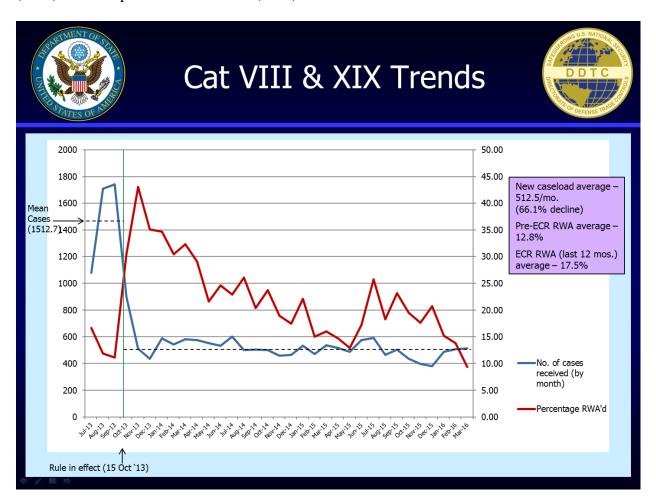
Export Control Reform

License Applications and U.S. Exports The First Transition Rule Aircraft and Gas Turbine Engines

October 15, 2013 to March 31, 2016

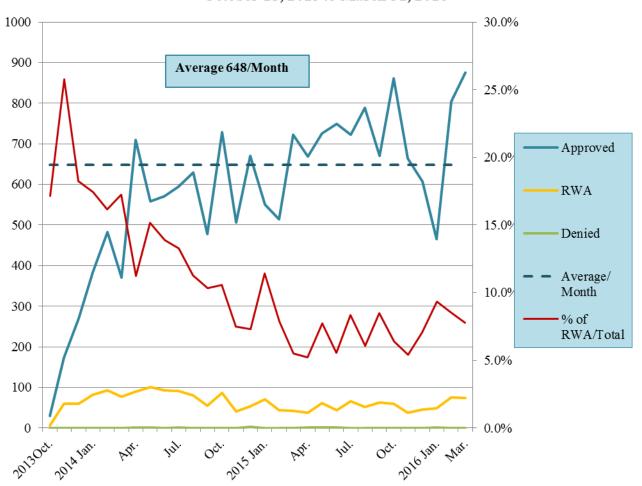
The license applications for items in categories VIII (Aircraft) and XIX (Gas Turbine Engines) of the United States Munitions List (USML) have declined 66.1% from an average of 1,513 to 513 per month through March 31, 2016. The average monthly drop of 1,000 in license applications is the result of certain items transitioning to the Commerce Control List (CCL) under Export Control Reform (ECR).



Source: The Directorate of Defense Trade Controls of the U.S. Department of State, April 2016

Since the First ECR Transition Rule became effective on October 15, 2013, the average number of BIS license applications for the ten 600-Series items created by this rule is 648 per month through March 31, 2016. The approval rate is 90.3%.

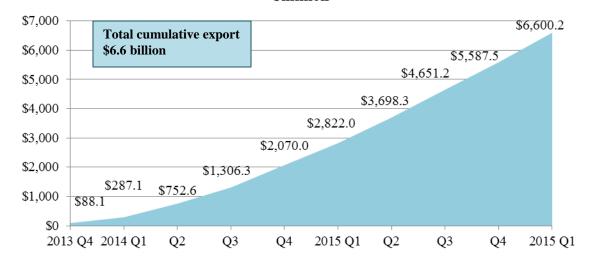
BIS License Applications for the First ECR Transition Rule October 15, 2013 to March 31, 2016



Source: Commerce U.S. Exports Exporter Support System, April 2016.

From October 15, 2013 to March 31, 2016, U.S. exports of items under the First ECR Transition Rule (9x610and 9y619) under BIS jurisdiction totaled 126,051 shipments¹ for \$6.6 billion.

The Cumulative U.S. Exports of the First ECR Transition Rule Items under BIS Jurisdiction October 15, 2013 to March 31, 2016 \$\text{Smillion}\$



Source: Automated Export System, April 2016

The U.S. Quarterly Exports of the First ECR Transition Rule Items under BIS Jurisdiction
October 15, 2013 to March 31, 2016
\$million

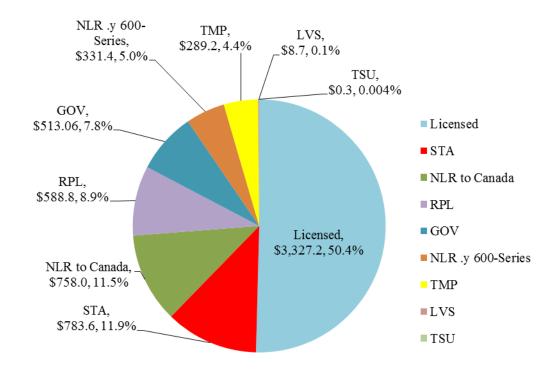


Source: Automated Export System, April 2016

¹ Shipments are defined as exports being sent from one order party to one consignee located in a single country of destination on a single conveyance on the same day.

Of \$6.6 billion in exports of 600-series items in the First ECR transition rule under BIS jurisdiction, licensed exports totaled \$3.3 billion (50.4% of the total); Strategic Trade Authorization (STA) exports totaled \$783.6 million (11.9%); and exports under No License Required (NLR) to Canada totaled \$758.0 million (11.5%).

The U.S. Exports of the First ECR Transition Rule Items by BIS License Type October 15, 2013 to March 31, 2016 Smillion



Source: Automated Export System, April 2016

BIS License Exceptions:

STA: Strategic Trade Authorization

NLR: No License Required

RPL: Servicing and replacement of parts and equipment

GOV: Governments, international organizations, international inspections under the Chemical

Weapons Convention, and the International Space Station

TMP: Temporary imports, exports, reexports, and transfers (in-country)

LVS: Shipments of limited value

TSU: Technology and software-unrestricted