



Highlights of [GAO-05-234](#), a report to the Chairman, Committee on International Relations, House of Representatives

## Why GAO Did This Study

The U.S. government controls arms exports by U.S. companies to ensure that such exports are consistent with national security and foreign policy interests. There have been various efforts to change the arms export control system, which is overseen by the State Department. One effort was the Defense Trade Security Initiative of 2000, which was intended to facilitate defense trade with allies in the post-Cold War environment. Given the September 2001 terror attacks, the U.S. government has had to reevaluate whether existing policies support national security and foreign policy goals.

In light of the September 2001 attacks, GAO was asked to review several aspects of the arms export control system. Specifically, GAO is providing information on (1) changes in the arms export control system since September 2001 and overall trends in arms export licensing, (2) extent of implementation of or revision to initiatives designed to streamline arms export licensing, and (3) extent of coordination on these initiatives between State and arms export enforcement agencies, as well as enforcement efforts.

## What GAO Recommends

GAO is not making recommendations in this report. State disagreed with information contained in the report, while the Departments of Defense and Homeland Security generally agreed with the report.

[www.gao.gov/cgi-bin/getrpt?GAO-05-234](http://www.gao.gov/cgi-bin/getrpt?GAO-05-234).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Katherine Schinasi at (202) 512-4841 or [schinasi@gao.gov](mailto:schinasi@gao.gov).

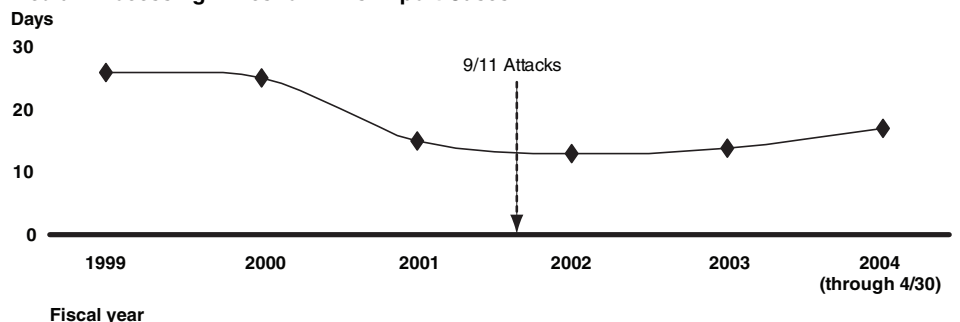
## DEFENSE TRADE

# Arms Export Control System in the Post-9/11 Environment

## What GAO Found

Since the September 2001 terror attacks, the arms export control system has not undergone fundamental changes. While the system essentially remains unchanged, new trends have emerged in the processing of arms export cases. The median processing time for export license applications and related cases began increasing in fiscal year 2003.

**Median Processing Times for Arms Export Cases**



Source: GAO analysis of State data.

State and Defense, which reviews export licenses, have continued to implement through regulations and guidance several initiatives primarily designed to streamline the processing of arms export licenses. According to State officials, they have not evaluated the effects of these initiatives on the export control system or revised the initiatives. However, applications processed under these initiatives have generally not been processed within the time frames established by State and Defense. For example, applications for Operation Iraqi Freedom are to be processed in 4 days if they require interagency review, but the median processing time for these applications in the first 7 months of fiscal year 2004 was 22 days. Also, exporters have not widely used several of these initiatives.

State has sought limited coordination with the agencies responsible for enforcing U.S. arms export laws—the Departments of Homeland Security and Justice—regarding the initiatives designed to streamline arms export licensing. The only exceptions have been regarding proposed export licensing exemptions. Enforcement officials have raised concerns regarding licensing exemptions, including difficulties in enforcing the proper use of exemptions and the increased risk of diversion. According to enforcement officials, they face a number of challenges associated with arms export enforcement efforts, such as limited resources to conduct inspections and investigations and other difficulties in obtaining a criminal conviction for export violations.