

**Appendix 7**

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COMMITTEE ON  
INTERNATIONAL RELATIONS  
MAY 21 2003

United States Department of State

*The Deputy Secretary of State*

*Washington, D.C. 20520*

May 20, 2003

Dear Mr. Chairman:

Thank you for your letter regarding the Department's proposed legislation that would authorize ITAR exemptions for Australia and the United Kingdom. I appreciate your leadership in the Congress on technology control issues, and I look forward to continuing to work with you in the future on this and many other issues.

Let me assure you that in no way is this Administration "lowering our country's standards for munitions and other arms-related transfers," for any reason, much less "because it is advantageous to U.S. companies." To the contrary, we have succeeded with both the Australian and UK agreements in strengthening U.S. national security and our alliance with those two countries. These agreements will create a community of trusted and closely regulated defense companies that will be able to receive low-sensitivity unclassified defense exports from U.S. companies without a license, while meeting our responsibility to control U.S. defense technology. For the first time under the U.S.-UK agreement, the UK will take an affirmative obligation to assist us in enforcing our controls in the UK. In addition, the Department is investing in serious upgrades to our management, processes and information technology so as to fulfill our regulatory mandate in a more effective manner that advances our foreign policy and national security. Such improvements are long overdue.

We are processing your document request and will respond to you as soon as possible. In addition, as you consider legislative action in this area, I would ask that you personally meet

The Honorable  
Henry J. Hyde, Chairman,  
Committee on International Relations,  
House of Representatives.

with senior representatives of the Departments of State and Defense to provide us the opportunity to brief you on the two agreements and how these comport with our priorities in building more robust defense export compliance partnerships with our principal defense allies. I agree with you on the importance of maintaining strong standards for nonproliferation and export controls at this critical point in our Nation's history.

Thank you for your interest and consideration.

Sincerely, *vef*

*Reed*

Richard L. Armitage