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CLIENTALERT

December 2010

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President Establishes Export Enforcement Coordination Center

As promised at a Department of Commerce conference this fall (see Client Alert "Export Controls and Policy Update," September 2010), the President has issued an executive order directing the establishment of an Export Enforcement Coordination Center ("Center"). The Center will be set up within the Department of Homeland Security ("DHS"). The director of the Center will be a full-time senior officer or employee of DHS with two deputies, one designated by the Secretary of Commerce and the other by the Attorney General. The Center will also have an Intelligence Community Liaison.

The Center is directed to coordinate among the eight agencies currently having responsibility for some aspect of export enforcement (State, Treasury, Defense, Justice, Commerce, Energy, Homeland Security and National Intelligence). The Center is directed to:

- Serve as the primary forum for coordinating and enhancing export control and enforcement efforts and identifying and resolving conflicts among the agencies;
- Serve as a conduit between federal law enforcement agencies and the U.S. Intelligence Community;

- Serve as the primary point of contact between enforcement authorities and licensing agencies;
- Coordinate law enforcement public outreach activities relating to export control; and
- Establish government-wide statistical tracking for U.S. criminal and administrative export control enforcement activities, as a DHS function.

The creation of the Center is further evidence of the administration's serious commitment to reforming the nation's hodgepodge of export control regulations and enforcement responsibilities. How soon any practical benefits for exporters will emerge from the Center remains to be seen. In addition to bureaucratic inertia, its activities are likely to be limited unless and until it receives appropriations support from the new Congress, and major reform will ultimately require legislation by Congress as well. In the meantime, as the executive order states: "Agencies shall continue to investigate criminal and administrative export violations consistent with their existing authorities, jointly or separately, with coordination through the Center to enhance enforcement efforts and minimize potential for conflict."

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