

U.S. Trade with Japan

2019 Summary

In 2019, U.S. trade with Japan is similar to that of 2018. In 2019, U.S. exports to Japan totaled \$74.7 billion, a 0.8% (\$576.5 million) decrease from 2018; U.S. imports from Japan totaled \$143.6 billion, a 0.9% (\$1.2 billion) increase; and the trade deficit was \$69.0 billion, a 2.7% (\$1.8 billion) increase.

In 2019, of the \$74.7 billion in U.S. exports to Japan, the top commodity sectors were Chemicals, Plastics, and Leather goods (17.2%), Agriculture products (16.7%), Machinery, Mechanical Appliances and Electrical Equipment (15.5%).

In 2019, of the \$143.6 billion in U.S. imports from Japan, the top commodity sectors were Transportation Equipment (37.0%) and Machinery, Mechanical Appliances and Electrical Equipment (35.4%) and Chemicals, Plastics, and Leather goods (11.1%).

In 2019, \$669.9 million was shipped under BIS licenses. The top ECCNs of licensed exports are 9A610 for Military aircrafts and related commodities, 3A611 for military electronics and 9A619 for Military gas turbine engine and related commodities.

In 2019, \$1.3 billion was shipped under BIS license exception authorization. The top ECCNs are 5A002 for Information security systems, equipment and "components," 9A610 for Military aircrafts and related commodities and 3A611 for military electronics.

In 2019, BIS has processed a total of 1,881license applications valued at \$2.8 billion for tangible items, software and technology for Japan. BIS has approved 1,714, 91.1% of the total applications valued at \$2.7 billion. RWA totaled 167 valued at \$38.5 million. There was no denial.

In 2019, BIS received 16 applications from Japanese nationals for deemed exports and approved all.

In 2019, the top ten approved ECCNs remain the same with 2018 for Japan with ranking moved up or down a little bit. Eight out the top ten ECCNs are the ECCNs created by USML to CCL regulatory changes. ECCN 9A619 for Military aircrafts and related commodities had 496 approvals; ECCN 3A611 for Military electronics had 405 approvals and ECCN 9A515 for Spacecraft and related commodities had 91 approvals.

In 2019, the average processing time is 13 days.



U.S. Trade with Japan

I. Total U.S. Trade in goods with Japan

In 2019, U.S. exports to Japan totaled \$74.7 billion, a 0.8% (576.5 million) decrease from 2018. U.S. imports from Japan totaled \$143.6 billion, a 0.9% (\$1.2 billion) increase; and the trade deficit was \$69.0 billion, a 2.7% (\$1.8 billion) increase.



In 2019, the level of U.S. exports to Japan and U.S. imports from Japan exceeded the prior five year average level by value not adjusted for inflation. In 2019, the U.S. trade deficit with Japan is also exceeded the prior five year average level by value not adjusted for inflation.

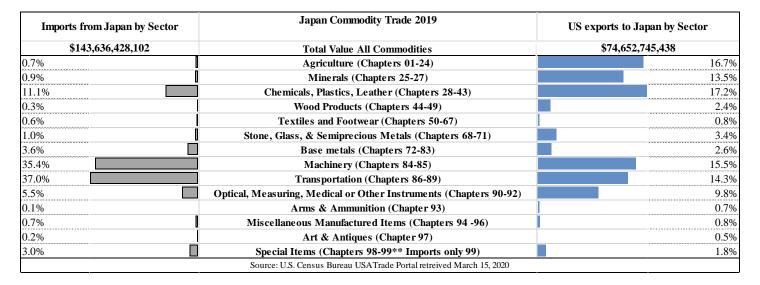
	2014	2015	2016	2017	2018	2019	2014-2018 Average			
EXPORTS	\$66,891.8	\$62,387.8	\$63,247.0	\$67,585.2	\$75,229.2	\$74,652.7	\$67,068.2			
Δvalue		-\$4,504.0	\$859.2	\$4,338.1	\$7,644.0	-\$576.5				
Δpct		-6.7%	1.4%	6.9%	11.3%	-0.8%				
IMPORTS	\$134,504.5	\$131,445.5	\$132,000.4	\$136,417.7	\$142,425.1	\$143,636.4	\$135,358.7			
∆value		-\$3,059.1	\$555.0	\$4,417.3	\$6,007.4	\$1,211.3				
Δpct		-2.3%	0.4%	3.3%	4.4%	0.9%				
BALANCE	(\$67,612.7)	(\$69,057.7)	(\$68,753.4)	(\$68,832.5)	(\$67,195.9)	(\$68,983.7)	(\$68,290.4)			
∆value		(\$1,445.0)	\$304.3	(\$79.1)	\$1,636.6	(\$1,787.8)				
Δpct		2.1%	-0.4%	0.1%	-2.4%	2.7%				
	Values in Millions of U.S. Dollars. Source: U.S. Census Bureau USATrade Portal March 15, 2020									



U.S. Trade with Japan

In 2019, of the \$74.7 billion in U.S. exports to Japan, the top commodity sectors were Chemicals, Plastics, and Leather goods (17.2%), Agriculture products (16.7%), Machinery, Mechanical Appliances and Electrical Equipment (15.5%).

In 2019, of the \$143.6 billion in U.S. imports from Japan, the top commodity sectors were Transportation Equipment (37.0%) and Machinery, Mechanical Appliances and Electrical Equipment (35.4%) and Chemicals, Plastics, and Leather goods (11.1%).



In 2019, <u>4.5%</u> of total <u>U.S. exports</u> of \$1.6 trillion were shipped to Japan while <u>5.7%</u> of total <u>U.S. Imports</u> of \$2.5 trillion were delivered from Japan.

Exports

In 2019, the U.S exported \$556.9 million worth of Arms and Ammunition to Japan, representing 9.1% of the total U.S. exports to the World of those commodities; \$12.5 billion worth of Agriculture products to Japan, representing 8.8% of the total U.S. exports to the World of those commodities.

Imports

In 2019, the U.S. imported \$53.2 billion worth of Transportation Equipment from Japan, representing 15.5% of the total U.S. imports of those commodities; and the U.S. imports of \$7.8 billion worth of Optical, Measuring, Medical or other instruments from Japan, represented 7.7% of the total U.S. imports of those commodities.



U.S. Exports to Japan

II. U.S. Exports to Japan subject to U.S. Government Filing Requirements

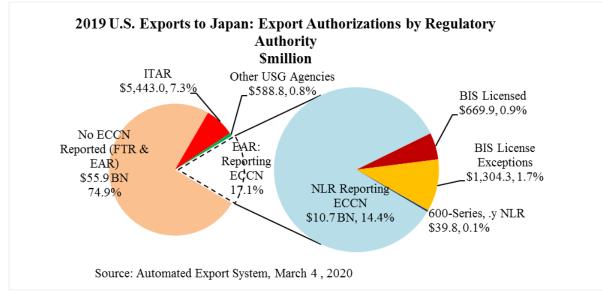
In 2019, of the \$74.7 billion in U.S. exports to Japan:

- ➤ 2.6% were subject to a BIS license requirement:
 - o 0.9% were exported under a BIS license; Worldwide, 0.4% were exported under a BIS license.
 - o 1.7% were exported under a BIS license exception; Worldwide, 1.0% were exported under a BIS license exception.
- ➤ 14.4% were exported under No License Required (NLR) with an ECCN and for .y 600-series items:
 - o 14.4% were exported under NLR with and ECCN; Worldwide, 12.1% were exported under NLR with an ECCN.
 - o 0.1% were exported under NLR for .y 600-series items; Worldwide, 0.02% was exported under NLR for .y 600-series items.

	Japan			
		2017	2018	2019
Department of State	e	\$4,830.5	\$5,423.6	\$5,443.0
Other USG Agencie	es	\$82.4	\$715.4	\$588.8
Department of Com	Department of Commerce		\$69,090.2	\$68,620.9
	BIS Licensed	\$568.2	\$672.7	\$669.9
	BIS License Exceptions	\$1,284.4	\$1,269.0	\$1,304.3
	NLR reporting an ECCN	\$9,966.3	\$10,982.1	\$10,731.0
	NLR not reporting an ECCN	\$50,820.5	\$56,110.1	\$55,876.0
	600-Series ".Y" Paragraph NLR	\$32.9	\$56.3	\$39.8
Values in Millions of U.S. Dollars.	·	Source: Automated Exp	April 1, 2020	

Reasons for Control	Chemical and Biological Weapons			Nuclear Nonproliferation		National S	Security	Missile Tech	Regional	Stability	Firearms Convention	Cri	me Cont	rol	Anti-Te	rrorism
Japan	CB:1	CB:2	CB:3	NP:1	NP:2	NS:1	NS:2	MT:1	RS:1	RS:2	FC:1	CC:1	CC:2	CC:3	AT:1	AT:2
Supuri	X					X		X	X							

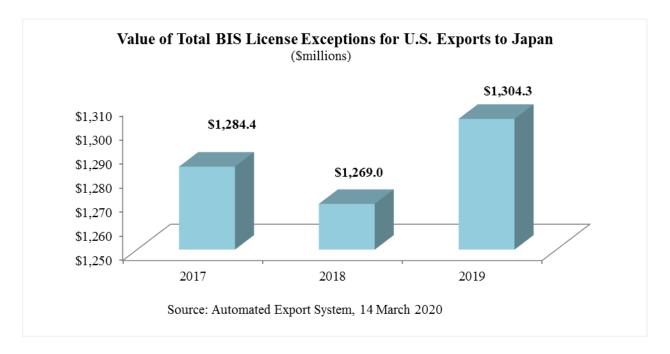
CFR 15 Part 738 Supplement 1



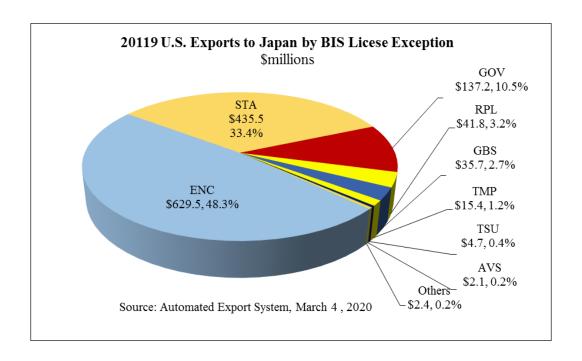


U.S. Exports to Japan

In 2019, U.S. exports to Japan shipped under a BIS license exception totaled \$1.3 billion, a 2.8% (\$35.3 million) increase from 2018.

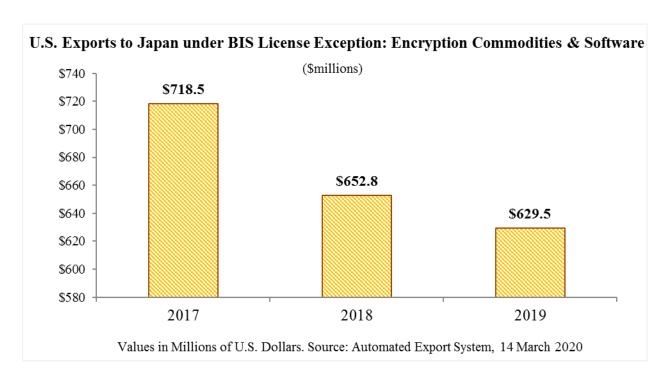


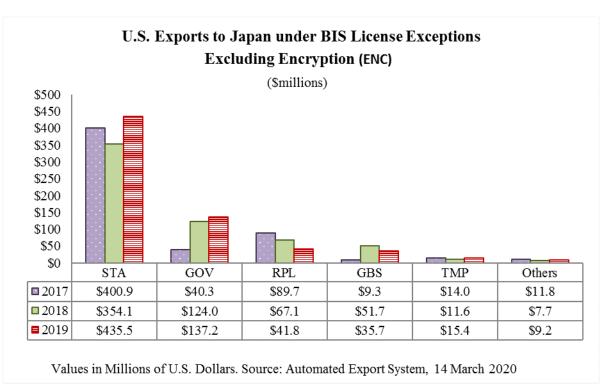
In 2019, the top license exception Encryption Commodities, Software and Technology (ENC) totaled \$629.5 million (48.3%) of all license exceptions.





U.S. Exports to Japan







U.S. Exports to Japan by Top Ten Export Control Classification Numbers (ECCN)

	ТорТ	Ten ECCNs by Value to Japan (\$millions)
	#1	9A610 Military Aircraft and Related Commodities
	#2	3A611 Military Electronics
3D	#3	9A619 Military Gas Turbine Engines and Related Commodities
SE	#4	9A604 Commodities Related to Launch Vehicles, Missiles, Rockets, torpedoes,
3	#5	9A515 Spacecraft and Related Commodities
\mathbb{C}	#6	9A001 Aero Gas Turbine Engines
[2]	#7	7A611 Navigation and Avionics equipment and systems, and "parts,"
	#8	8A609 Surface Vessels of War and Related Commodities
	#9	9B610 Test, Inspection, and Production Equip. and Related Commodities Specia
	#10	7A103 Instrumentation, Navigation Equip./Systems Not

	Top T	en ECCNs by Value to Japan (\$millions)
	#1	5A002 Systems/Equip./Integrated Circuits for Info Sec
S	#2	9A610 Military Aircraft and Related Commodities
	#3	3A611 Military Electronics
Ĭ	#4	9A004 Space Launch Vehicles and Spacecraft
P	#5	9A619 Military Gas Turbine Engines and Related Commodities
Œ	#6	3A001 Electronic Components
X	#7	9A604 Commodities Related to Launch Vehicles, Missiles, Rockets, torpedoes,
3	#8	EAR99 Items subject to the EAR that are not elsewhere controlled
	#9	5B002 "Information Security" Test, Inspection and "Production" Equipment
	#10	blank No ECCN is required for License Exceptions TMP*

*Note: no ECCN is required for license exception TMP per EAR 758.1(g)(2).

_	Top Ten ECCNs by Value to Japan (\$millions)								
	#1	EAR99	Items subject to the EAR that are not elsewhere controlled						
CN	#2	9A991	Aircraft N.E.S. and Gas Turbine Engines not Controlled by 9A001 or 9A101						
\mathcal{L}	#3 3B991 Other Mfg/Test Equip. Not Controlled By 3B								
) 18	#4	5A991 Telecommunication Equip. Not Controlled by 5A001							
with	#5	5A992	Equipment not controlled by 5A002						
R	#6	3B992	Equip. for the Inspection/Testing of Components not Controlled by 3B002						
	# 7	7A994	Other Navigation Direction Finding Equip Not Controlled under 7A003						
Z	#8	3A999	Specific Processing Equip., N.E.S.						
	#9	1C992	Commercial Charges and Devices Containing Energetic Materials						
	#10	1C990	Fibrous and Filamentary Materials, Not Controlled By 1C010 Or 1C210, f						
Note:	ote: ECCN Descriptions have been truncated: please review Commerce Control List for full description								



Office of Technology Evaluation U.S. Exports to Japan by Top Ten Export Control Classification Numbers (ECCN)

	Top T	en ECCNs to Japan by Shipment Count
	#1	9A610 Military Aircraft and Related Commodities
	#2	3A611 Military Electronics
CD	#3	9A619 Military Gas Turbine Engines and Related Commodities
ENSE	#4	9A604 Commodities Related to Launch Vehicles, Missiles, Rockets, torpedoes,
E	#5	3A001 Electronic Components
)][#6	9A515 Spacecraft and Related Commodities
	#7	7A103 Instrumentation, Navigation Equip./Systems Not
	#8	9B610 Test, Inspection, and Production Equip. and Related Commodities Specia
	#9	8A620 Submersible Vehicles, Oceanographic and associated Commodities
	#10	1C351 Human and Animal Pathogens and toxins

	Top T	en ECC	Ns to Japan by Shipment Count
	#1	5A002	Systems/Equip./Integrated Circuits for Info Sec
S	#2	9A610	Military Aircraft and Related Commodities
N	#3	5D002	"Sortware" as follows (see List of Items Controlled)
\mathbf{I}	#4	3A611	Military Electronics
Ы	#5	9A619	Military Gas Turbine Engines and Related Commodities
Œ	#6	EAR99	Items subject to the EAR that are not elsewhere controlled
X	#7	9A991	Aircraft N.E.S. and Gas Turbine Engines not Controlled by 9A001 or 9A101
	#8	Blank	No ECCN is required for License Exceptions TMP*
	#9	6A003	Cameras
	#10	9A604	Commodities Related to Launch Vehicles, Missiles, Rockets, torpedoes,

	Top T	en ECC	Ns to Japan by Shipment Count					
	#1	EAR99	Items subject to the EAR that are not elsewhere controlled					
S	#2	9A991	Aircraft N.E.S. and Gas Turbine Engines not Controlled by 9A001 or 9A101					
CC	#3	3B991	Other Mfg/Test Equip. Not Controlled By 3B					
13	#4	5A991	Telecommunication Equip. Not Controlled by 5A001					
rith	#5	Equipment not controlled by 5A002						
X	#6	7A994	Other Navigation Direction Finding Equip Not Controlled under 7A003					
	#7	3A992	General Purpose Electronic Equip. Note Controlled by 3A002					
Z	#8	4A994	Computers Not Controlled By 4A001 or 4A003					
	#9	3A991	Electronic Devices and "Components" not controlled by 3A001					
	#10	3B992	Equip. for the Inspection/Testing of Components not Controlled by 3B002					
NT .	FOOND '' 1 1 1 ' 1 1 ' C C C III' C CIII ''							

Note: ECCN Descriptions have been truncated: please review Commerce Control List for full description



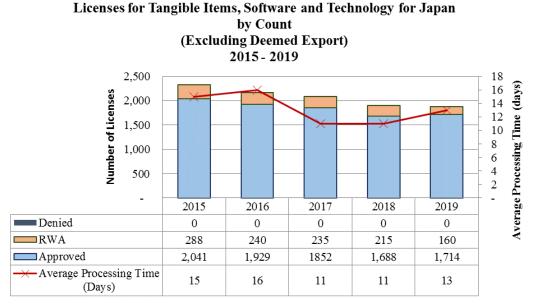
BIS License Determination Trends for Japan

III. BIS Licensing to Japan

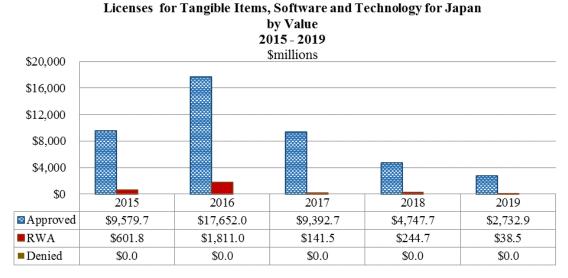
In 2019, BIS reviewed 1,881 license applications (not including deemed export applications) valued at \$2.8 billion for Japan, out of a total of 32,993 applications worldwide valued at \$158.8 billion.

- Approved applications for Japan totaled 1,714 (91.1% of the total applications) for \$2.7 billion, compared to the 28,223 (85.8%) approved for all destinations that totaled \$123.0 billion.
- There have not been any applications denied for Japan since 2015.

In 2019, BIS reviewed 16 deemed exports applications from Japanese national and approved all, compared to the 1,124 (85.2%) approved for all destinations.



Source: Commerce U.S. Exports Exporter's Support System: May 29, 2020



Source: Commerce U.S. Exports Exporter's Support System, May 29, 2020



BIS License Determination Trends for Japan

In 2019, the top ten approved ECCNs are exactly the same with 2018 for Japan; eight out the ten top ECCNs are ECCNs created by USML to CCL regulatory changes. ECCN 9A619 for Military aircrafts and related commodities had 496 approvals; 3A611 for Military electronics had 405 approvals and 9A515 for Spacecraft and related commodities had 91 approvals.

	Top T	· Геп Аррго	oved (with deemed) ECCNs to Japan by Count	2	2015 2016	2017	2018	2019 V	% of Vorld Ootal 2019
	#1	9A610	Military Aircraft and Related Commodities	738	651	583	526	496	9.8%
	#2	3A611	Military Electronics	439	506	416	359	405	17.8%
	#3	9A604	Commodities Related to Launch Vehicles, Missiles,	133	150	139	148	143	35.4%
APPROVED	#4	9A619	Military Gas Turbine Engines and Related Commoditi	155	167	129	152	111	9.9%
6	#5	9A515	Spacecraft and Related Commodities	80	88	116	83	91	19.9%
×	#6	9E610	Technology Required for the Development, Productio	157	85	96	99	87	6.6%
	#7	9E515	Technology Required for the Development, Productio	92	92	130	52	82	19.4%
\blacksquare	#8	3A001	Electronic Components	55	78	83	114	82	7.4%
	#9	3E611	Technology Required for Military Electronics	75	123	123	61	57	12.1%
	#10	1C351	Human and Animal Pathogens and toxins	80	63	60	55	56	5.7%
			Source: Commerce U.S. Exports Exporter	r Support S	System 20 March 20	20			

Note: ECCN Descriptions have been truncated: please review Commerce Control List for full description

In 2019, there are no any license denials for Japan.



Summary of U.S. Exports to Japan

	Summary of U	S. Exports to Japan C	Calendar Year 2019	
	CY2019	CY2018	% of Total Exports	Percentage Change from previous year
Total Exports	\$74,652,745,438	\$75,229,207,847		-0.8%
Subject to ITAR	\$5,443,042,084	\$5,423,523,883	7.3%	0.4%
Subject to Other	\$588,776,418	\$715,387,324	0.8%	-17.7%
Gov. Agencies				-17.770
	Detailed S	ummary of EAR-Con	trolled Exports	
AES License Type	Description	Value	Percentage of Total	Percentage Description
C30	Licenses	\$669,858,757	100.0%	
VDC	Voluntary Disclosure	\$0		
Total o	of Licensed	\$669,858,757	0.9%	total licensed/total exports
C35	LVS	\$263,184	0.02%	
C36	GBS	\$35,738,455	2.7%	
C38	TSR	\$40,190	0.003%	
C40	TMP	\$15,371,435	1.2%	
C41	RPL	\$41,805,431	3.2%	
C42	GOV	\$137,154,614	10.5%	
C43	GFT	\$108,391	0.01%	
C44	TSU	\$4,703,144	0.4%	
C45	BAG	\$43,278	0.003%	
C46	AVS	\$2,135,719	0.2%	
C50	ENC	\$629,465,875	48.3%	
C53	APP	\$125,172	0.01%	
C59	STA	\$435,487,935	33.4%	
			1.7%	total license exceptions/total exports
Total of Lice	ense Exceptions	\$1,302,442,823	66.0%	total license exceptions/total subject to license requirement
	license requirement License Exceptions)	\$1,972,301,580	2.6%	total subject to license requirement/total exports
C33	NLR with an ECCN	\$10,730,950,156	14.4%	NLR with an ECCN/ total exports
C60	NLR for .y subparagraph 600-series	\$39,811,823	0.1%	NLR for .y subparagraph 600-series/ total exports
Tota	l of NLR	\$10,770,761,979	14.4%	total NLR with an ECCN/ total export
Exports not re	eporting an ECCN	\$55,877,863,377	74.9% and Automated Export Sys	