703 534 5412

Email mellew88@aol.com

