

THE WHITE HOUSE
Office of the Press Secretary

FOR IMMEDIATE RELEASE

August 30, 2010

**Video Remarks by The President to the Department of Commerce Annual
Export Controls Update Conference**

Below are remarks by the President that will be delivered via videotape tomorrow, August 31, at the Department of Commerce's Annual Export Controls Update Conference in Washington, D.C.

Hello everyone. I'm sorry I'm not able to be with you in person today, but I'm pleased to have the chance to join you by video to talk about our export control reform initiative.

About a year ago, we launched a comprehensive review of our export controls and determined that we need fundamental reform in all four areas of our current system – in what we control, how we control it, how we enforce those controls, and how we manage our controls. I want to thank Secretary Locke, Secretary Gates, Secretary Clinton and many others for their work on this initiative. And today I want to highlight the key elements of our new approach and the first steps toward its implementation.

For too long, we've had two very different control lists, with agencies fighting over who has jurisdiction. Decisions were delayed, sometimes for years, and industries lost their edge or moved abroad. Going forward, we will have a single, tiered, positive list – one which will allow us to build higher walls around the export of our most sensitive items while allowing the export of less critical ones under less restrictive conditions.

In the past, there was a lot of confusion about when a license was required. It depended on which agency you asked. Now, we will have a single set of licensing policies that will apply to each tier of control, bringing clarity and consistency across our system.

In addition, I plan to sign an Executive Order that creates an Export Enforcement Coordination Center to coordinate and strengthen our enforcement efforts – and eliminate gaps and duplication – across all relevant departments and agencies.

Finally, right now, export control licenses are managed by multiple, different IT systems or, in some cases, even on paper. Going forward, all agencies will transition to a single

IT system, making it easier for exporters to seek licenses and ensuring that the government has the full information needed to make informed decisions.

While there is still more work to be done, taken together, these reforms will focus our resources on the threats that matter most, and help us work more effectively with our allies in the field. They'll bring transparency and coherence to a field of regulation which has long been lacking both. And by enhancing the competitiveness of our manufacturing and technology sectors, they'll help us not just increase exports and create jobs, but strengthen our national security as well.

All of this represents significant progress. And as we implement these reforms and take further steps - including working to create a single licensing agency - I look forward to working with both Congress and the export control community to ensure their success. Thank you.