



Directorate of Defense Trade Controls Update

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Defense Trade Controls Licensing



Discussion Topics

- DDTC mission and organization
- Defense trade process improvements
 - NSPD-56
 - Registration Fee Structure
 - Processing Time-lines
 - ITAR/USML Review
- Questions/Contact Information

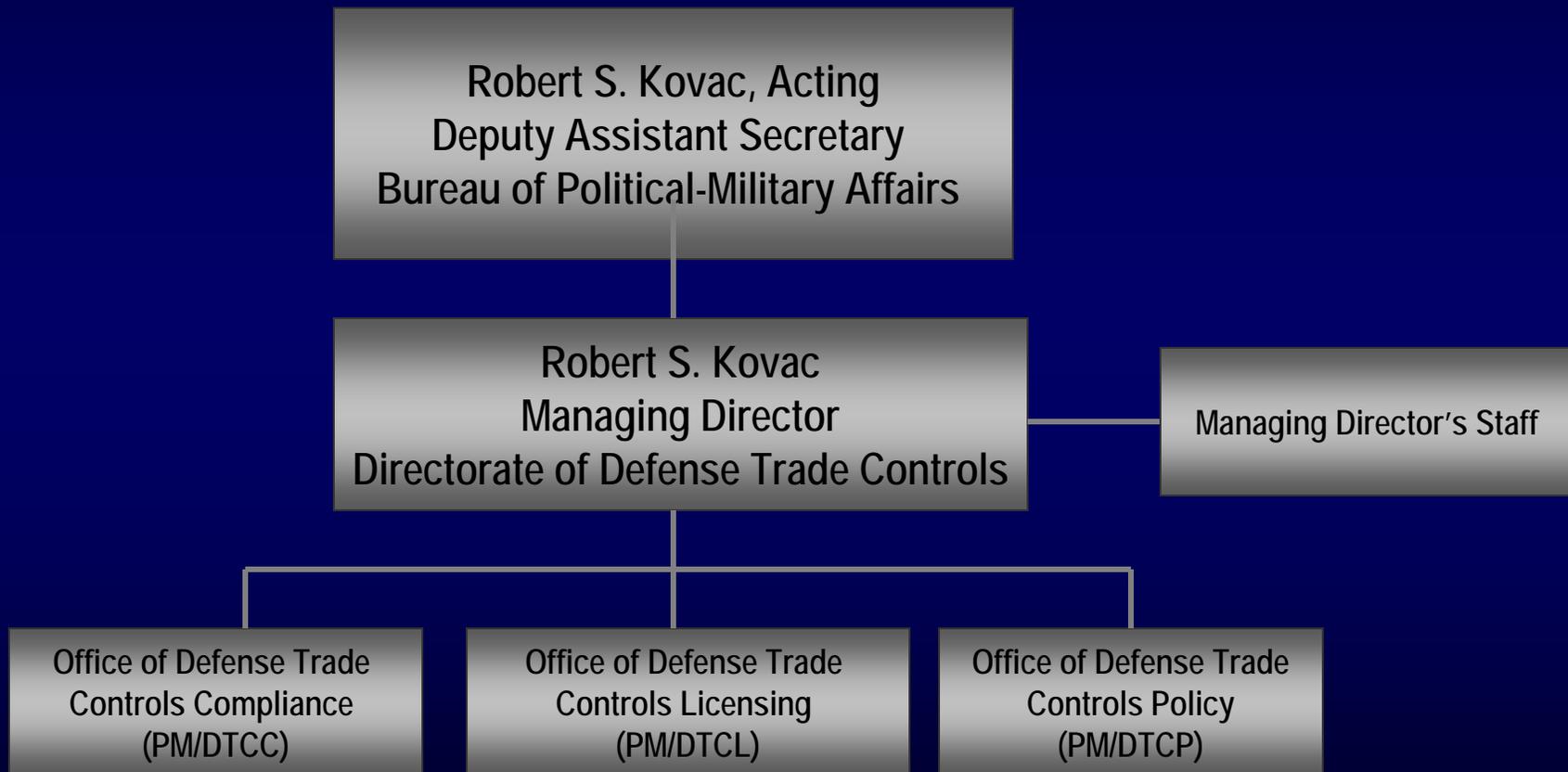


Directorate of Defense Trade Controls

Mission: Advance US national security and foreign policy through licensing of direct commercial sales in defense articles and the development and enforcement of defense trade export control laws, regulations and policies.



DDTC Organization





Process Improvements

- Standardization:
 - Training Program
 - Documenting Procedures
 - Auditing/Case Review
- Electronic Submissions
 - D-TRADE II
 - Electronic Agreements
 - What is next?



NSPD-56 Defense Trade Reform

- Signed by the President on Jan 22, 2008
- Directed the most far reaching reforms to the defense trade process in 16 years
- Mandates specific process and resource requirements to support an export control system that is predictable, efficient and transparent.



Registration Fee Structure

- NSPD-56 mandated DDTC become 75% "self-financed" for directed changes
- New fee structure in effect since September 2008 with collection at the higher costs effective November 2008
 - 3-tier system
 - Valid for one year



Processing Time-lines

- All applications must be processed within 60 days
- Exceptions:
 - Congressional notification required
 - DOD review still pending
 - Blue Lantern pending
 - Government Assurances required
 - Waiver required



Improvement Metrics

- OEF/OIF: 80% faster
- Open Cases: 66% reduction in pending
- Overall Case Processing: 55% faster
- RWA Rate: 52% reduction

All occurred while the number of cases received
increased by 5%



License Processing Times

Month and Year	May '08	Jun '08	Jul '08	Aug '08	Sep '08	Oct '08	Nov '08	Dec '08	Jan '09	Feb '09	Mar '09	Apr '09	May '09
Cases Received	6,920	7,063	7,141	6,644	6,419	7,030	5,901	6,271	6,149	6,612	7,241	7,350	6,689
Cases Closed	7,054	6,779	7,144	7,014	6,552	6,814	6,005	6,650	5,755	6,302	7,369	7,144	6,763
Cases Open at End of Month	3,562	3,822	3,783	3,389	3,230	3,438	3,288	2,908	3,265	3,554	3,436	3,628	3,564
Average Processing Time (in Days)	15	15	17	16	16	16	16	16	17	15	15	15	15



ITAR/USML Review

- Rewrite current exemptions for clarity
- Create new exemptions (PPE exemption)
- Rewrite brokering rules
- Definitions/export policy subchapters
- Revamp CJ process
- USML rewrite



How to Obtain Further Guidance

General Questions – Response Team
DDTCResponseTeam@state.gov

Learn More About U.S. Defense Trade Controls
Registration, Licensing, and Other ITAR Regulatory
Matters by Visiting the Department of State's
Directorate of Defense Trade Controls on the Internet at:

www.pmddtc.state.gov



Contact Information

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