September 9, 2013

U.S. Department of Commerce
Bureau of Industry and Security
Regulatory Policy Division
1401 Constitution Ave NW
Room 2099B
Washington, D.C. 20230

ATTN: Brian Baker, Director, Electronics and Materials Division, Office of National Security and Technology Transfer Controls

RE: Notice of Proposed Rulemaking, EAR Amendment – Control of Military Electronic Equipment and Related Items No Longer Controlled Under the USML

Dear Mr. Baker:

The Aerospace Industries Association (AIA) and our member companies appreciate the opportunity to comment on the Department of Commerce's proposed amendments to the Export Administration Regulations (EAR). Revising the EAR and the Commerce Control List (CCL) to accommodate military electronics, certain superconducting and cryogenic equipment, and related items that the President has determined no longer warrant control under Category XI (Military Electronics) of the U.S. Munitions List (USML) will create a "positive" list that will result in a more predictable, efficient, and transparent export control system. AIA has long been a champion of export control reform, and we are encouraged the Administration shares this priority. To further progress on sensible export controls, AIA would like to highlight the below issues for further consideration.

CCL Military Electronics and Related Items

The Department of Commerce is considering four options to address items of limited military significance with respect to separate ECCN-specific .y paragraphs and 600-series .y lists. The options are as follows:

(1) Creating separate ECCN-specific .y paragraphs
(2) Creating a single list of 600 series items subject only to antiterrorism and China military end-use license requirements

(3) Establishing a classification request procedure whereby a 600 series item could be designated as subject to only antiterrorism and China military end-use license requirements, but eliminating the .y listings from the regulations
(4) Removing all .y lists completely

In responding to previous proposed rulemaking AIA has recommended that creating a single .y list subject only to antiterrorism and China military end-use license requirements is the most desirable option (Dec 21, 2011). AIA continues to support this option, and would like to further emphasize that the other three options are not desirable. However, in terms of impact option (1) is better than option (3). Option (4) is the least desirable of the proposals as it results in precisely the situation former Secretary Gates launched the Export Control Reform Initiative to solve, namely, that allied war fighting operations are hampered by the licensing of non-significant spare parts

AIA has long been a champion for sensible export control reform and we commend the Administration for their tireless efforts to achieve meaningful reform. Please know that AIA is a willing and committed partner to reform efforts going forward.

Best regards,

Remy Nathan
Vice President, International Affairs
Aerospace Industries Association