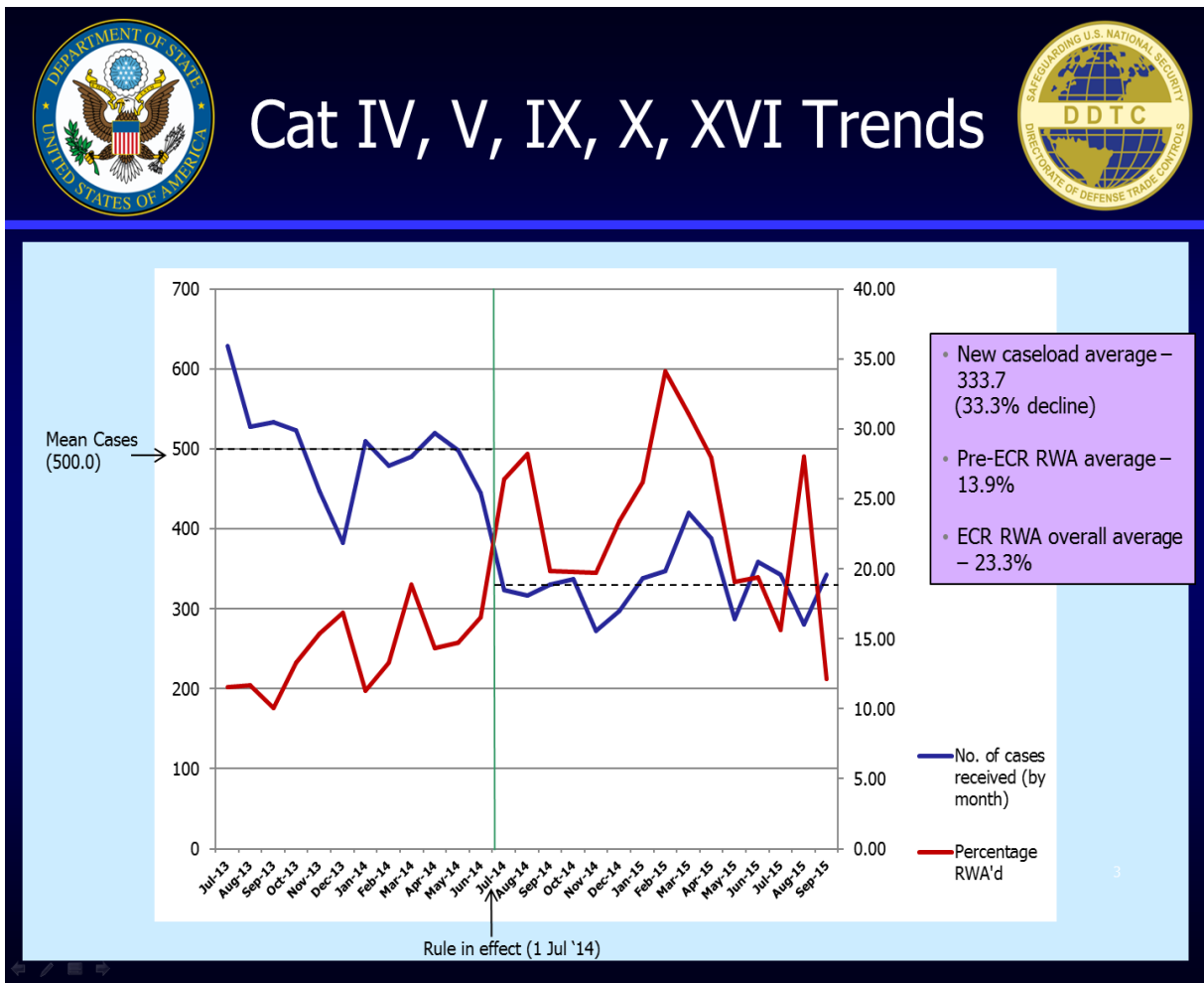


Statistics of the Third ECR Transition Rule

Missiles and Explosives

July 1, 2014 to September 30, 2015

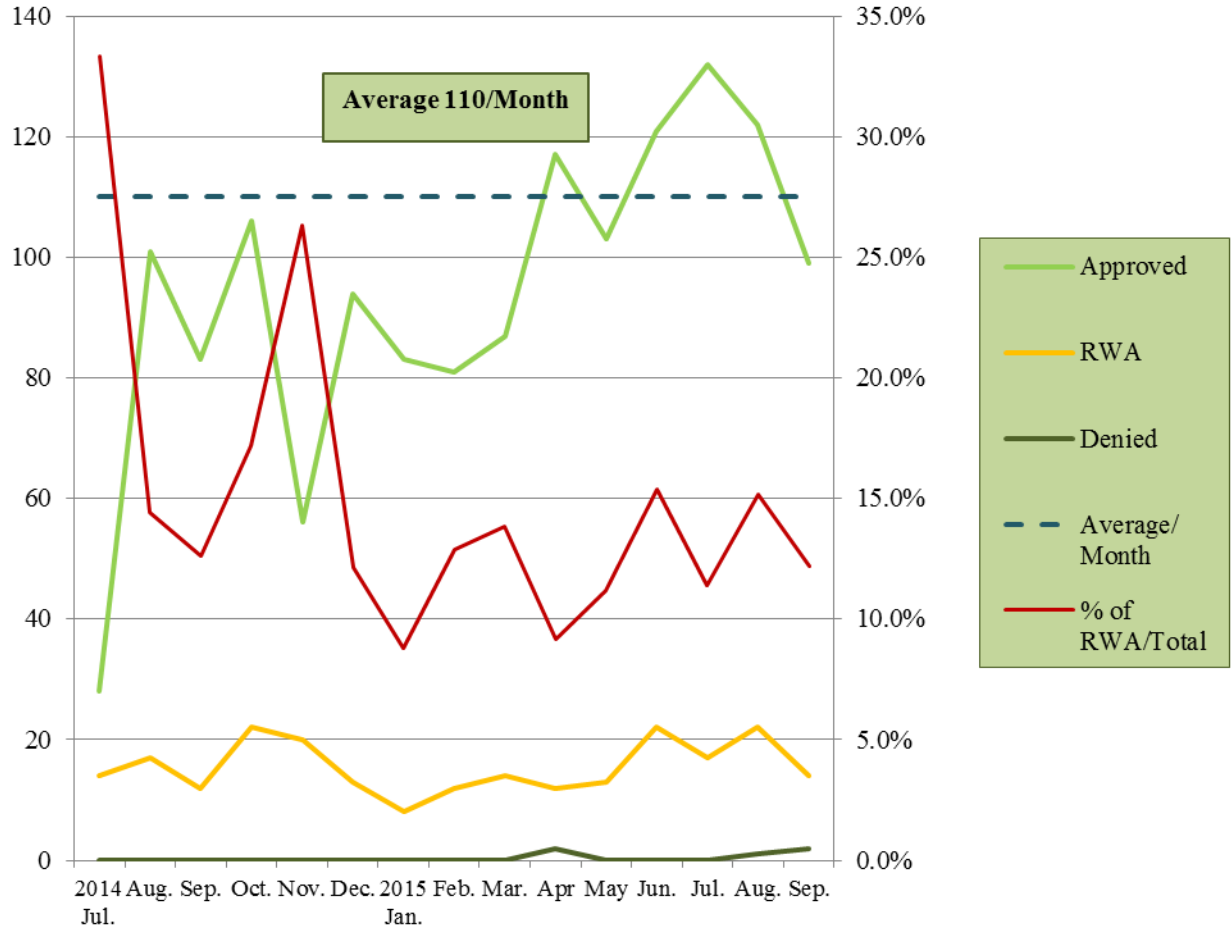
The license applications for items in categories IV (Missiles), V (Explosives), IX (Military Training Equipment), X (Protective Personnel Equipment) and XVI (Nuclear Weapons Design and Test Equipment) of the United States Munitions List (USML) have declined 33.3% from an average of 500 to 334 per month through September 30, 2015. The average monthly drop of 166 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, October 2015

Since the Third ECR Transition Rule became effective on July 1, 2014, the average number of BIS license applications for items transitioning from the USML to the CCL is 110 per month through September 30, 2015. The approval rate is 85.6%.

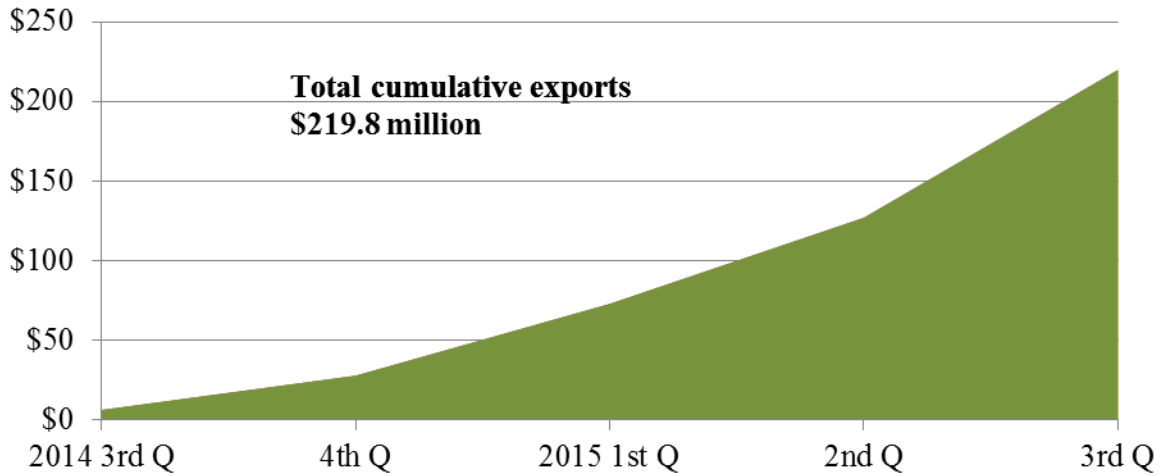
**BIS License Applications for the Third ECR Transition Rule
July 1, 2014 to September 30, 2015**



Source: Commerce U.S. Exports Exporter Support System, October 2015

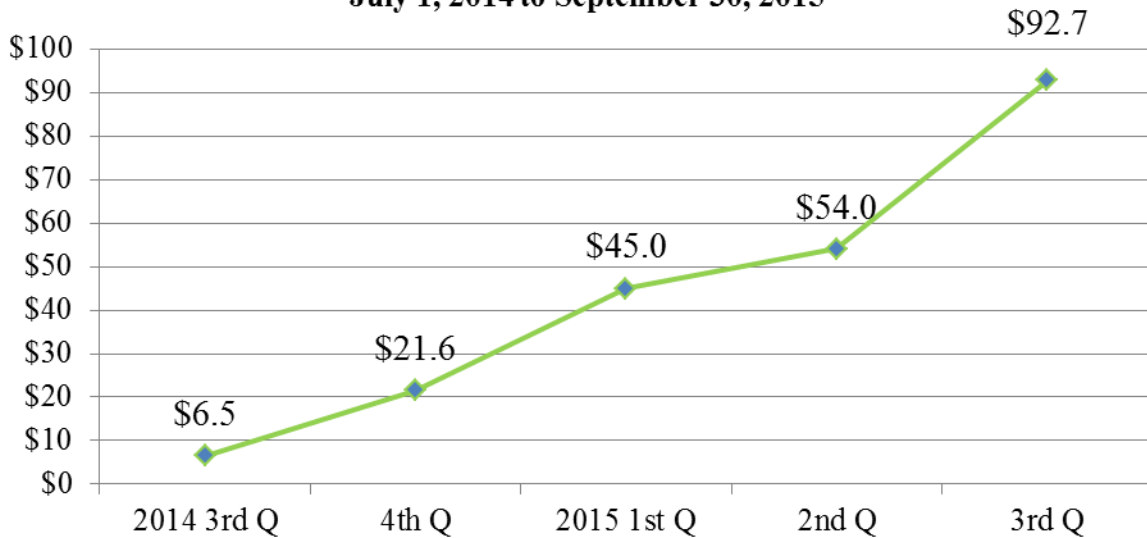
The U.S. exports of 600-series items under BIS jurisdiction created by the Third ECR Transition Rule –Missiles and Explosives items (0y604, 0y614, 9y604, 1y608 and 1y613) totaled 5,996 transactions for \$219.8 million.

**The U.S. Exports of the Third ECR Transition Rule Items
under BIS Jurisdiction
July 1, 2014 to September 30, 2015
Smillion**



Source: Automated Export System, October 2015

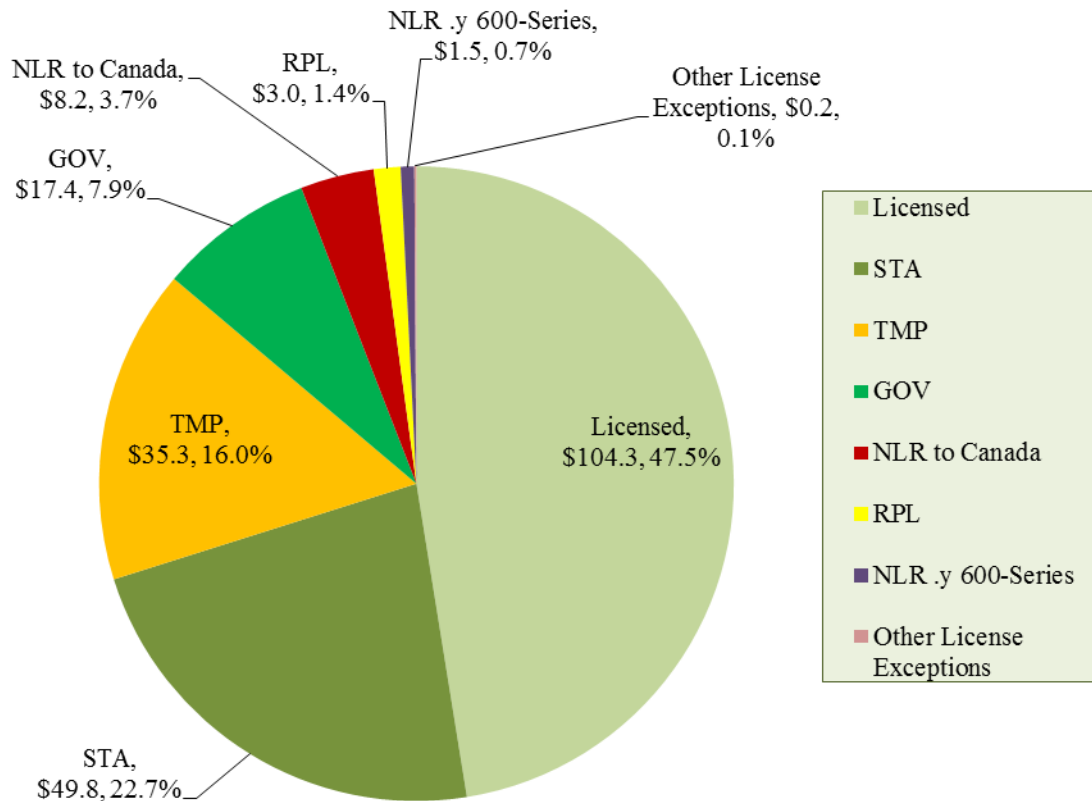
**The U.S. Quarterly Exports of the Third ECR Transition Rule Items
under BIS Jurisdiction
July 1, 2014 to September 30, 2015**



Source: Automated Export System, October 2015

Of the \$219.8 million exports of 600-series items in the Third ECR transition rule under BIS jurisdiction, licensed exports totaled \$104.3 million (47.5% of the total); Strategic Trade Authorization (STA) totaled \$49.8 million (22.7%); and Temporary imports, exports, reexports, and transfers (in-country) (TMP) totaled \$35.3 million (16.0%).

**The U.S. Exports of the Third ECR Transition Rule Items
by BIS License Type
July 1, 2014 to September 30, 2015**



Source: Automated Export System, October 2015

BIS License Exceptions:

STA: Strategic Trade Authorization

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

GOV: Governments, international organizations, international inspections under the Chemical Weapons Convention, and the International Space Station

NLR: No License Required

RPL: Servicing and replacement of parts and equipment