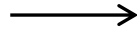


Export Control Reform “Iceberg”

(A visual metaphor of the relative sizes of visible and non-visible export control burdens, not sinking ships)

Licensing Burden

Dual-use STA license exception
(May 2011)



Generic Munitions List parts/components move to Commerce from State and become exportable under STA
(Proposed regs out summer 2011)*



Reduction in licensing burden on industry and USG

Necessary licensing burden



Necessary compliance burden

(i.e., time and money spent to determine whether authorizations are required and to comply with authorizations)

*Portion of unnecessary compliance burden on industry that will melt in 2012 when generic Munitions List parts/components are *moved* from State to Commerce, which allows for more tailored controls, *assuming* (i) Congressional notification process is completed and (ii) resource issues are resolved.

Compliance Burden

Unnecessary compliance burden on industry solely as a result of *complexity* of and *divided USG controls* over the various export control and sanctions regulations.