

full-scale attack that not only helps in the short term, but builds a firmer foundation that makes our Nation stronger for the long haul. But this step will benefit small-business owners and our economy right away. That's why it's got to get done.

There's no doubt we still face serious challenges. But if we rise above the politics of the moment to summon an equal seriousness of purpose, I'm absolutely confident that we will

meet them. I've got confidence in the American economy, and most importantly, I've got confidence in the American people. We've just got to start working together to get this done.

Thank you very much.

NOTE: The President spoke at 1:17 p.m. in the Rose Garden at the White House. The Office of the Press Secretary also released a Spanish language transcript of these remarks.

Videotaped Remarks to the Department of Commerce Annual Update Conference on Export Controls and Policy

August 30, 2010

Hello, everyone. I'm sorry I'm not able to be with you in person today, but I'm pleased to have the chance to join you by video to talk about our export control reform initiative.

About a year ago, we launched a comprehensive review of our export controls and determined that we needed fundamental reform in all four areas of our current system: in what we control, how we control it, how we enforce those controls, and how we manage our controls. I want to thank Secretary Locke, Secretary Gates, Secretary Clinton, and many others for their work on this initiative. And today I want to highlight the key elements of our new approach and the first steps towards its implementation.

For too long, we've had two very different control lists, with agencies fighting over who has jurisdiction. Decisions were delayed, sometimes for years, and industries lost their edge or moved abroad. Going forward, we will have a single, tiered, positive list, one which will allow us to build higher walls around the export of our most sensitive items while allowing the export of less critical ones under less restrictive conditions.

In the past, there was a lot of confusion about when a license was required. It depended on which agency you asked. Now we will have a single set of licensing policies that will apply to each tier of control, bringing clarity and consistency across our system.

In addition, I plan to sign an Executive order that creates an Export Enforcement Coordination Center to coordinate and strengthen our enforcement efforts and eliminate gaps and duplication across all relevant departments and agencies.

Finally, right now export control licenses are managed by multiple, different IT systems or, in some cases, even on paper. Going forward, all agencies will transition to a single IT system, making it easier for exporters to seek licenses and ensuring that the Government has the full information needed to make informed decisions.

While there is still more work to be done, taken together, these reforms will focus our resources on the threats that matter most and help us work more effectively with our allies in the field. They'll bring transparency and coherence to a field of regulation which has long been lacking both. And by enhancing the competitiveness of our manufacturing and technology sectors, they'll help us not just increase exports and create jobs, but strengthen our national security as well.

All this represents significant progress. And as we implement these reforms and take further steps, including working to create a single licensing agency, I look forward to working with both Congress and the export control community to ensure their success.

Thanks so much.

NOTE: The President's remarks were videotaped at approximately 6:10 p.m. on August 13 in the Library at the White House for broadcast at the conference on August 31. The transcript

was released by the Office of the Press Secretary on August 30. The Executive order of November 9 is listed in Appendix D at the end of this volume.

Letter to Congressional Leaders Reporting on the Executive Order Blocking Property of Certain Persons With Respect to North Korea *August 30, 2010*

Dear Madam Speaker: (Dear Mr. President:)

Pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) (IEEPA), I hereby report that I have issued an Executive Order (the "order") that expands the scope of the national emergency declared in Executive Order 13466 of June 26, 2008, and takes additional steps with respect to that national emergency.

In 2008, the United States terminated the exercise of certain authorities under the Trading With the Enemy Act (TWEA) with respect to North Korea, and also declared a national emergency pursuant to IEEPA to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States posed by the existence and risk of the proliferation of weapons-usable fissile material on the Korean Peninsula. Executive Order 13466 continued certain restrictions on North Korea and North Korean nationals that had been in place under TWEA.

I have determined that the Government of North Korea's continued provocative actions, such as its unprovoked attack on and sinking of the Republic of Korea Navy ship *Cheonan* in March 2010, which resulted in the deaths of 46 sailors; its announced test of a nuclear device and missile launches in 2009; its violations of United Nations Security Council Resolution (UNSCR) 1718 of October 14, 2006, and UNSCR 1874 of June 12, 2009, including the procurement of luxury goods; and the illicit and deceptive economic activities through which it obtains financial and other support, including money laundering, the counterfeiting of goods and currency, bulk cash smuggling, and narcotics trafficking, destabilize the Korean peninsula and

imperil U.S. Armed Forces, allies, and trading partners in the region, and warrant the imposition of additional sanctions.

The United Nations Security Council, in Resolutions 1718 and 1874, requires Member States to take certain measures to prevent, among other activities, the transfer of most arms and related materiel to or from North Korea and the transfer of luxury goods to North Korea. The United States has implemented those two UNSCRs, and the order strengthens that implementation.

The order is not targeted at the people of North Korea, nor at those who provide legitimate humanitarian relief to those people, but rather is aimed at specific activities of the Government of North Korea and others undertaken in defiance of UNSCRs 1718 and 1874. The order targets the international network that supports the Government of North Korea through arms sales and illicit economic activities, including money laundering, the counterfeiting of goods and currency, bulk cash smuggling, and narcotics trafficking.

The order leaves in place all existing sanctions imposed under Executive Order 13466, and blocks the property and interests in property of persons listed in the Annex to the order. The order also provides criteria for designations of persons determined by the Secretary of the Treasury, in consultation with the Secretary of State:

- to have, directly or indirectly, imported, exported, or reexported to, into, or from North Korea any arms or related materiel;
- to have, directly or indirectly, provided training, advice, or other services or assistance, or engaged in financial transactions,