

Stronger MTCR Reform May Require Congressional Action

By Tom Karako

KEY TAKEAWAYS

- On September 15, 2025, the State Department announced a revision to the United States' interpretation of the Missile Technology Control Regime (MTCR). Under the new guidance, the United States will review exports of unmanned aerial systems (UASs) under criteria similar to those for manned aircraft, rather than the criteria applied to missiles.
- While these changes are a welcome development, they are insufficient to adapt the regime to the contemporary realities of renewed strategic competition. The commercial, technological, and geopolitical assumptions about the international environment that underpinned MTCR at its inception no longer hold today.
- Missiles and drones were once weapons of ill repute, but they are now widely available weapons of choice. The legacy Cold War presumption against missile proliferation now requires a fundamental reassessment.
- In today's strategic environment, the targeted proliferation of more capable, faster-moving, and more lethal U.S.-origin missiles, drones, and their technologies should be viewed as part of the solution, not as the problem.
- MTCR requires more radical reform to overcome its guidance about a strong presumption of denial.

BACKGROUND AND CONTEXT

On September 15, the State Department announced **new guidance** for implementing the Missile Technology Control Regime (MTCR), the latest in a series of efforts to adapt U.S. export controls to contemporary allies. Export requests for unmanned aerial systems (UAS) will now be reviewed under criteria similar to those for manned aircraft, rather than the criteria applied to missiles. They will no longer be subject to MTCR's strong presumption of denial, and thus will be easier to transfer to allies and partners.

This latest update is welcome, overdue, and wholly insufficient. The conditions under which MTCR began in 1987 are gone. MTCR was birthed to stem the proliferation of Scud-type missiles to Soviet client states. Today, rogue states are supplying drones and missiles to Russia.

Given the changed strategic landscape, the United States and its allies need to reevaluate a number of arms control regimes, especially those governing long-range drone and missile technology. Some nonproliferation and export control instruments still serve important functions. Others do not.

LEGISLATIVE AND POLICY IMPLICATIONS

Several presidential administrations have taken a run at reforming MTCR export controls. During the first Trump administration, the State Department loosened MTCR restrictions on slower-moving UASs. The change **moved** UASs that travel at speeds under 800 kilometers per hour from **Category I** to **Category II** under MTCR but did not affect faster UASs.

In January 2025, the Biden administration **increased discretion** to approve transfers of Category I systems to certain partners on a case-by-case basis. In principle, this organizational or bureaucratic approach **could facilitate transfers**, but it retained the strong presumption of denial. The Biden provisions apply to all Category I systems, going further than Trump administration changes. It remains unclear whether changes from January 2025 have been meaningfully implemented.

The second Trump administration is further relaxing the U.S. interpretation, but only for UASs—not based on the recipient, larger geopolitical context, or strategic objectives. The announcement **notes** that "export controls on missile technology must keep pace with the speed and scope of technological developments, especially as the use of unmanned systems . . . has become increasingly common for allies and adversaries." The U.S. government will now govern UAS exports by the same rules as manned aircraft.

CHALLENGES AND RISKS

Although each of the last three presidential administrations have modified their interpretation of the arrangement, the changes have been insufficient.

During the first Trump administration in 2020, the reclassification of slower UAS from Category I to Category II was well intentioned, but delegated implementation guidance to the State Department's nonproliferation offices. The process injected delay and conditionality to transfer requests.

The Biden administration changes did not modify restrictions on the creation or transfer of production facilities. Assisting Japan and Australia with producing Tomahawk or hypersonic strike facilities, for instance, would be of mutual strategic interest and expedite acquisition timelines. Both Trump administrations have repeatedly asked allies to do more in their own defense. Lowering the barriers to missile-related sales, transfers, and the transfer or assistance with production facilities could better help allies to do so.

It is possible that the Biden administration's reforms could facilitate at least some missile transfers to allies and partners. As with previous attempts at reform, the implementation guidance will be critical. At minimum, the administration ought to now prescribe implementation guidance to the State Department to protect the political intent of removing certain UASs from MTCR.

The latest reforms still do not go far enough. Despite its explicit **rationale** that "export controls on missile technology" must adapt to changing times, the new policy does not apparently extend to missiles, only to UASs. As such it does not overcome the presumption of denial for allies and partners who need those missiles most.

Pillar 2 of the AUKUS agreement might seem to be a model here, as a vision for the United States flexibly and promptly sharing information, technology, subsystems, and even complete missile systems with its closest allies. The agreement's slow implementation, however, also serves as a warning. As former Deputy Secretary of State Kurt Campbell has **noted**, it has been specifically **impeded** by the inertia of MTCR restrictions from yesteryear.

RECOMMENDATIONS

More radical reform is needed: To effectively compete, the targeted proliferation of more U.S.-origin missiles, UASs, and their technologies should be viewed as part of the solution, not the problem.

The MTCR Annex is a useful guide to what sort of items ought not to be proliferated to countries of concern. The no undercut policy likewise remains a useful mechanism to ensure unified action. The basic problem lies with the categorical presumption of denial for UASs and missiles. Converting it to a strong presumption for approval for close allies to receive and build long-range missilery could be effected by executive fiat or legislation.

Although legislation is not theoretically required for the executive branch to implement changes to U.S. missile technology export control processes that support close allies, multiple administrations have so far failed to do so. A **bill** introduced in the House would do exactly that, eliminating the presumption of denial for Category I and II transfers under MTCR to NATO allies, major non-NATO allies, and Five Eyes countries.

If MTCR is to be salvaged, its reform should begin with overcoming its strong presumption of denial for close U.S. allies and partners, while retaining robust export controls to competitors. If the executive branch does not make this reform, it could be made by Congress.

ADDITIONAL RESOURCES

Tom Karako, "A Marie Kondo Moment for MTCR: Tidying Up the U.S. Approach to Missile Proliferation," CSIS, *CSIS Briefs*, September 23, 2025, <https://www.csis.org/analysis/marie-kondo-moment-mtcr>.

Heather Williams, Tom Karako, and Kari Bingen, "MTCR Reform: What's a Missile?," CSIS, CSIS Events, September 24, 2025, <https://www.csis.org/events/mtcr-reform-whats-missile>.

Pranay Vaddi and Ola Craft, "Revising Missile Controls Is Necessary to Help Allies and Prevent New Nuclear States," CSIS, Commentary, May 5, 2025, <https://www.csis.org/analysis/revising-missile-controls-necessary-help-allies-and-prevent-new-nuclear-states>.