

-EXPCITE-

TITLE 22 - FOREIGN RELATIONS AND INTERCOURSE

CHAPTER 39 - ARMS EXPORT CONTROL

SUBCHAPTER III - MILITARY EXPORT CONTROLS

-HEAD-

Sec. 2778. Control of arms exports and imports

-STATUTE-

(a) Presidential control of exports and imports of defense articles and services, guidance of policy, etc.; designation of United States Munitions List; issuance of export licenses; negotiations information

(1) In furtherance of world peace and the security and foreign policy of the United States, the President is authorized to control the import and the export of defense articles and defense services and to provide foreign policy guidance to persons of the United States involved in the export and import of such articles and services. The President is authorized to designate those items which shall be considered as defense articles and defense services for the purposes of this section and to promulgate regulations for the import and export of such articles and services. The items so

designated shall constitute the United States Munitions List.

(2) Decisions on issuing export licenses under this section shall take into account whether the export of an article would contribute to an arms race, aid in the development of weapons of mass destruction, support international terrorism, increase the possibility of outbreak or escalation of conflict, or prejudice the development of bilateral or multilateral arms control or nonproliferation agreements or other arrangements.

(3) In exercising the authorities conferred by this section, the President may require that any defense article or defense service be sold under this chapter as a condition of its eligibility for export, and may require that persons engaged in the negotiation for the export of defense articles and services keep the President fully and currently informed of the progress and future prospects of such negotiations.

(b) Registration and licensing requirements for manufacturers, exporters, or importers of designated defense articles and defense services

(1)(A)(i) As prescribed in regulations issued under this section,

every person (other than an officer or employee of the United States Government acting in an official capacity) who engages in the business of manufacturing, exporting, or importing any defense articles or defense services designated by the President under subsection (a)(1) of this section shall register with the United States Government agency charged with the administration of this section, and shall pay a registration fee which shall be prescribed by such regulations. Such regulations shall prohibit the return to the United States for sale in the United States (other than for the Armed Forces of the United States and its allies or for any State or local law enforcement agency) of any military firearms or ammunition of United States manufacture furnished to foreign governments by the United States under this chapter or any other foreign assistance or sales program of the United States, whether or not enhanced in value or improved in condition in a foreign country. This prohibition shall not extend to similar firearms that have been so substantially transformed as to become, in effect, articles of foreign manufacture.

(ii)(I) As prescribed in regulations issued under this section,

every person (other than an officer or employee of the United States Government acting in official capacity) who engages in the business of brokering activities with respect to the manufacture, export, import, or transfer of any defense article or defense service designated by the President under subsection (a)(1) of this section, or in the business of brokering activities with respect to the manufacture, export, import, or transfer of any foreign defense article or defense service (as defined in subclause (IV)), shall register with the United States Government agency charged with the administration of this section, and shall pay a registration fee which shall be prescribed by such regulations.

(II) Such brokering activities shall include the financing, transportation, freight forwarding, or taking of any other action that facilitates the manufacture, export, or import of a defense article or defense service.

(III) No person may engage in the business of brokering activities described in subclause (I) without a license, issued in accordance with this chapter, except that no license shall be required for such activities undertaken by or for an agency of the

United States Government -

(aa) for use by an agency of the United States Government; or

(bb) for carrying out any foreign assistance or sales program authorized by law and subject to the control of the President by other means.

(IV) For purposes of this clause, the term "foreign defense article or defense service" includes any non-United States defense article or defense service of a nature described on the United States Munitions List regardless of whether such article or service is of United States origin or whether such article or service contains United States origin components.

(B) (!1) The prohibition under such regulations required by the second sentence of subparagraph (A) shall not extend to any military firearms (or ammunition, components, parts, accessories, and attachments for such firearms) of United States manufacture furnished to any foreign government by the United States under this chapter or any other foreign assistance or sales program of the United States if -

(i) such firearms are among those firearms that the Secretary

of the Treasury is, or was at any time, required to authorize the importation of by reason of the provisions of section 925(e) of title 18 (including the requirement for the listing of such firearms as curios or relics under section 921(a)(13) of that title); and

(ii) such foreign government certifies to the United States Government that such firearms are owned by such foreign government.

(B) (1) A copy of each registration made under this paragraph shall be transmitted to the Secretary of the Treasury for review regarding law enforcement concerns. The Secretary shall report to the President regarding such concerns as necessary.

(2) Except as otherwise specifically provided in regulations issued under subsection (a)(1) of this section, no defense articles or defense services designated by the President under subsection (a)(1) of this section may be exported or imported without a license for such export or import, issued in accordance with this chapter and regulations issued under this chapter, except that no license shall be required for exports or imports made by or for an agency of the United States Government (A) for official use by a

department or agency of the United States Government, or (B) for carrying out any foreign assistance or sales program authorized by law and subject to the control of the President by other means.

(3)(A) For each of the fiscal years 1988 and 1989, \$250,000 of registration fees collected pursuant to paragraph (1) shall be credited to a Department of State account, to be available without fiscal year limitation. Fees credited to that account shall be available only for the payment of expenses incurred for -

(i) contract personnel to assist in the evaluation of munitions control license applications, reduce processing time for license applications, and improve monitoring of compliance with the terms of licenses; and

(ii) the automation of munitions control functions and the processing of munitions control license applications, including the development, procurement, and utilization of computer equipment and related software.

(B) The authority of this paragraph may be exercised only to such extent or in such amounts as are provided in advance in appropriation Acts.

(c) Criminal violations; punishment

Any person who willfully violates any provision of this section or section 2779 of this title, or any rule or regulation issued under either section, or who willfully, in a registration or license application or required report, makes any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading, shall upon conviction be fined for each violation not more than \$1,000,000 or imprisoned not more than ten years, or both.

(d) Repealed. Pub. L. 96-70, title III, Sec. 3303(a)(4), Sept. 27, 1979, 93 Stat. 499

(e) Enforcement powers of President

In carrying out functions under this section with respect to the export of defense articles and defense services, the President is authorized to exercise the same powers concerning violations and enforcement which are conferred upon departments, agencies and officials by subsections (c), (d), (e), and (g) of section 11 of the Export Administration Act of 1979 [50 App. U.S.C. 2410(c), (d),

(e), and (g)], and by subsections (a) and (c) of section 12 of such Act [50 App. U.S.C. 2411(a) and (c)], subject to the same terms and conditions as are applicable to such powers under such Act [50 App. U.S.C. 2401 et seq.], except that section 11(c)(2)(B) of such Act shall not apply, and instead, as prescribed in regulations issued under this section, the Secretary of State may assess civil penalties for violations of this chapter and regulations prescribed thereunder and further may commence a civil action to recover such civil penalties, and except further that the names of the countries and the types and quantities of defense articles for which licenses are issued under this section shall not be withheld from public disclosure unless the President determines that the release of such information would be contrary to the national interest. Nothing in this subsection shall be construed as authorizing the withholding of information from the Congress. Notwithstanding section 11(c) of the Export Administration Act of 1979, the civil penalty for each violation involving controls imposed on the export of defense articles and defense services under this section may not exceed \$500,000.

(f) Periodic review of items on Munitions List; exemptions

(1) The President shall periodically review the items on the United States Munitions List to determine what items, if any, no longer warrant export controls under this section. The results of such reviews shall be reported to the Speaker of the House of Representatives and to the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate. The President may not remove any item from the Munitions List until 30 days after the date on which the President has provided notice of the proposed removal to the Committee on International Relations of the House of Representatives and to the Committee on Foreign Relations of the Senate in accordance with the procedures applicable to reprogramming notifications under section 2394-1(a) of this title. Such notice shall describe the nature of any controls to be imposed on that item under any other provision of law.

(2) The President may not authorize an exemption for a foreign country from the licensing requirements of this chapter for the export of defense items under subsection (j) of this section or any

other provision of this chapter until 30 days after the date on which the President has transmitted to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate a notification that includes -

(A) a description of the scope of the exemption, including a detailed summary of the defense articles, defense services, and related technical data covered by the exemption; and

(B) a determination by the Attorney General that the bilateral agreement concluded under subsection (j) of this section requires the compilation and maintenance of sufficient documentation relating to the export of United States defense articles, defense services, and related technical data to facilitate law enforcement efforts to detect, prevent, and prosecute criminal violations of any provision of this chapter, including the efforts on the part of countries and factions engaged in international terrorism to illicitly acquire sophisticated United States defense items.

(3) Paragraph (2) shall not apply with respect to an exemption

for Canada from the licensing requirements of this chapter for the export of defense items.

(g) Identification of persons convicted or subject to indictment for violations of certain provisions

(1) The President shall develop appropriate mechanisms to identify, in connection with the export licensing process under this section -

(A) persons who are the subject of an indictment for, or have been convicted of, a violation under -

(i) this section,

(ii) section 11 of the Export Administration Act of 1979 (50 U.S.C. App. 2410),

(iii) section 793, 794, or 798 of title 18 (relating to espionage involving defense or classified information) or section 2339A of such title (relating to providing material support to terrorists),

(iv) section 16 of the Trading with the Enemy Act (50 U.S.C. App. 16),

(v) section 206 of the International Emergency Economic

Powers Act (relating to foreign assets controls; 50 U.S.C. App.

1705) [50 U.S.C. 1705],

(vi) section 30A of the Securities Exchange Act of 1934 (15 U.S.C. 78dd-1) or section 104 of the Foreign Corrupt Practices Act (15 U.S.C. 78dd-2),

(vii) chapter 105 of title 18 (relating to sabotage),

(viii) section 4(b) of the Internal Security Act of 1950 (relating to communication of classified information; 50 U.S.C. 783(b)),

(ix) section 57, 92, 101, 104, 222, 224, 225, or 226 of the Atomic Energy Act of 1954 (42 U.S.C. 2077, 2122, 2131, 2134, 2272, 2274, 2275, and 2276),

(x) section 601 of the National Security Act of 1947 (relating to intelligence identities protection; 50 U.S.C. 421),

(xi) section 603(b) or (c) of the Comprehensive Anti-Apartheid Act of 1986 (22 U.S.C. 5113(b) and (c)); (!2) or

(xii) section (!3) 3, 4, 5, and 6 of the Prevention of Terrorist Access to Destructive Weapons Act of 2004, relating

to missile systems designed to destroy aircraft (18 U.S.C. 2332g), prohibitions governing atomic weapons (42 U.S.C. 2122), radiological dispersal devices (18 U.S.C. 2332h), and variola virus (18 U.S.C. 175b (!4));

(B) persons who are the subject of an indictment or have been convicted under section 371 of title 18 for conspiracy to violate any of the statutes cited in subparagraph (A); and

(C) persons who are ineligible -

(i) to contract with,

(ii) to receive a license or other form of authorization to export from, or

(iii) to receive a license or other form of authorization to import defense articles or defense services from, any agency of the United States Government.

(2) The President shall require that each applicant for a license to export an item on the United States Munitions List identify in the application all consignees and freight forwarders involved in the proposed export.

(3) If the President determines -

(A) that an applicant for a license to export under this

section is the subject of an indictment for a violation of any of the statutes cited in paragraph (1),

(B) that there is reasonable cause to believe that an applicant for a license to export under this section has violated any of the statutes cited in paragraph (1), or

(C) that an applicant for a license to export under this section is ineligible to contract with, or to receive a license or other form of authorization to import defense articles or defense services from, any agency of the United States

Government,

the President may disapprove the application. The President shall consider requests by the Secretary of the Treasury to disapprove any export license application based on these criteria.

(4) A license to export an item on the United States Munitions List may not be issued to a person -

(A) if that person, or any party to the export, has been convicted of violating a statute cited in paragraph (1), or

(B) if that person, or any party to the export, is at the time of the license review ineligible to receive export licenses (or

other forms of authorization to export) from any agency of the United States Government, except as may be determined on a case-by-case basis by the President, after consultation with the Secretary of the Treasury, after a thorough review of the circumstances surrounding the conviction or ineligibility to export and a finding by the President that appropriate steps have been taken to mitigate any law enforcement concerns.

(5) A license to export an item on the United States Munitions List may not be issued to a foreign person (other than a foreign government).

(6) The President may require a license (or other form of authorization) before any item on the United States Munitions List is sold or otherwise transferred to the control or possession of a foreign person or a person acting on behalf of a foreign person.

(7) The President shall, in coordination with law enforcement and national security agencies, develop standards for identifying high-risk exports for regular end-use verification. These standards shall be published in the Federal Register and the initial

standards shall be published not later than October 1, 1988.

(8) Upon request of the Secretary of State, the Secretary of Defense and the Secretary of the Treasury shall detail to the office primarily responsible for export licensing functions under this section, on a nonreimbursable basis, personnel with appropriate expertise to assist in the initial screening of applications for export licenses under this section in order to determine the need for further review of those applications for foreign policy, national security, and law enforcement concerns.

(9) For purposes of this subsection -

(A) the term "foreign corporation" means a corporation that is not incorporated in the United States;

(B) the term "foreign government" includes any agency or subdivision of a foreign government, including an official mission of a foreign government;

(C) the term "foreign person" means any person who is not a citizen or national of the United States or lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act [8 U.S.C. 1101 et seq.], and includes foreign

corporations, international organizations, and foreign governments;

(D) the term "party to the export" means -

(i) the president, the chief executive officer, and other senior officers of the license applicant;

(ii) the freight forwarders or designated exporting agent of the license application; and

(iii) any consignee or end user of any item to be exported;

and

(E) the term "person" means a natural person as well as a corporation, business association, partnership, society, trust, or any other entity, organization, or group, including governmental entities.

(h) Judicial review of designation of items as defense articles or services

The designation by the President (or by an official to whom the President's functions under subsection (a) of this section have been duly delegated), in regulations issued under this section, of items as defense articles or defense services for purposes of this

section shall not be subject to judicial review.

(i) Report to Department of State

As prescribed in regulations issued under this section, a United States person to whom a license has been granted to export an item on the United States Munitions List shall, not later than 15 days after the item is exported, submit to the Department of State a report containing all shipment information, including a description of the item and the quantity, value, port of exit, and end-user and country of destination of the item.

(j) Requirements relating to country exemptions for licensing of defense items for export to foreign countries

(1) Requirement for bilateral agreement

(A) In general

The President may utilize the regulatory or other authority pursuant to this chapter to exempt a foreign country from the licensing requirements of this chapter with respect to exports of defense items only if the United States Government has concluded a binding bilateral agreement with the foreign country. Such agreement shall -

(i) meet the requirements set forth in paragraph (2); and

(ii) be implemented by the United States and the foreign country in a manner that is legally-binding under their domestic laws.

(B) Exception

The requirement to conclude a bilateral agreement in accordance with subparagraph (A) shall not apply with respect to an exemption for Canada from the licensing requirements of this chapter for the export of defense items.

(2) Requirements of bilateral agreement

A bilateral agreement referred to in paragraph (1) -

(A) shall, at a minimum, require the foreign country, as necessary, to revise its policies and practices, and promulgate or enact necessary modifications to its laws and regulations to establish an export control regime that is at least comparable to United States law, regulation, and policy requiring -

(i) conditions on the handling of all United States-origin defense items exported to the foreign country, including prior written United States Government approval for any

reexports to third countries;

(ii) end-use and retransfer control commitments, including securing binding end-use and retransfer control commitments from all end-users, including such documentation as is needed in order to ensure compliance and enforcement, with respect to such United States-origin defense items;

(iii) establishment of a procedure comparable to a "watchlist" (if such a watchlist does not exist) and full cooperation with United States Government law enforcement agencies to allow for sharing of export and import documentation and background information on foreign businesses and individuals employed by or otherwise connected to those businesses; and

(iv) establishment of a list of controlled defense items to ensure coverage of those items to be exported under the exemption; and

(B) should, at a minimum, require the foreign country, as necessary, to revise its policies and practices, and promulgate or enact necessary modifications to its laws and regulations to

establish an export control regime that is at least comparable to United States law, regulation, and policy regarding -

(i) controls on the export of tangible or intangible technology, including via fax, phone, and electronic media;

(ii) appropriate controls on unclassified information relating to defense items exported to foreign nationals;

(iii) controls on international arms trafficking and brokering;

(iv) cooperation with United States Government agencies, including intelligence agencies, to combat efforts by third countries to acquire defense items, the export of which to such countries would not be authorized pursuant to the export control regimes of the foreign country and the United States; and

(v) violations of export control laws, and penalties for such violations.

(3) Advance certification

Not less than 30 days before authorizing an exemption for a foreign country from the licensing requirements of this chapter

for the export of defense items, the President shall transmit to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate a certification that -

(A) the United States has entered into a bilateral agreement with that foreign country satisfying all requirements set forth in paragraph (2);

(B) the foreign country has promulgated or enacted all necessary modifications to its laws and regulations to comply with its obligations under the bilateral agreement with the United States; and

(C) the appropriate congressional committees will continue to receive notifications pursuant to the authorities, procedures, and practices of section 2776 of this title for defense exports to a foreign country to which that section would apply and without regard to any form of defense export licensing exemption otherwise available for that country.

(4) Definitions

In this section:

(A) Defense items

The term "defense items" means defense articles, defense services, and related technical data.

(B) Appropriate congressional committees

The term "appropriate congressional committees" means -

(i) the Committee on International Relations and the Committee on Appropriations of the House of Representatives; and

(ii) the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

-SOURCE-

(Pub. L. 90-629, ch. 3, Sec. 38, as added Pub. L. 94-329, title II, Sec. 212(a)(1), June 30, 1976, 90 Stat. 744; amended Pub. L. 95-92, Sec. 20, Aug. 4, 1977, 91 Stat. 623; Pub. L. 96-70, title III, Sec. 3303(a)(4), Sept. 27, 1979, 93 Stat. 499; Pub. L. 96-72, Sec. 22(a), Sept. 29, 1979, 93 Stat. 535; Pub. L. 96-92, Sec. 21, Oct. 29, 1979, 93 Stat. 710; Pub. L. 96-533, title I, Sec. 107(a), (c), Dec. 16, 1980, 94 Stat. 3136; Pub. L. 97-113, title I, Secs. 106, 107, Dec. 29, 1981, 95 Stat. 1522; Pub. L. 99-64, title I, Sec.

123(a), July 12, 1985, 99 Stat. 156; Pub. L. 99-83, title I, Sec. 119(a), (b), Aug. 8, 1985, 99 Stat. 203, 204; Pub. L. 100-202, Sec. 101(b) [title VIII, Sec. 8142(a)], Dec. 22, 1987, 101 Stat. 1329-43, 1329-88; Pub. L. 100-204, title XII, Sec. 1255, Dec. 22, 1987, 101 Stat. 1429; Pub. L. 101-222, Secs. 3(a), 6, Dec. 12, 1989, 103 Stat. 1896, 1899; Pub. L. 103-236, title VII, Sec. 714(a)(1), Apr. 30, 1994, 108 Stat. 497; Pub. L. 104-164, title I, Secs. 151(a), 156, July 21, 1996, 110 Stat. 1437, 1440; Pub. L. 105-277, div. G, subdiv. A, title XII, Sec. 1225(a)(2), Oct. 21, 1998, 112 Stat. 2681-773; Pub. L. 106-113, div. B, Sec. 1000(a)(7) [div. B, title XIII, Secs. 1302(a), 1303, 1304], Nov. 29, 1999, 113 Stat. 1536, 1501A-510, 1501A-511; Pub. L. 106-280, title I, Sec. 102(a), (b), Oct. 6, 2000, 114 Stat. 846, 848; Pub. L. 107-228, div. B, title XIV, Sec. 1406, Sept. 30, 2002, 116 Stat. 1458; Pub. L. 108-458, title VI, Sec. 6910, Dec. 17, 2004, 118 Stat. 3774.)

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#### REFERENCES IN TEXT

The Export Administration Act of 1979, referred to in subsec. (e), is Pub. L. 96-72, Sept. 29, 1979, 93 Stat. 503, as amended,

which is classified principally to section 2401 et seq. of Title 50, Appendix, War and National Defense. For complete classification of this Act to the Code, see Short Title note set out under section 2401 of Title 50, Appendix, and Tables.

Section 104 of the Foreign Corrupt Practices Act (15 U.S.C. 78dd-2), referred to in subsec. (g)(1)(A)(vi), probably means section 104 of the Foreign Corrupt Practices Act of 1977, which is classified to section 78dd-2 of Title 15, Commerce and Trade.

Sections 3, 4, 5, and 6 of the Prevention of Terrorist Access to Destructive Weapons Act of 2004, referred to in subsec.

(g)(1)(A)(xii), probably means sections 6903, 6904, 6905, and 6906, respectively, of Pub. L. 108-458, which enacted section 2332g of Title 18, Crimes and Criminal Procedure, amended sections 2122 and 2272 of Title 42, The Public Health and Welfare, and enacted sections 2332h and 175c of Title 18.

The Immigration and Nationality Act, referred to in subsec. (g)(9)(C), is act June 27, 1952, ch. 477, 66 Stat. 163, as amended, which is classified principally to chapter 12 (Sec. 1101 et seq.) of Title 8, Aliens and Nationality. For complete classification of

this Act to the Code, see Short Title note set out under section 1101 of Title 8 and Tables.

-MISC1-

REFERENCE TO SECTION 1934 OF THIS TITLE DEEMED REFERENCE TO THIS

SECTION

Section 212(b)(1) of Pub. L. 94-329 provided in part that: "Any reference to such section [section 1934 of this title] shall be deemed to be a reference to section 38 of the Arms Export Control Act [this section] and any reference to licenses issued under section 38 of the Arms Export Control Act [this section] shall be deemed to include a reference to licenses issued under section 414 of the Mutual Security Act of 1954."

AMENDMENTS

2004 - Subsec. (g)(1)(A)(xii). Pub. L. 108-458 added cl. (xii).

2002 - Subsec. (f)(1). Pub. L. 107-228 substituted "The President may not remove any item from the Munitions List until 30 days after the date on which the President has provided notice of the proposed removal to the Committee on International Relations of the House of Representatives and to the Committee on Foreign Relations of the

Senate in accordance with the procedures applicable to reprogramming notifications under section 2394-1(a) of this title. Such notice shall describe the nature of any controls to be imposed on that item under any other provision of law." for "Such a report shall be submitted at least 30 days before any item is removed from the Munitions List and shall describe the nature of any controls to be imposed on that item under the Export Administration Act of 1979."

2000 - Subsec. (f). Pub. L. 106-280, Sec. 102(b), designated existing provisions as par. (1) and added pars. (2) and (3).

Subsec. (j). Pub. L. 106-280, Sec. 102(a), added subsec. (j).

1999 - Subsec. (e). Pub. L. 106-113, Sec. 1000(a)(7) [title XIII, Sec. 1303], in first sentence, inserted "section 11(c)(2)(B) of such Act shall not apply, and instead, as prescribed in regulations issued under this section, the Secretary of State may assess civil penalties for violations of this chapter and regulations prescribed thereunder and further may commence a civil action to recover such civil penalties, and except further that" after "except that".

Subsec. (g)(1)(A)(iii). Pub. L. 106-113, Sec. 1000(a)(7) [title

XIII, Sec. 1304], inserted "or section 2339A of such title (relating to providing material support to terrorists)" before comma at end.

Subsec. (i). Pub. L. 106-113, Sec. 1000(a)(7) [title XIII, Sec. 1302(a)], added subsec. (i).

1998 - Subsec. (a)(2). Pub. L. 105-277 substituted "take into account" for "be made in coordination with the Director of the United States Arms Control and Disarmament Agency, taking into account the Director's assessment as to" and struck out at end "The Director of the Arms Control and Disarmament Agency is authorized, whenever the Director determines that the issuance of an export license under this section would be detrimental to the national security of the United States, to recommend to the President that such export license be disapproved."

1996 - Subsec. (b)(1)(A). Pub. L. 104-164, Sec. 151(a), designated existing provisions of subpar. (A) as cl. (i) and added cl. (ii).

Subsec. (e). Pub. L. 104-164, Sec. 156, inserted before period at end of first sentence ", except that the names of the countries and

the types and quantities of defense articles for which licenses are issued under this section shall not be withheld from public disclosure unless the President determines that the release of such information would be contrary to the national interest".

1994 - Subsec. (a)(2). Pub. L. 103-236 amended par. (2) generally. Prior to amendment, par. (2) read as follows: "Decisions on issuing export licenses under this section shall be made in coordination with the Director of the United States Arms Control and Disarmament Agency and shall take into account the Director's opinion as to whether the export of an article will contribute to an arms race, support international terrorism, increase the possibility of outbreak or escalation of conflict, or prejudice the development of bilateral or multilateral arms control arrangements."

1989 - Subsec. (a)(2). Pub. L. 101-222, Sec. 3(a), inserted "support international terrorism," after "arms race,".

Subsec. (h). Pub. L. 101-222, Sec. 6, added subsec. (h).

1987 - Subsec. (b)(1). Pub. L. 100-204, Sec. 1255(b), designated existing provisions as subpar. (A) and added subpar. (B) relating

to review by Secretary of the Treasury of munitions control registrations.

Pub. L. 100-202 designated existing provisions as subpar. (A) and added subpar. (B) relating to allowance of return to United States of certain military firearms, etc., under certain circumstances.

Subsec. (b)(3). Pub. L. 100-204, Sec. 1255(c), added par. (3).

Subsec. (g). Pub. L. 100-204, Sec. 1255(a), added subsec. (g).

1985 - Subsec. (c). Pub. L. 99-83, Sec. 119(a), inserted "for each violation" before "not more" and substituted "\$1,000,000" for "\$100,000" and "ten" for "two".

Subsec. (e). Pub. L. 99-83, Sec. 119(b), inserted provisions relating to civil penalty for each violation.

Pub. L. 99-64 substituted "(g)" for "(f)".

1981 - Subsec. (b)(3). Pub. L. 97-113, Sec. 106, struck out par. (3) which placed a \$100,000,000 ceiling on commercial arms exports of major defense equipment to all countries other than NATO countries, Japan, Australia, and New Zealand.

Subsec. (f). Pub. L. 97-113, Sec. 107, added subsec. (f).

1980 - Subsec. (a)(3). Pub. L. 96-533, Sec. 107(c), added par.

(3).

Subsec. (b)(3). Pub. L. 96-533, Sec. 107(a), increased the limitation in the sale of major defense equipment exports to \$100,000,000 from \$35,000,000.

1979 - Subsec. (b)(3). Pub. L. 96-92 increased the limitation in the sale of major defense equipment exports to \$35,000,000 from \$25,000,000.

Subsec. (d). Pub. L. 96-70 struck out subsec. (d) which provided that this section applies to and within the Canal Zone.

Subsec. (e). Pub. L. 96-72 substituted "subsections (c), (d), (e), and (f) of section 11 of the Export Administration Act of 1979, and by subsections (a) and (c) of section 12 of such Act" for "sections 6(c), (d), (e), and (f) and 7(a) and (c) of the Export Administration Act of 1969".

1977 - Subsec. (b)(3). Pub. L. 95-92 inserted provisions relating to exceptions to prohibitions against issuance of licenses under this section and procedures applicable for implementation of such exceptions.

#### EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-277 effective Apr. 1, 1999, see section

1201 of Pub. L. 105-277, set out as an Effective Date note under section 6511 of this title.

EFFECTIVE DATE OF 1996 AMENDMENT

Section 151(b) of Pub. L. 104-164 provided that: "Section 38(b)(1)(A)(ii) of the Arms Export Control Act, as added by subsection (a) [22 U.S.C. 2778(b)(1)(A)(ii)], shall apply with respect to brokering activities engaged in beginning on or after 120 days after the enactment of this Act [July 21, 1996]."

EFFECTIVE DATE OF 1987 AMENDMENT

Section 101(b) [title VIII, Sec. 8142(b)] of Pub. L. 100-202 provided that:

"(1) Except as provided in paragraphs (2) and (3), subparagraph (B) of section 38(b)(1) of the Arms Export Control Act [subsec. (b)(1)(B) of this section], as added by subsection (a), shall take effect at the end of the ninety-day period beginning on the date of the enactment of this Act [Dec. 22, 1987].

"(2)(A) Such subparagraph shall take effect on the date of the enactment of this Act [Dec. 22, 1987] with respect to any military firearms or ammunition (or components, parts, accessories and

attachments for such firearms) with respect to which an import permit was issued by the Secretary of the Treasury on or after July 1, 1986, irrespective of whether such import permit was subsequently suspended, revoked, or withdrawn by the Secretary of the Treasury based on the application of section 38(b)(1) of the Arms Export Control Act [subsec. (b)(1) of this section] as in effect on the day before the date of the enactment of this Act.

"(B) In the case of an import permit described in subparagraph (A) which was suspended, revoked, or withdrawn by the Secretary of the Treasury during the period beginning on July 1, 1986, and ending on the date of the enactment of this Act [Dec. 22, 1987] under the conditions described in such subparagraph, such import permit shall be reinstated and reissued immediately upon the enactment of this Act, and in any event not later than ten days after the date of the enactment of this Act.

"(3) During the period preceding the revision of regulations issued under section 38(b)(1) of the Arms Export Control Act [subsec. (b)(1) of this section] to reflect the provisions of subparagraph (B) of such section, as added by subsection (a), such

regulations may not be applied with respect to matters covered by paragraph (2) of this subsection so as to prohibit or otherwise restrict the importation of firearms described in that paragraph or in any other manner inconsistent with that paragraph, notwithstanding that such regulations have not yet been so revised: Provided, That this section shall not take effect if during the twenty day period beginning on the date of enactment of this section [Dec. 22, 1987] the Secretary of State, the Secretary of Defense, or the Secretary of the Treasury notifies Congress that he has an objection to the intent of this section: Provided further, That the Attorney General shall, within the period of time stated in the first proviso, submit a certification to Congress indicating whether the enactment of this section will interfere with any ongoing criminal investigation with respect to this section. If a certification of criminal investigative interference or an objection to the intent of this section is made, as herein provided, no permit shall be issued to anyone."

#### EFFECTIVE DATE OF 1985 AMENDMENT

Section 119(c) of Pub. L. 99-83 provided that: "This section

[amending this section] shall take effect upon the date of enactment of this Act [Aug. 8, 1985] or October 1, 1985, whichever is later. The amendments made by this section apply with respect to violations occurring after the effective date of this section."

#### EFFECTIVE DATE OF 1979 AMENDMENTS

Amendment by Pub. L. 96-72 effective upon the expiration of the Export Administration Act of 1969, which terminated on Sept. 30, 1979, or upon any prior date which the Congress by concurrent resolution or the President by proclamation designated, see section 2418 and Prior Provisions note set out under section 2413 of Title 50, Appendix, War and National Defense.

Amendment by Pub. L. 96-70 effective Oct. 1, 1979, see section 3304 of Pub. L. 96-70, set out as an Effective Date note under section 3601 of this title.

-TRANS-

#### DELEGATION OF FUNCTIONS

Functions of President under this section, with certain exceptions, delegated to Secretary of State, with concurrence of Secretary of Defense required for designations of items or

categories of items which are considered as defense articles or services subject to export control under this section, by section 1(1)(1) of Ex. Ord. No. 11958, Jan. 18, 1977, 42 F.R. 4311, as amended, set out as a note under section 2751 of this title.

Functions of President under this section relating to the control of import of defense articles and services transferred to Attorney General, with certain requirements for considering the views of Secretary of State and for receiving concurrence of Secretary of State and Secretary of Defense for designations of items or categories of items which are considered as defense articles and services subject to import control under this section, by section 1(1)(2) of Ex. Ord. No. 11958.

Functions of President which involve subsec. (e) of this section and are agreed to by Secretary of State and Secretary of Commerce delegated to Secretary of Commerce to be carried out on behalf of Secretary of State by section 1(1)(3) of Ex. Ord. No. 11958.

-MISC2-

#### INFORMATION MANAGEMENT PRIORITIES

Pub. L. 107-228, div. B, title XIV, Sec. 1403, Sept. 30, 2002, 116 Stat. 1453, provided that:

"(a) Objective. - The Secretary shall establish a secure, Internet-based system for the filing and review of applications for export of Munitions List items.

"(b) Establishment of an Electronic System. - Of the amount made available pursuant to section 1402 of this Act [116 Stat. 1453], \$3,000,000 is authorized to be available to fully automate the Defense Trade Application System, and to ensure that the system -

"(1) is a secure, electronic system for the filing and review of Munitions List license applications;

"(2) is accessible by United States companies through the Internet for the purpose of filing and tracking their Munitions List license applications; and

"(3) is capable of exchanging data with -

"(A) the Export Control Automated Support System of the Department of Commerce;

"(B) the Foreign Disclosure and Technology Information System and the USXPORTS systems of the Department of Defense;

"(C) the Export Control System of the Central Intelligence Agency; and

"(D) the Proliferation Information Network System of the  
Department of Energy.

"(c) Munitions List Defined. - In this section, the term  
'Munitions List' means the United States Munitions List of defense  
articles and defense services controlled under section 38 of the  
Arms Export Control Act (22 U.S.C. 2778)."

[For definition of "Secretary" as used in section 1403 of Pub. L.  
107-228, set out above, see section 3 of Pub. L. 107-228, set out  
as a note under section 2651 of this title.]

#### EFFECTIVE REGULATION OF SATELLITE EXPORT ACTIVITIES

Pub. L. 106-113, div. B, Sec. 1000(a)(7) [div. B, title XIII,  
Sec. 1309], Nov. 29, 1999, 113 Stat. 1536, 1501A-513, provided  
that:

"(a) Licensing regime. -

"(1) Establishment. - The Secretary of State shall establish a  
regulatory regime for the licensing for export of commercial  
satellites, satellite technologies, their components, and systems  
which shall include expedited approval, as appropriate, of the  
licensing for export by United States companies of commercial

satellites, satellite technologies, their components, and systems, to NATO allies and major non-NATO allies (as used within the meaning of section 644(q) of the Foreign Assistance Act of 1961 [22 U.S.C. 2403(q)]).

"(2) Requirements. - For proposed exports to those nations which meet the requirements of paragraph (1), the regime should include expedited processing of requests for export authorizations that -

"(A) are time-critical, including a transfer or exchange of information relating to a satellite failure or anomaly in-flight or on-orbit;

"(B) are required to submit bids to procurements offered by foreign persons;

"(C) relate to the re-export of unimproved materials, products, or data; or

"(D) are required to obtain launch and on-orbit insurance.

"(3) Additional requirements. - In establishing the regulatory regime under paragraph (1), the Secretary of State shall ensure that -

"(A) United States national security considerations and United States obligations under the Missile Technology Control Regime are given priority in the evaluation of any license; and

"(B) such time is afforded as is necessary for the Department of Defense, the Department of State, and the United States intelligence community to conduct a review of any license.

"(b) Financial and Personnel Resources. - Of the funds authorized to be appropriated in section 101(1)(A) [113 Stat. 1501A-410], \$9,000,000 is authorized to be appropriated for the Office of Defense Trade Controls of the Department of State for each of the fiscal years 2000 and 2001, to enable that office to carry out its responsibilities.

"(c) Improvement and Assessment. - The Secretary of State should, not later than 6 months after the date of the enactment of this Act [Nov. 29, 1999], submit to the Congress a plan for -

"(1) continuously gathering industry and public suggestions for potential improvements in the Department of State's export control regime for commercial satellites; and

"(2) arranging for the conduct and submission to Congress, not

later than 15 months after the date of the enactment of this Act,  
of an independent review of the export control regime for  
commercial satellites as to its effectiveness at promoting  
national security and economic competitiveness."

PROLIFERATION AND EXPORT CONTROLS

Pub. L. 106-65, div. A, title XIV, Secs. 1402-1405, 1408-1412,  
Oct. 5, 1999, 113 Stat. 798-804, as amended by Pub. L. 106-398,  
Sec. 1 [[div. A], title XII, Sec. 1204], Oct. 30, 2000, 114 Stat.  
1654, 1654A-325; Pub. L. 107-107, div. A, title X, Sec. 1048(g)(8),  
Dec. 28, 2001, 115 Stat. 1228, provided that:

"SEC. 1402. ANNUAL REPORT ON TRANSFERS OF MILITARILY SENSITIVE  
TECHNOLOGY TO COUNTRIES AND ENTITIES OF CONCERN

"(a) Annual Report. - Not later than March 30 of each year  
beginning in the year 2000 and ending in the year 2007, the  
President shall transmit to Congress a report on transfers to  
countries and entities of concern during the preceding calendar  
year of the most significant categories of United States  
technologies and technical information with potential military  
applications.

"(b) Contents of Report. - The report required by subsection (a) shall include, at a minimum, the following:

"(1) An assessment by the Director of Central Intelligence of efforts by countries and entities of concern to acquire technologies and technical information referred to in subsection (a) during the preceding calendar year.

"(2) An assessment by the Secretary of Defense, in consultation with the Joint Chiefs of Staff and the Director of Central Intelligence, of the cumulative impact of licenses granted by the United States for exports of technologies and technical information referred to in subsection (a) to countries and entities of concern during the preceding 5-calendar year period on -

"(A) the military capabilities of such countries and entities; and

"(B) countermeasures that may be necessary to overcome the use of such technologies and technical information.

"(3) An audit by the Inspectors General of the Departments of Defense, State, Commerce, and Energy, in consultation with the

Director of Central Intelligence and the Director of the Federal Bureau of Investigation, of the policies and procedures of the United States Government with respect to the export of technologies and technical information referred to in subsection (a) to countries and entities of concern.

"(4) The status of the implementation or other disposition of recommendations included in reports of audits by Inspectors General that have been set forth in a previous annual report under this section pursuant to paragraph (3).

"(c) Additional Requirement for First Report. - The first annual report required by subsection (a) shall include an assessment by the Inspectors General of the Departments of State, Defense, Commerce, and the Treasury and the Inspector General of the Central Intelligence Agency of the adequacy of current export controls and counterintelligence measures to protect against the acquisition by countries and entities of concern of United States technology and technical information referred to in subsection (a).

"(d) Support of Other Agencies. - Upon the request of the officials responsible for preparing the assessments required by

subsection (b), the heads of other departments and agencies shall make available to those officials all information necessary to carry out the requirements of this section.

"(e) Classified and Unclassified Reports. - Each report required by this section shall be submitted in classified form and unclassified form.

"(f) Definition. - As used in this section, the term 'countries and entities of concern' means -

"(1) any country the government of which the Secretary of State has determined, for purposes of section 6(j) of the Export Administration Act of 1979 [50 App. U.S.C. 2405(j)] or other applicable law, to have repeatedly provided support for acts of international terrorism;

"(2) any country that -

"(A) has detonated a nuclear explosive device (as defined in section 830(4) of the Nuclear Proliferation Prevention Act of 1994 (22 U.S.C. 6305(4))); and

"(B) is not a member of the North Atlantic Treaty Organization; and

"(3) any entity that -

"(A) is engaged in international terrorism or activities in preparation thereof; or

"(B) is directed or controlled by the government of a country described in paragraph (1) or (2).

"SEC. 1403. RESOURCES FOR EXPORT LICENSE FUNCTIONS

"(a) Office of Defense Trade Controls. -

"(1) In general. - The Secretary of State shall take the necessary steps to ensure that, in any fiscal year, adequate resources are allocated to the functions of the Office of Defense Trade Controls of the Department of State relating to the review and processing of export license applications so as to ensure that those functions are performed in a thorough and timely manner.

"(2) Availability of existing appropriations. - The Secretary of State shall take the necessary steps to ensure that those funds made available under the heading 'Administration of Foreign Affairs, Diplomatic and Consular Programs' in title IV of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1999, as contained in the

Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105-277) [112 Stat. 2681-92] are made available, upon the enactment of this Act, to the Office of Defense Trade Controls of the Department of State to carry out the purposes of the Office.

"(b) Defense Threat Reduction Agency. - The Secretary of Defense shall take the necessary steps to ensure that, in any fiscal year, adequate resources are allocated to the functions of the Defense Threat Reduction Agency of the Department of Defense relating to the review of export license applications so as to ensure that those functions are performed in a thorough and timely manner.

"(c) Updating of State Department Report. - Not later than March 1, 2000, the Secretary of State, in consultation with the Secretary of Defense and the Secretary of Commerce, shall transmit to Congress a report updating the information reported to Congress under section 1513(d)(3) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 [Pub. L. 105-261] (22 U.S.C. 2778 note).

"SEC. 1404. SECURITY IN CONNECTION WITH SATELLITE EXPORT

LICENSING

"As a condition of the export license for any satellite to be launched in a country subject to section 1514 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 [Pub. L. 105-261] (22 U.S.C. 2778 note), the Secretary of State shall require the following:

"(1) That the technology transfer control plan required by section 1514(a)(1) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (22 U.S.C. 2778 note) be prepared by the Department of Defense and the licensee, and that the plan set forth enhanced security arrangements for the launch of the satellite, both before and during launch operations.

"(2) That each person providing security for the launch of that satellite -

"(A) report directly to the launch monitor with regard to issues relevant to the technology transfer control plan;

"(B) have received appropriate training in the International Trafficking in Arms Regulations (hereafter in this title [enacting this note and amending provisions set out as a note

under section 2404 of Title 50, Appendix, War and National Defense] referred to as 'ITAR').

"(C) have significant experience and expertise with satellite launches; and

"(D) have been investigated in a manner at least as comprehensive as the investigation required for the issuance of a security clearance at the level designated as 'Secret'.

"(3) That the number of such persons providing security for the launch of the satellite shall be sufficient to maintain 24-hour security of the satellite and related launch vehicle and other sensitive technology.

"(4) That the licensee agree to reimburse the Department of Defense for all costs associated with the provision of security for the launch of the satellite.

"SEC. 1405. REPORTING OF TECHNOLOGY TRANSMITTED TO PEOPLE'S

REPUBLIC OF CHINA AND OF FOREIGN LAUNCH SECURITY VIOLATIONS

"(a) Monitoring of Information. - The Secretary of Defense shall require that space launch monitors of the Department of Defense assigned to monitor launches in the People's Republic of China

maintain records of all information authorized to be transmitted to the People's Republic of China with regard to each space launch that the monitors are responsible for monitoring, including copies of any documents authorized for such transmission, and reports on launch-related activities.

"(b) Transmission to Other Agencies. - The Secretary of Defense shall ensure that records under subsection (a) are transmitted on a current basis to appropriate elements of the Department of Defense and to the Department of State, the Department of Commerce, and the Central Intelligence Agency.

"(c) Retention of Records. - Records described in subsection (a) shall be retained for at least the period of the statute of limitations for violations of the Arms Export Control Act [22 U.S.C. 2751 et seq.].

"(d) Guidelines. - The Secretary of Defense shall prescribe guidelines providing space launch monitors of the Department of Defense with the responsibility and the ability to report serious security violations, problems, or other issues at an overseas launch site directly to the headquarters office of the responsible

Department of Defense component.

"SEC. 1408. ENHANCED MULTILATERAL EXPORT CONTROLS

"(a) New International Controls. - The President shall seek to establish new enhanced international controls on technology transfers that threaten international peace and United States national security.

"(b) Improved Sharing of Information. - The President shall take appropriate actions to improve the sharing of information by nations that are major exporters of technology so that the United States can track movements of technology covered by the Wassenaar Arrangement and enforce technology controls and re-export requirements for such technology.

"(c) Definition. - As used in this section, the term 'Wassenaar Arrangement' means the multilateral export control regime covering conventional armaments and sensitive dual-use goods and technologies that was agreed to by 33 co-founding countries in July 1996 and began operation in September 1996.

"SEC. 1409. ENHANCEMENT OF ACTIVITIES OF DEFENSE THREAT REDUCTION

AGENCY

"(a) In General. - Not later than 180 days after the date of the enactment of this Act [Oct. 5, 1999], the Secretary of Defense shall prescribe regulations to -

"(1) authorize the personnel of the Defense Threat Reduction Agency (DTRA) who monitor satellite launch campaigns overseas to suspend such campaigns at any time if the suspension is required for purposes of the national security of the United States;

"(2) ensure that persons assigned as space launch campaign monitors are provided sufficient training and have adequate experience in the regulations prescribed by the Secretary of State known as the ITAR and have significant experience and expertise with satellite technology, launch vehicle technology, and launch operations technology;

"(3) ensure that adequate numbers of such monitors are assigned to space launch campaigns so that 24-hour, 7-day per week coverage is provided;

"(4) take steps to ensure, to the maximum extent possible, the continuity of service by monitors for the entire space launch campaign period (from satellite marketing to launch and, if

necessary, completion of a launch failure analysis);

"(5) adopt measures designed to make service as a space launch campaign monitor an attractive career opportunity;

"(6) allocate funds and other resources to the Agency at levels sufficient to prevent any shortfalls in the number of such personnel;

"(7) establish mechanisms in accordance with the provisions of section 1514(a)(2)(A) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105-261; 112 Stat. 2175; 22 U.S.C. 2778 note) that provide for -

"(A) the payment to the Department of Defense by the person or entity receiving the launch monitoring services concerned, before the beginning of a fiscal year, of an amount equal to the amount estimated to be required by the Department to monitor the launch campaigns during that fiscal year;

"(B) the reimbursement of the Department of Defense, at the end of each fiscal year, for amounts expended by the Department in monitoring the launch campaigns in excess of the amount provided under subparagraph (A); and

"(C) the reimbursement of the person or entity receiving the launch monitoring services if the amount provided under subparagraph (A) exceeds the amount actually expended by the Department of Defense in monitoring the launch campaigns;

"(8) review and improve guidelines on the scope of permissible discussions with foreign persons regarding technology and technical information, including the technology and technical information that should not be included in such discussions;

"(9) provide, in conjunction with other Federal agencies, on at least an annual basis, briefings to the officers and employees of United States commercial satellite entities on United States export license standards, guidelines, and restrictions, and encourage such officers and employees to participate in such briefings;

"(10) establish a system for -

"(A) the preparation and filing by personnel of the Agency who monitor satellite launch campaigns overseas of detailed reports of all relevant activities observed by such personnel in the course of monitoring such campaigns;

"(B) the systematic archiving of reports filed under subparagraph (A); and

"(C) the preservation of such reports in accordance with applicable laws; and

"(11) establish a counterintelligence program within the Agency as part of its satellite launch monitoring program.

"(b) Annual Report on Implementation of Satellite Technology Safeguards. - (1) The Secretary of Defense and the Secretary of State shall each submit to Congress each year, as part of the annual report for that year under section 1514(a)(8) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 [Pub. L. 105-261, 22 U.S.C. 2778 note], the following:

"(A) A summary of the satellite launch campaigns and related activities monitored by the Defense Threat Reduction Agency during the preceding fiscal year.

"(B) A description of any license infractions or violations that may have occurred during such campaigns and activities.

"(C) A description of the personnel, funds, and other resources dedicated to the satellite launch monitoring program of the

Agency during that fiscal year.

"(D) An assessment of the record of United States satellite makers in cooperating with Agency monitors, and in complying with United States export control laws, during that fiscal year.

"(2) Each report under paragraph (1) shall be submitted in classified form and unclassified form.

"SEC. 1410. TIMELY NOTIFICATION OF LICENSING DECISIONS BY THE

DEPARTMENT OF STATE

"Not later than 180 days after the date of the enactment of this Act [Oct. 5, 1999], the Secretary of State shall prescribe regulations to provide timely notice to the manufacturer of a commercial satellite of United States origin of the final determination of the decision on the application for a license involving the overseas launch of such satellite.

"SEC. 1411. ENHANCED INTELLIGENCE CONSULTATION ON SATELLITE

LICENSE APPLICATIONS

"(a) Consultation During Review of Applications. - The Secretary of State and Secretary of Defense, as appropriate, shall consult with the Director of Central Intelligence during the review of any application for a license involving the overseas launch of a

commercial satellite of United States origin. The purpose of the consultation is to assure that the launch of the satellite, if the license is approved, will meet the requirements necessary to protect the national security interests of the United States.

"(b) Advisory Group. - (1) The Director of Central Intelligence shall establish within the intelligence community an advisory group to provide information and analysis to Congress, and to appropriate departments and agencies of the Federal Government, on the national security implications of granting licenses involving the overseas launch of commercial satellites of United States origin.

"(2) The advisory group shall include technically-qualified representatives of the Central Intelligence Agency, the Defense Intelligence Agency, the National Security Agency, the National Air Intelligence Center, and the Department of State Bureau of Intelligence and Research and representatives of other elements of the intelligence community with appropriate expertise.

"(3) In addition to the duties under paragraph (1), the advisory group shall -

"(A) review, on a continuing basis, information relating to

transfers of satellite, launch vehicle, or other technology or knowledge with respect to the course of the overseas launch of commercial satellites of United States origin; and

"(B) analyze the potential impact of such transfers on the space and military systems, programs, or activities of foreign countries.

"(4) The Director of the Nonproliferation Center of the Central Intelligence Agency shall serve as chairman of the advisory group.

"(5)(A) The advisory group shall, upon request (but not less often than annually), submit reports on the matters referred to in paragraphs (1) and (3) to the appropriate committees of Congress and to appropriate departments and agencies of the Federal Government.

"(B) The first annual report under subparagraph (A) shall be submitted not later than one year after the date of the enactment of this Act [Oct. 5, 1999].

"(c) Intelligence Community Defined. - In this section, the term 'intelligence community' has the meaning given that term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

"SEC. 1412. INVESTIGATIONS OF VIOLATIONS OF EXPORT CONTROLS BY  
UNITED STATES SATELLITE MANUFACTURERS

"(a) Notice to Congress of Investigations. - The President shall promptly notify the appropriate committees of Congress whenever an investigation is undertaken by the Department of Justice of -

"(1) an alleged violation of United States export control laws in connection with a commercial satellite of United States origin; or

"(2) an alleged violation of United States export control laws in connection with an item controlled under section 38 of the Arms Export Control Act (22 U.S.C. 2778) that is likely to cause significant harm or damage to the national security interests of the United States.

"(b) Notice to Congress of Certain Export Waivers. - The President shall promptly notify the appropriate committees of Congress whenever an export waiver pursuant to section 902 of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 [Pub. L. 101-246] (22 U.S.C. 2151 note) is granted on behalf of any United States person that is the subject of an investigation

described in subsection (a). The notice shall include a justification for the waiver.

"(c) Exception. - The requirements in subsections (a) and (b) shall not apply if the President determines that notification of the appropriate committees of Congress under such subsections would jeopardize an on-going criminal investigation. If the President makes such a determination, the President shall provide written notification of such determination to the Speaker of the House of Representatives, the majority leader of the Senate, the minority leader of the House of Representatives, and the minority leader of the Senate. The notification shall include a justification for the determination.

"(d) Identification of Persons Subject to Investigation. - The Secretary of State and the Attorney General shall develop appropriate mechanisms to identify, for the purposes of processing export licenses for commercial satellites, persons who are the subject of an investigation described in subsection (a).

"(e) Protection of Classified and Other Sensitive Information. - The appropriate committees of Congress shall ensure that

appropriate procedures are in place to protect from unauthorized disclosure classified information, information relating to intelligence sources and methods, and sensitive law enforcement information that is furnished to those committees pursuant to this section.

"(f) Statutory Construction. - Nothing in this section shall be construed to modify or supersede any other requirement to report information on intelligence activities to Congress, including the requirement under section 501 of the National Security Act of 1947 (50 U.S.C. 413).

"(g) Definitions. - As used in this section:

"(1) The term 'appropriate committees of Congress' means the following:

"(A) The Committee on Armed Services, the Committee on Foreign Relations, and the Select Committee on Intelligence of the Senate.

"(B) The Committee on Armed Services, the Committee on International Relations, and the Permanent Select Committee on Intelligence of the House of Representatives.

"(2) The term 'United States person' means any United States resident or national (other than an individual resident outside the United States and employed by other than a United States person), any domestic concern (including any permanent domestic establishment of any foreign concern), and any foreign subsidiary or affiliate (including any permanent foreign establishment) of any domestic concern which is controlled in fact by such domestic concern, as determined under regulations of the President."

[Memorandum of President of the United States, Jan. 5, 2000, 65 F.R. 2279, delegated to Secretary of Defense the duties and responsibilities of the President under section 1402 of Public Law 106-65 and directed Department of Defense to prepare the report required by section 1402 with the assistance of Department of State, Department of Commerce, Department of Energy, Department of the Treasury, Director of Central Intelligence, and Federal Bureau of Investigation and to obtain concurrence on the report from Department of State, Department of Commerce, Director of Central Intelligence on behalf of Intelligence Community, Department of the Treasury, and Federal Bureau of Investigation prior to submission

to Congress.]

[Reference to the Director of Central Intelligence or the Director of the Central Intelligence Agency in the Director's capacity as the head of the intelligence community deemed to be a reference to the Director of National Intelligence. Reference to the Director of Central Intelligence or the Director of the Central Intelligence Agency in the Director's capacity as the head of the Central Intelligence Agency deemed to be a reference to the Director of the Central Intelligence Agency. See section 1081(a), (b) of Pub. L. 108-458, set out as a note under section 401 of Title 50, War and National Defense.]

#### SATELLITE EXPORT CONTROLS

Pub. L. 105-261, div. A, title XV, subtitle B, Oct. 17, 1998, 112 Stat. 2173, as amended by Pub. L. 105-277, div. C, title I, Sec. 146(a), Oct. 21, 1998, 112 Stat. 2681-610, provided that:

"SEC. 1511. SENSE OF CONGRESS.

"It is the sense of Congress that -

"(1) United States business interests must not be placed above United States national security interests;

"(2) United States foreign policy and the policies of the United States regarding commercial relations with other countries should affirm the importance of observing and adhering to the Missile Technology Control Regime (MTCR);

"(3) the United States should encourage universal observance of the Guidelines to the Missile Technology Control Regime;

"(4) the exportation or transfer of advanced communication satellites and related technologies from United States sources to foreign recipients should not increase the risks to the national security of the United States;

"(5) due to the military sensitivity of the technologies involved, it is in the national security interests of the United States that United States satellites and related items be subject to the same export controls that apply under United States law and practices to munitions;

"(6) the United States should not issue any blanket waiver of the suspensions contained in section 902 of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (Public Law 101-246) [22 U.S.C. 2151 note], regarding the export of satellites

of United States origin intended for launch from a launch vehicle owned by the People's Republic of China;

"(7) the United States should pursue policies that protect and enhance the United States space launch industry; and

"(8) the United States should not export to the People's Republic of China missile equipment or technology that would improve the missile or space launch capabilities of the People's Republic of China.

"SEC. 1512. CERTIFICATION OF EXPORTS OF MISSILE EQUIPMENT OR TECHNOLOGY TO CHINA.

"(a) Certification. - The President shall certify to the Congress at least 15 days in advance of any export to the People's Republic of China of missile equipment or technology (as defined in section 74 of the Arms Export Control Act (22 U.S.C. 2797c)) that -

"(1) such export is not detrimental to the United States space launch industry; and

"(2) the missile equipment or technology, including any indirect technical benefit that could be derived from such export, will not measurably improve the missile or space launch capabilities of the People's Republic of China.

"(b) Exception. - The certification requirement contained in subsection (a) shall not apply to the export of inertial reference units and components in manned civilian aircraft or supplied as spare or replacement parts for such aircraft.

"SEC. 1513. SATELLITE CONTROLS UNDER THE UNITED STATES MUNITIONS LIST.

"(a) Control of Satellites on the United States Munitions List. - Notwithstanding any other provision of law, all satellites and related items that are on the Commerce Control List of dual-use items in the Export Administration Regulations (15 CFR part 730 et seq.) on the date of the enactment of this Act [Oct. 17, 1998] shall be transferred to the United States Munitions List and controlled under section 38 of the Arms Export Control Act (22 U.S.C. 2778).

"(b) Defense Trade Controls Registration Fees. - [Amended section 2717 of this title.]

"(c) Effective Date. - (1) Subsection (a) shall take effect on March 15, 1999, and shall not apply to any export license issued

before such effective date or to any export license application made under the Export Administration Regulations before such effective date.

"(2) The amendments made by subsection (b) [amending section 2717 of this title] shall be effective as of October 1, 1998.

"(d) Report. - Not later than January 1, 1999, the Secretary of State, in consultation with the Secretary of Defense and the Secretary of Commerce, shall submit to Congress a report containing

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"(1) a detailed description of the plans of the Department of State to implement the requirements of this section, including any organizational changes that are required and any Executive orders or regulations that may be required;

"(2) an identification and explanation of any steps that should be taken to improve the license review process for exports of the satellites and related items described in subsection (a), including measures to shorten the timelines for license application reviews, and any measures relating to the transparency of the license review process and dispute resolution

procedures;

"(3) an evaluation of the adequacy of resources available to the Department of State, including fiscal and personnel resources, to carry out the additional activities required by this section; and

"(4) any recommendations for additional actions, including possible legislation, to improve the export licensing process under the Arms Export Control Act [22 U.S.C. 2751 et seq.] for the satellites and related items described in subsection (a).

"SEC. 1514. NATIONAL SECURITY CONTROLS ON SATELLITE EXPORT LICENSING.

"(a) Actions by the President. - Notwithstanding any other provision of law, the President shall take such actions as are necessary to implement the following requirements for improving national security controls in the export licensing of satellites and related items:

"(1) Mandatory technology control plans. - All export licenses shall require a technology transfer control plan approved by the Secretary of Defense and an encryption technology transfer control plan approved by the Director of the National Security

Agency.

"(2) Mandatory monitors and reimbursement. -

"(A) Monitoring of proposed foreign launch of satellites. -

In any case in which a license is approved for the export of a satellite or related items for launch in a foreign country, the Secretary of Defense shall monitor all aspects of the launch in order to ensure that no unauthorized transfer of technology occurs, including technical assistance and technical data. The costs of such monitoring services shall be fully reimbursed to the Department of Defense by the person or entity receiving such services. All reimbursements received under this subparagraph shall be credited to current appropriations available for the payment of the costs incurred in providing such services.

"(B) Contents of monitoring. - The monitoring under subparagraph (A) shall cover, but not be limited to -

"(i) technical discussions and activities, including the design, development, operation, maintenance, modification, and repair of satellites, satellite components, missiles,

other equipment, launch facilities, and launch vehicles;

"(ii) satellite processing and launch activities, including launch preparation, satellite transportation, integration of the satellite with the launch vehicle, testing and checkout prior to launch, satellite launch, and return of equipment to the United States;

"(iii) activities relating to launch failure, delay, or cancellation, including post-launch failure investigations; and

"(iv) all other aspects of the launch.

"(3) Mandatory licenses for crash-investigations. - In the event of the failure of a launch from a foreign country of a satellite of United States origin -

"(A) the activities of United States persons or entities in connection with any subsequent investigation of the failure are subject to the controls established under section 38 of the Arms Export Control Act [22 U.S.C. 2778], including requirements for licenses issued by the Secretary of State for participation in that investigation;

"(B) officials of the Department of Defense shall monitor all activities associated with the investigation to insure against unauthorized transfer of technical data or services; and

"(C) the Secretary of Defense shall establish and implement a technology transfer control plan for the conduct of the investigation to prevent the transfer of information that could be used by the foreign country to improve its missile or space launch capabilities.

"(4) Mandatory notification and certification. - All technology transfer control plans for satellites or related items shall require any United States person or entity involved in the export of a satellite of United States origin or related items to notify the Department of Defense in advance of all meetings and interactions with any foreign person or entity providing launch services and require the United States person or entity to certify after the launch that it has complied with this notification requirement.

"(5) Mandatory intelligence community review. - The Secretary of Commerce and the Secretary of State shall provide to the

Secretary of Defense and the Director of Central Intelligence  
copies of all export license applications and technical  
assistance agreements submitted for approval in connection with  
launches in foreign countries of satellites to verify the  
legitimacy of the stated end-user or end-users.

"(6) Mandatory sharing of approved licenses and agreements. -  
The Secretary of State shall provide copies of all approved  
export licenses and technical assistance agreements associated  
with launches in foreign countries of satellites to the  
Secretaries of Defense and Energy, the Director of Central  
Intelligence, and the Director of the Arms Control and  
Disarmament Agency.

"(7) Mandatory notification to congress on licenses. - Upon  
issuing a license for the export of a satellite or related items  
for launch in a foreign country, the head of the department or  
agency issuing the license shall so notify Congress.

"(8) Mandatory reporting on monitoring activities. - The  
Secretary of Defense shall provide to Congress an annual report  
on the monitoring of all launches in foreign countries of

satellites of United States origin.

"(9) Establishing safeguards program. - The Secretary of Defense shall establish a program for recruiting, training, and maintaining a staff dedicated to monitoring launches in foreign countries of satellites and related items of United States origin.

"(b) Exception. - This section shall not apply to the export of a satellite or related items for launch in, or by nationals of, a country that is a member of the North Atlantic Treaty Organization or that is a major non-NATO ally of the United States.

"(c) Effective Date. - The President shall take the actions required by subsection (a) not later than 45 days after the date of the enactment of this Act [Oct. 17, 1998].

"SEC. 1515. REPORT ON EXPORT OF SATELLITES FOR LAUNCH BY PEOPLE'S  
REPUBLIC OF CHINA.

"(a) Requirement for Report. - Each report to Congress submitted pursuant to subsection (b) of section 902 of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (22 U.S.C. 2151 note; Public Law 101-246) to waive the restrictions contained in

subsection (a) of that section on the export to the People's Republic of China of any satellite of United States origin or related items shall be accompanied by a detailed justification setting forth the following:

"(1) A detailed description of all militarily sensitive characteristics integrated within, or associated with, the satellite.

"(2) An estimate of the number of United States civilian contract personnel expected to be needed in country to carry out the proposed satellite launch.

"(3)(A) A detailed description of the United States Government's plan to monitor the proposed satellite launch to ensure that no unauthorized transfer of technology occurs, together with an estimate of the number of officers and employees of the United States that are expected to be needed in country to carry out monitoring of the proposed satellite launch; and

"(B) the estimated cost to the Department of Defense of monitoring the proposed satellite launch and the amount of such cost that is to be reimbursed to the department.

"(4) The reasons why the proposed satellite launch is in the national security interest of the United States.

"(5) The impact of the proposed export on employment in the United States, including the number of new jobs created in the United States, on a State-by-State basis, as a direct result of the proposed export.

"(6) The number of existing jobs in the United States that would be lost, on a State-by-State basis, as a direct result of the proposed export not being licensed.

"(7) The impact of the proposed export on the balance of trade between the United States and the People's Republic of China and on reducing the current United States trade deficit with the People's Republic of China.

"(8) The impact of the proposed export on the transition of the People's Republic of China from a nonmarket economy to a market economy and the long-term economic benefit to the United States.

"(9) The impact of the proposed export on opening new markets to United States-made products through the purchase by the People's Republic of China of United States-made goods and

services not directly related to the proposed export.

"(10) The impact of the proposed export on reducing acts, policies, and practices that constitute significant trade barriers to United States exports or foreign direct investment in the People's Republic of China by United States nationals.

"(11) The increase that will result from the proposed export in the overall market share of the United States for goods and services in comparison to Japan, France, Germany, the United Kingdom, and Russia.

"(12) The impact of the proposed export on the willingness of the People's Republic of China to modify its commercial and trade laws, practices, and regulations to make United States-made goods and services more accessible to that market.

"(13) The impact of the proposed export on the willingness of the People's Republic of China to reduce formal and informal trade barriers and tariffs, duties, and other fees on United States-made goods and services entering that country.

"(b) Militarily Sensitive Characteristics Defined. - In this section, the term 'militarily sensitive characteristics' includes

antijamming capability, antennas, crosslinks, baseband processing, encryption devices, radiation-hardened devices, propulsion systems, pointing accuracy, kick motors, and other such characteristics as are specified by the Secretary of Defense.

"SEC. 1516. RELATED ITEMS DEFINED.

"In this subtitle, the term 'related items' means the satellite fuel, ground support equipment, test equipment, payload adapter or interface hardware, replacement parts, and non-embedded solid propellant orbit transfer engines described in the report submitted to Congress by the Department of State on February 6, 1998, pursuant to section 38(f) of the Arms Export Control Act (22 U.S.C. 2778(f))."

[Pub. L. 105-277, div. C, title I, Sec. 146(b), Oct. 21, 1998, 112 Stat. 2681-610, provided that: "The amendments made by this section [amending Pub. L. 105-261, Sec. 1512, set out above] shall take effect on the later of -

["(1) the enactment of this Act [Oct. 21, 1998]; or

["(2) the enactment of the Strom Thurmond National Defense

Authorization Act for Fiscal Year 1999 [Pub. L. 105-261; Oct. 17,

1998]."]

[Reference to the Director of Central Intelligence or the Director of the Central Intelligence Agency in the Director's capacity as the head of the intelligence community deemed to be a reference to the Director of National Intelligence. Reference to the Director of Central Intelligence or the Director of the Central Intelligence Agency in the Director's capacity as the head of the Central Intelligence Agency deemed to be a reference to the Director of the Central Intelligence Agency. See section 1081(a), (b) of Pub. L. 108-458, set out as a note under section 401 of Title 50, War and National Defense.]

[For abolition, transfer of functions, and treatment of references to United States Arms Control and Disarmament Agency, see section 6511 et seq. of this title.]

#### LANDMINE EXPORT MORATORIUM

Pub. L. 102-484, div. A, title XIII, Sec. 1365, Oct. 23, 1992, 106 Stat. 2561, as amended by Pub. L. 103-160, div. A, title XI, Sec. 1182(c)(3), title XIV, Sec. 1423(c), Nov. 30, 1993, 107 Stat. 1772, 1832; Pub. L. 104-107, title V, Sec. 558, Feb. 12, 1996, 110

Stat. 743; Pub. L. 104-208, div. A, title I, Sec. 101(c) [title V, Sec. 556], Sept. 30, 1996, 110 Stat. 3009-121, 3009-161; Pub. L. 106-113, div. B, Sec. 1000(a)(2) [title V, Sec. 553], Nov. 29, 1999, 113 Stat. 1535, 1501A-99; Pub. L. 107-115, title V, Sec. 548, Jan. 10, 2002, 115 Stat. 2156, provided that:

"(a) Findings. - The Congress makes the following findings:

"(1) Anti-personnel landmines, which are specifically designed to maim and kill people, have been used indiscriminately in dramatically increasing numbers, primarily in insurgencies in poor developing countries. Noncombatant civilians, including tens of thousands of children, have been the primary victims.

"(2) Unlike other military weapons, landmines often remain implanted and undiscovered after conflict has ended, causing untold suffering to civilian populations. In Afghanistan, Cambodia, Laos, Vietnam, and Angola, tens of millions of unexploded landmines have rendered whole areas uninhabitable. In Afghanistan, an estimated hundreds of thousands of people have been maimed and killed by landmines during the 14-year civil war. In Cambodia, more than 20,000 civilians have lost limbs and

another 60 are being maimed each month from landmines.

"(3) Over 35 countries are known to manufacture landmines, including the United States. However, the United States is not a major exporter of landmines. During the past ten years the Department of State has approved ten licenses for the commercial export of anti-personnel landmines valued at \$980,000, and during the past five years the Department of Defense has approved the sale of 13,156 anti-personnel landmines valued at \$841,145.

"(4) The United States signed, but has not ratified, the 1981 Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed To Be Excessively Injurious or To Have Indiscriminate Effects. The Convention prohibits the indiscriminate use of landmines.

"(5) When it signed the Convention, the United States stated:  
'We believe that the Convention represents a positive step forward in efforts to minimize injury or damage to the civilian population in time of armed conflict. Our signature of the Convention reflects the general willingness of the United States to adopt practical and reasonable provisions concerning the

conduct of military operations, for the purpose of protecting noncombatants.'.

"(6) The President should submit the Convention to the Senate for its advice and consent to ratification, and the President should actively negotiate under United Nations auspices or other auspices an international agreement, or a modification of the Convention, to prohibit the sale, transfer or export of anti-personnel landmines. Such an agreement or modification would be an appropriate response to the end of the Cold War and the promotion of arms control agreements to reduce the indiscriminate killing and maiming of civilians.

"(7) The United States should set an example for other countries in such negotiations, by implementing a one-year moratorium on the sale, transfer or export of anti-personnel landmines.

"(b) Statement of Policy. - (1) It shall be the policy of the United States to seek verifiable international agreements prohibiting the sale, transfer, or export, and further limiting the use, production, possession, and deployment of anti-personnel

landmines.

"(2) It is the sense of the Congress that the President should actively seek to negotiate under United Nations auspices or other auspices an international agreement, or a modification of the Convention, to prohibit the sale, transfer, or export of anti-personnel landmines.

"(c) Moratorium on Transfers of Anti-Personnel Landmines Abroad.

-  
During the 16-year period beginning on October 23, 1992 -

"(1) no sale may be made or financed, no transfer may be made, and no license for export may be issued, under the Arms Export Control Act [22 U.S.C. 2751 et seq.], with respect to any anti-personnel landmine; and

"(2) no assistance may be provided under the Foreign Assistance Act of 1961 [22 U.S.C. 2151 et seq.], with respect to the provision of any anti-personnel landmine.

"(d) Definition. - For purposes of this section, the term 'anti-personnel landmine' means -

"(1) any munition placed under, on, or near the ground or other

surface area, or delivered by artillery, rocket, mortar, or similar means or dropped from an aircraft and which is designed to be detonated or exploded by the presence, proximity, or contact of a person;

"(2) any device or material which is designed, constructed, or adapted to kill or injure and which functions unexpectedly when a person disturbs or approaches an apparently harmless object or performs an apparently safe act;

"(3) any manually-emplaced munition or device designed to kill, injure, or damage and which is actuated by remote control or automatically after a lapse of time."

[Section 1000(a)(2) [title V, Sec. 553] of div. B of Pub. L. 106-113, which directed the amendment of section 1365(c) of Pub. L. 102-484, set out above, by substituting "During the 11-year" for "During the five-year", was executed by making the substitution for "During the eight-year".]

ARMS TRANSFERS RESTRAINT POLICY FOR MIDDLE EAST AND PERSIAN GULF

REGION

Pub. L. 102-138, title IV, Oct. 28, 1991, 105 Stat. 718, provided that:

"SEC. 401. FINDINGS.

"The Congress finds that -

"(1) nations in the Middle East and Persian Gulf region, which accounted for over 40 percent of the international trade in weapons and related equipment and services during the decade of the 1980's, are the principal market for the worldwide arms trade;

"(2) regional instability, large financial resources, and the desire of arms-supplying governments to gain influence in the Middle East and Persian Gulf region, contribute to a regional arms race;

"(3) the continued proliferation of weapons and related equipment and services contribute further to a regional arms race in the Middle East and Persian Gulf region that is politically, economically, and militarily destabilizing;

"(4) the continued proliferation of unconventional weapons, including nuclear, biological, and chemical weapons, as well as delivery systems associated with those weapons, poses an urgent threat to security and stability in the Middle East and Persian

Gulf region;

"(5) the continued proliferation of ballistic missile technologies and ballistic missile systems that are capable of delivering conventional, nuclear, biological, or chemical warheads undermines security and stability in the Middle East and Persian Gulf region;

"(6) future security and stability in the Middle East and Persian Gulf region would be enhanced by establishing a stable military balance among regional powers by restraining and reducing both conventional and unconventional weapons;

"(7) security, stability, peace, and prosperity in the Middle East and Persian Gulf region are important to the welfare of the international economy and to the national security interests of the United States;

"(8) future security and stability in the Middle East and Persian Gulf region would be enhanced through the development of a multilateral arms transfer and control regime similar to those of the Nuclear Suppliers' Group, the Missile Technology Control Regime, and the Australia Chemical Weapons Suppliers Group;

"(9) such a regime should be developed, implemented, and agreed to through multilateral negotiations, including under the auspices of the 5 permanent members of the United Nations Security Council;

"(10) confidence-building arms control measures such as the establishment of a centralized arms trade registry at the United Nations, greater multinational transparency on the transfer of defense articles and services prior to agreement or transfer, cooperative verification measures, advanced notification of military exercises, information exchanges, on-site inspections, and creation of a Middle East and Persian Gulf Conflict Prevention Center, are important to implement an effective multilateral arms transfer and control regime;

"(11) as an interim step, the United States should consider introducing, during the ongoing negotiations on confidence security-building measures at the Conference on Security and Cooperation in Europe (CSCE) [now the Organization for Security and Cooperation in Europe], a proposal regarding the international exchange of information, on an annual basis, on the

sale and transfer of major military equipment, particularly to the Middle East and Persian Gulf region; and

"(12) such a regime should be applied to other regions with the ultimate objective of achieving an effective global arms transfer and control regime, implemented and enforced through the United Nations Security Council, that -

"(A) includes a linkage of humanitarian and developmental objectives with security objectives in Third World countries, particularly the poorest of the poor countries; and

"(B) encourages countries selling military equipment and services to consider the following factors before making conventional arms sales: the security needs of the purchasing countries, the level of defense expenditures by the purchasing countries, and the level of indigenous production of the purchasing countries.

"SEC. 402. MULTILATERAL ARMS TRANSFER AND CONTROL REGIME.

"(a) Implementation of the Regime. -

"(1) Continuing negotiations. - The President shall continue negotiations among the 5 permanent members of the United Nations

Security Council and commit the United States to a multilateral arms transfer and control regime for the Middle East and Persian Gulf region.

"(2) Proposing a temporary moratorium during negotiations. - In the context of these negotiations, the President should propose to the 5 permanent members of the United Nations Security Council a temporary moratorium on the sale and transfer of major military equipment to nations in the Middle East and Persian Gulf region until such time as the 5 permanent members agree to a multilateral arms transfer and control regime.

"(b) Purpose of the Regime. - The purpose of the multilateral arms transfer and control regime should be -

"(1) to slow and limit the proliferation of conventional weapons in the Middle East and Persian Gulf region with the aim of preventing destabilizing transfers by -

"(A) controlling the transfer of conventional major military equipment;

"(B) achieving transparency among arms suppliers nations through advanced notification of agreement to, or transfer of,

conventional major military equipment; and

"(C) developing and adopting common and comprehensive control guidelines on the sale and transfer of conventional major military equipment to the region;

"(2) to halt the proliferation of unconventional weapons, including nuclear, biological, and chemical weapons, as well as delivery systems associated with those weapons and the technologies necessary to produce or assemble such weapons;

"(3) to limit and halt the proliferation of ballistic missile technologies and ballistic missile systems that are capable of delivering conventional, nuclear, biological, or chemical warheads;

"(4) to maintain the military balance in the Middle East and Persian Gulf region through reductions of conventional weapons and the elimination of unconventional weapons; and

"(5) to promote regional arms control in the Middle East and Persian Gulf region.

"(c) Achieving the Purposes of the Regime. -

"(1) Controlling proliferation of conventional weapons. - In

order to achieve the purposes described in subsection (b)(1), the United States should pursue the development of a multilateral arms transfer and control regime which includes -

"(A) greater information-sharing practices among supplier nations regarding potential arms sales to all nations of the Middle East and Persian Gulf region;

"(B) applying, for the control of conventional major military equipment, procedures already developed by the International Atomic Energy Agency, the Multilateral Coordinating Committee on Export Controls (COCOM), and the Missile Technology Control Regime (MTCR); and

"(C) other strict controls on the proliferation of conventional major military equipment to the Middle East and Persian Gulf region.

"(2) Halting proliferation of unconventional weapons. - In order to achieve the purposes described in subsections (b)(2) and (3), the United States should build on existing and future agreements among supplier nations by pursuing the development of a multilateral arms transfer and control regime which includes -

"(A) limitations and controls contained in the Enhanced Proliferation Control Initiative;

"(B) limitations and controls contained in the Missile Technology Control Regime (MTCR);

"(C) guidelines followed by the Australia Group on chemical and biological arms proliferation;

"(D) guidelines adopted by the Nuclear Suppliers Group (the London Group); and

"(E) other appropriate controls that serve to halt the flow of unconditional [unconventional] weapons to the Middle East and Persian Gulf region.

"(3) Promotion of regional arms control agreements. - In order to achieve the purposes described in subsections (b)(4) and (5), the United States should pursue with nations in the Middle East and Persian Gulf region -

"(A) the maintenance of the military balance within the region, while eliminating nuclear, biological, and chemical weapons and associated delivery systems, and ballistic missiles;

"(B) the implementation of confidence-building and security-building measures, including advance notification of certain ground and aerial military exercises in the Middle East and the Persian Gulf; and

"(C) other useful arms control measures.

"(d) Major Military Equipment. - As used in this title, the term 'major military equipment' means -

"(1) air-to-air, air-to-surface, and surface-to-surface missiles and rockets;

"(2) turbine-powered military aircraft;

"(3) attack helicopters;

"(4) main battle tanks;

"(5) submarines and major naval surface combatants;

"(6) nuclear, biological, and chemical weapons; and

"(7) such other defense articles and defense services as the President may determine.

"SEC. 403. LIMITATION ON UNITED STATES ARMS SALES TO THE REGION.

"Beginning 60 days after the date of enactment of the International Cooperation Act of 1991 [probably means H.R. 2508,

which had not been enacted into law by the end of the first session of the 102d Congress] or the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 [Oct. 28, 1991], whichever is enacted first, no sale of any defense article or defense service may be made to any nation in the Middle East and Persian Gulf region, and no license may be issued for the export of any defense article or defense service to any nation in the Middle East and Persian Gulf region, unless the President -

"(1) certifies in writing to the relevant congressional committees that the President has undertaken good faith efforts to convene a conference for the establishment of an arms suppliers regime having elements described in section 402; and

"(2) submits to the relevant congressional committees a report setting forth a United States plan for leading the world community in establishing such a multilateral regime to restrict transfers of advanced conventional and unconventional arms to the Middle East and Persian Gulf region.

"SEC. 404. REPORTS TO THE CONGRESS.

"(a) Quarterly Reports. - Beginning on January 15, 1992, and

quarterly thereafter through October 15, 1993, the President shall submit to the relevant congressional committees a report -

"(1) describing the progress in implementing the purposes of the multilateral arms transfer and control regime as described in section 402(b); and

"(2) describing efforts by the United States and progress made to induce other countries to curtail significantly the volume of their arms sales to the Middle East and Persian Gulf region, and if such efforts were not made, the justification for not making such efforts.

"(b) Initial Report on Transfers and Regional Military Balance. - Not later than 60 days after the date of enactment of the International Cooperation Act of 1991 or the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993, whichever is enacted first, the President shall submit to the relevant congressional committee a report -

"(1) documenting all transfers of conventional and unconventional arms by any nation to the Middle East and Persian Gulf region over the previous calendar year and the previous 5

calendar years, including sources, types, and recipient nations of weapons;

"(2) analyzing the current military balance in the region, including the effect on the balance of transfers documented under paragraph (1);

"(3) describing the progress in implementing the purposes of the multilateral arms transfer and control regime as described in section 402(b);

"(4) describing any agreements establishing such a regime; and

"(5) identifying supplier nations that have refused to participate in such a regime or that have engaged in conduct that violates or undermines such a regime.

"(c) Annual Reports on Transfers and Regional Military Balance. - Beginning July 15, 1992, and every 12 months thereafter, the President shall submit to the relevant congressional committees a report -

"(1) documenting all transfers of conventional and unconventional arms by any nation to the Middle East and Persian Gulf region over the previous calendar year, including sources,

types, and recipient nations of weapons;

"(2) analyzing the current military balance in the region, including the effect on the balance of transfer documented under paragraph (1);

"(3) describing the progress in implementing the purposes of the multilateral arms transfer and control regime as described in section 402(b); and

"(4) identifying supplier nations that have refused to participate in such a regime or that have engaged in conduct that violates or undermines such a regime.

"SEC. 405. RELEVANT CONGRESSIONAL COMMITTEES DEFINED.

"As used in this title, the term 'relevant congressional committees' means the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate."

[Ex. Ord. No. 12851, Sec. 3, June 11, 1993, 58 F.R. 33181, set out as a note under section 2797 of this title, delegated to Secretary of State, in consultation with Secretary of Defense and other agencies, certification and reporting functions of the

President under sections 403 and 404 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993, Public Law 102-138, set out above.]

[Memorandum of President of the United States, Dec. 27, 1991, 56 F.R. 1069, delegated to Secretary of State, in consultation with heads of other executive agencies and departments, certification and reporting obligations of the President under sections 403 and 404 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993, Public Law 102-138, set out above.]

#### CONTINUATION OF EXPORT CONTROL REGULATIONS

Section 3 of Ex. Ord. No. 13222, Aug. 17, 2001, 66 F.R. 44025, set out as a note under section 1701 of Title 50, War and National Defense, provided that: "Provisions for administration of section 38(e) of the Arms Export Control Act (22 U.S.C. 2778(e)) may be made and shall continue in full force and effect until amended or revoked under the authority of section 203 of the Act (50 U.S.C. 1702). To the extent permitted by law, this order also shall constitute authority for the issuance and continuation in full force and effect of all rules and regulations by the President or his delegate, and all orders, licenses, and other forms of

administrative actions issued, taken, or continued in effect pursuant thereto, relating to the administration of section 38(e)."

Prior provisions relating to issuance and continued effect of rules, regulations, orders, licenses, and other forms of administrative action relating to administration of subsec. (e) of this section were contained in the following:

Ex. Ord. No. 12924, Sec. 3, Aug. 19, 1994, 59 F.R. 43437, formerly set out as a note under section 1701 of Title 50, prior to revocation by Ex. Ord. No. 13206, Sec. 1, Apr. 4, 2001, 66 F.R. 18397.

Ex. Ord. No. 12923, Sec. 3, June 30, 1994, 59 F.R. 34551, formerly set out as a note under section 1701 of Title 50, prior to revocation by Ex. Ord. No. 12924, Sec. 4, Aug. 19, 1994, 59 F.R. 43438.

Ex. Ord. No. 12867, Sec. 3, Sept. 30, 1993, 58 F.R. 51747, set out as a note under section 1701 of Title 50.

Ex. Ord. No. 12730, Sec. 3, Sept. 30, 1990, 55 F.R. 40373, formerly set out as a note under section 1701 of Title 50, prior to revocation by Ex. Ord. No. 12867, Sept. 30, 1993, 58 F.R. 51747.

Ex. Ord. No. 12525, Sec. 3, July 12, 1985, 50 F.R. 28757, set out as a note under section 1701 of Title 50.

Ex. Ord. No. 12470, Sec. 3, Mar. 30, 1984, 49 F.R. 13099, formerly set out as a note under section 1701 of Title 50, prior to revocation by Ex. Ord. No. 12525, July 12, 1985, 50 F.R. 28757.

Ex. Ord. No. 12451, Sec. 3, Dec. 20, 1983, 48 F.R. 56563, set out as a note under section 1701 of Title 50.

Ex. Ord. No. 12444, Sec. 3, Oct. 14, 1983, 48 F.R. 48215, formerly set out as a note under section 1701 of Title 50, prior to revocation by Ex. Ord. No. 12451, Dec. 20, 1983, 48 F.R. 56563.

-FOOTNOTE-

(!1) So in original. There are two subpars. designated "(B)".

(!2) So in original. The semicolon probably should be a comma.

(!3) So in original. Probably should be "sections".

(!4) So in original. Probably should be "175c".

(!5) So in original. Probably should be followed by "in".