

The Honorable Richard Cheney
President of the Senate
Washington, D.C. 20510

Dear Mr. President:

I am pleased to submit the Annual Report for Fiscal Year 2001 (Annual Report) of the Bureau of Export Administration (BXA) of the Department of Commerce. I am also herewith submitting BXA's 2002 Report to the Congress on Foreign Policy Export Controls (Foreign Policy Report).

The submission of these reports to the Congress is provided for in Sections 6 and 14 of the Export Administration Act of 1979, as amended (the Act). As you know, the Act expired in August 2001 and, since that time, export controls administered by BXA have been maintained under the authority of the International Emergency Economic Powers Act (IEEPA) pursuant to a declaration of national emergency by the President. The Department of Commerce is submitting these reports under a policy of conforming its actions under IEEPA, insofar as appropriate, to those taken under the Act.

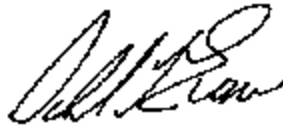
The Annual Report describes the activities undertaken by BXA during Fiscal Year 2001, including export control activities undertaken pursuant to the Act. BXA today handles a wide and expanding range of issues that arise at the intersection of industry and national security. While continuing to perform its traditional core function of administering and enforcing U.S. export controls, during the past fiscal year BXA also performed a variety of other national security-related activities, including analyzing and promoting the U.S. defense industrial base, working with the private sector on assurance of the nation's critical infrastructures, and participating in homeland security initiatives. The full breadth of BXA's activities is detailed in the Annual Report.

The Foreign Policy Report addresses all of the export controls implemented by the Department pursuant to Section 6 of the Act "to further significantly the foreign policy of the United States or to fulfill its declared international obligations." The Report discusses, *inter alia*, the purpose, effectiveness, and economic impact of such controls. This letter, and the accompanying Foreign Policy Report, serve as formal notification to Congress that I am hereby extending from

The Honorable Richard Cheney
Page 2

January 21, 2002, to January 20, 2003, the export controls that are maintained for foreign policy reasons, as described in the Report. I take this action after careful review of all relevant factors, and at the recommendation of the Secretary of State, in the belief that it is necessary to further significantly the foreign policy of the United States or to fulfill declared international obligations of the United States.

Warm regards,

A handwritten signature in black ink, appearing to read "D. Evans", written in a cursive style.

Donald L. Evans

Enclosure

The Honorable Richard Cheney
President of the Senate
Washington, D.C. 20510

Dear Mr. President:

The Honorable J. Dennis Hastert
Speaker of the House of Representatives
Washington, D.C. 20515

Dear Mr. Speaker:

The Honorable Richard Gephardt
Minority Leader
House of Representatives
Washington, D.C. 20515

Dear Representative Gephardt:

The Honorable Thomas A. Daschle
Majority Leader
United States Senate
Washington, D.C. 20515

Dear Senator Daschle:

The Honorable Trent Lott
Minority Leader
United States Senate
Washington, D.C. 20510

Dear Senator Lott:

The Honorable Phil Gramm
Ranking Member, Committee on Banking
Housing and Urban Affairs
United States Senate
Washington, D.C. 20510

Dear Senator Gramm:

The Honorable Paul Sarbanes
Chairman, Committee on Banking
Housing and Urban Affairs
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

The Honorable Henry Hyde
Chairman, Committee on International Relations
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

The Honorable Tom Lantos
Ranking Member, Committee on
International Relations
House of Representatives
Washington, D.C. 20515

Dear Representative Lantos: