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Statement by
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Member of the U.S. Delegation
to the Conference on Disarmament
at the Thematic Debate on
“Conventional Weapons and Enhancing International Cooperation in Preventing,
Combating and Eradicating Illicit Brokering in Small Arms and Light Weapons”
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U.S. is a Global Leader in Fighting Illicit Brokering

Mr. Chairman, our delegation takes the floor this morning to address the important
issue of combating the illicit brokering of small arms and light weapons (SA/LW). The
United States is a global leader in efforts to mitigate the illicit brokering of small arms
and light weapons through multilateral diplomacy and bilateral assistance to countries in
need and an export law that has included brokering controls for more than a decade. The
U.S. approach focuses on practical, effective measures to address the problem of illicit
SA/LW brokering in conflict regions where it is most urgent, while acknowledging the
legitimacy of legal trade through regulation and licensing of the manufacture, export, and
import of arms.

The U.S. is fully aware of the potentially adverse consequences of illicit arms
transfers and, therefore, strictly regulates its exports, imports and re-transfers of defense
articles and defense services to protect its national interests and the peace and security of
regions of concern and the broader international community. Our delegation went on
record last year in this forum to highlight the importance of the UN Register of
Conventional Arms and how it can establish greater transparency and accountability of
arms transfers around the world. We reiterate that support and re-emphasize the
importance for all nations to enhance the transparency and accountability of their arms
exports and imports, as provided for in the UN Register of Conventional Arms and called
for in the Program of Action on Small Arms and Light Weapons.

The policies and programs of the United States seek, in cooperation with interested
governments, to build and strengthen enforcement and legal capacities, provide training
in brokering as well as baseline export controls and customs practices, discourage
irresponsible and illicit exports, strengthen sanctions against violators of embargoes,
enhance stockpile security, and destroy excess weapons. We participate in numerous
multilateral regimes, to include the Wassenaar Arrangement, to further this goal.

Mr. Chairman, recognizing the importance of this issue to the international
community and the experience the United States has had in developing strong,
transparent export control systems, I would like to highlight features of the U.S. export control systems for small arms and light weapons that we believe are crucial for any nation seriously seeking to reduce illicit and irresponsible arms brokering and related illicit transfers.

**Transparency of Laws and Regulation of Exports, Imports and Brokers**

The United States publishes its laws and regulations controlling the import and export of defense articles and defense services, and provides foreign policy guidance (through the official publication of sanctions and embargoes). You can find our legal framework on the websites of the Department of State which is responsible for control of arms exports at [www.pmddty.state.gov](http://www.pmddty.state.gov) with links to the Department of Treasury Bureau of Alcohol, Tobacco, Firearms and Explosives ([www.atf.treas.gov](http://www.atf.treas.gov)). Transparency of our legal framework is a keystone for informing persons of the United States concerns on illicit exports and brokering and the strong enforcement measures in place to deter them.

**Registration**

The United States requires any U.S. person involved in the manufacture or export of U.S. defense articles or defense services to register with the U.S. Government, even defense manufacturers which do not export. The United States requires any U.S. person brokering defense articles or defense services to be registered, as well as any foreign person involved in the brokering of U.S. defense articles or defense services.

Registration under the arms export law serves as means for the United States to know who is in the business and provides important information on the identity and location of arms manufacturers. It also serves as the backbone of the licensing system I'll describe in a minute.

**Licensing**

The United States requires a license issued by the State Department for all exports and brokering of small arms and light weapons, with few exceptions. The licenses are based on applications submitted by registered persons.

Recognizing that re-transfer after export is a source of illicit trade, U.S. export applications for SA/LW may include, depending on the nature of the SA/LW, an import certificate, non-transfer and end-use certificate, signed by the foreign end-user acknowledging the restriction on re-transferring defense articles to any end-user or for any end use other than as stated on the approved export license.

In reviewing export applications, the State Department considers the eligibility of the applicant and all parties involved in the proposed export, import or re-transfer, the commodity being exported, the end use, the end user, the export's effect on national security and foreign policy (to include consideration of regional stability, human rights, and U.S. commitments to multilateral control regimes), and the country of destination.

**Enforcement**

The United States has a vigorous enforcement program to ensure that all parties to an export or brokering transaction respect U.S. export laws and regulations. Earlier this month the Department of Justice, joined by the Department of State, Immigration and Customs Enforcement, FBI, Export Enforcement from the Department of Commerce and
Defense Criminal Investigative Service, announced a comprehensive new export enforcement initiative being launched jointly with these agencies. While this in and of itself is a broad export initiative, SA/LW cases most certainly will be included.

Our penalties and fines are both criminal and civil. Examples of cases can be found on websites of the Department of Justice, Department of State, and other regulatory agencies. They serve as a strong deterrence to illicit trade and those cases brought forward show the increasing ingenuity, resources, and inventiveness of those charged with illicit export, import or brokering activities.

The Department of State developed various screening programs to further validate the parties to licenses before they are issued. One such program, initiated in September 1990, the “Blue Lantern” end-use monitoring program, has significantly strengthened the effectiveness of U.S. export controls by including overseas pre-license and post-shipment checks. These end-use checks seek to verify the bona fides of foreign parties or confirm that the conditions of approved license authorizations are being respected. In FY 2006 alone, the U.S. conducted 613 Blue Lantern checks, of which 90 cases yielded unfavorable information.

In conjunction with a robust export regime, the United States also has established a strong and effective import mechanism. Administered by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), the import system requires importers to be licensed and all importations of small arms and light weapons to be approved. Significantly, imports of small arms and light weapons must contain an import marking in addition to a manufacturing marking to assist law enforcement in tracing any imported weapon used in crime. The current system effectively prevents prohibited arms from importation without restricting the legitimate firearms trade.

Conclusion

The United States actively participated in the Group of Government Experts on Illicit Brokering (GGE). A valuable contribution was a thorough presentation by an Assistant U.S. Attorney laying out the importance of comprehensive laws and regulations on brokering backed by strong enforcement measures that allow for international law enforcement cooperation. We strongly encourage States that look to establish or strengthen their brokering laws and regulations to take the recommendations and “Optional Elements” of the GGE as a guide. The U.S. stands ready to consider any request for assistance in this regard.

Mr. Chairman, transparent and accountable export, import and brokering control programs with strong enforcement penalties and fines are the keystone of any successful effort to mitigate the illicit trade in small arms and light weapons. With controls such as those I have just described, systems to control legal arms transfers and brokering can be more effective in reducing the illicit and irresponsible trade in small arms and light weapons.

Thank you.