

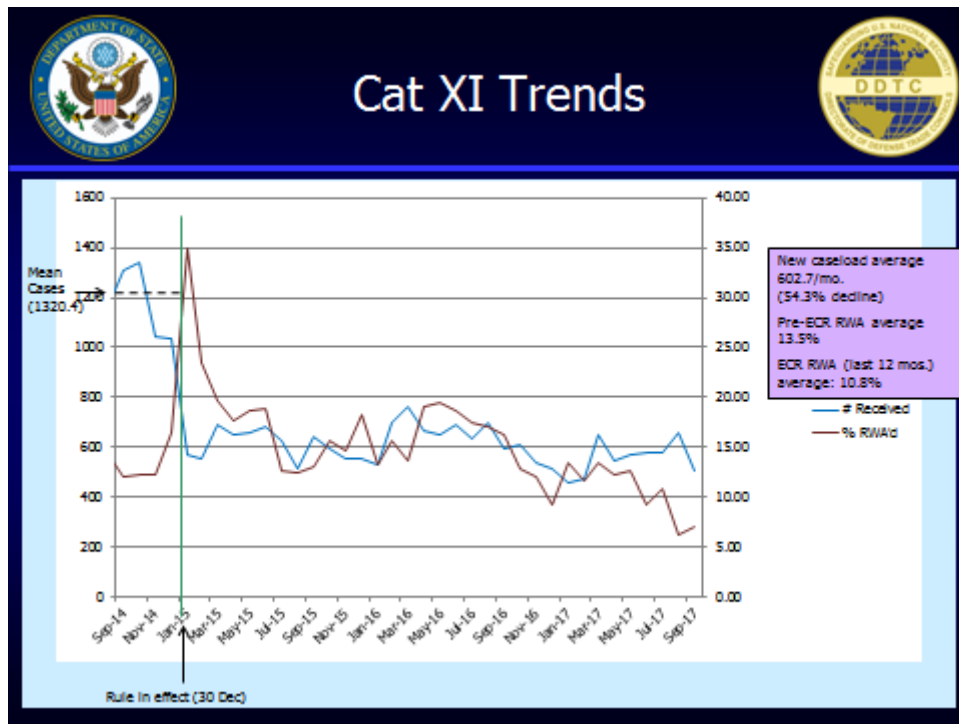
License Applications and U.S. Exports

The Fifth USML to CCL Regulatory Change

Military Electronics

October 15, 2013 to September 30, 2017

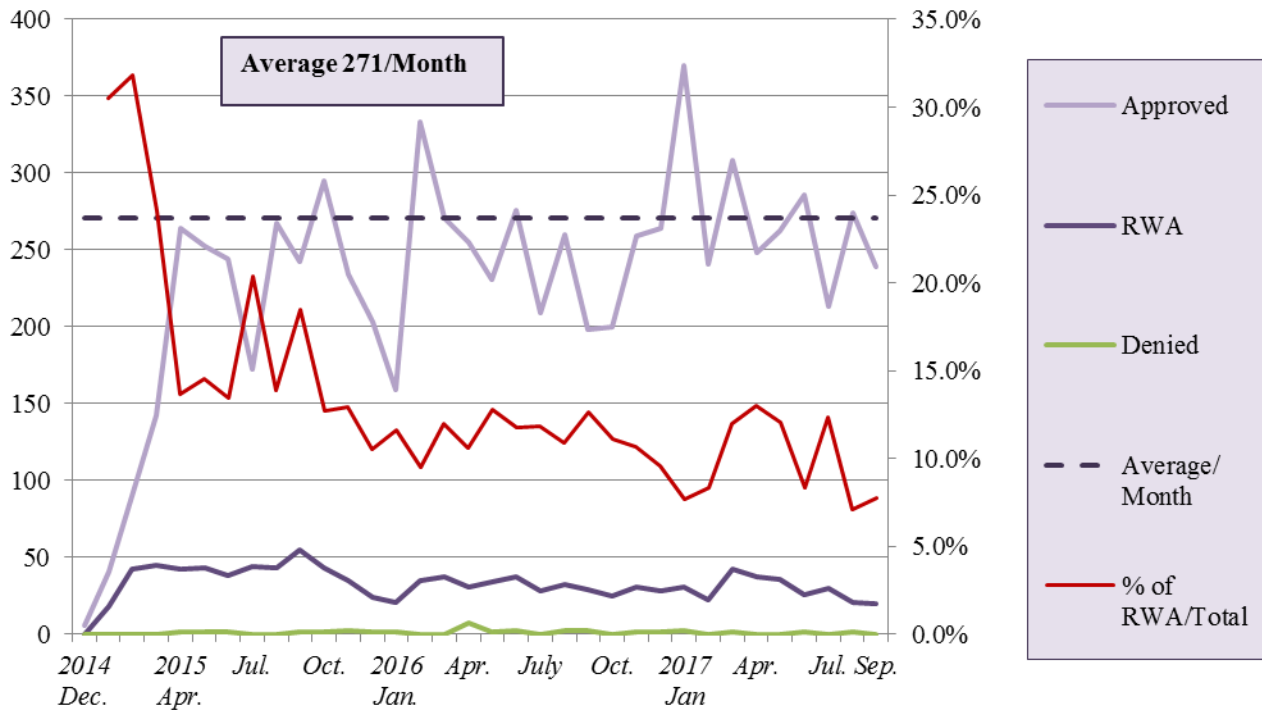
The license applications for items in category XI – Military Electronics of the United States Munitions List (USML) have declined 54.3% from an average of 1,320 to 603 per month through September 30, 2017. The average monthly drop of 717 license applications is the result of certain items transitioning to the Commerce Control List (CCL).



Source: The Directorate of Defense Trade Controls of the U.S. Department of State, October 2017

Since the fifth USML to CCL regulatory change became effective on December 30, 2014, the average number of BIS license applications for the eight 600-Series items created by this rule is 271 per month through September 30, 2017. The approval rate is 87.3%.

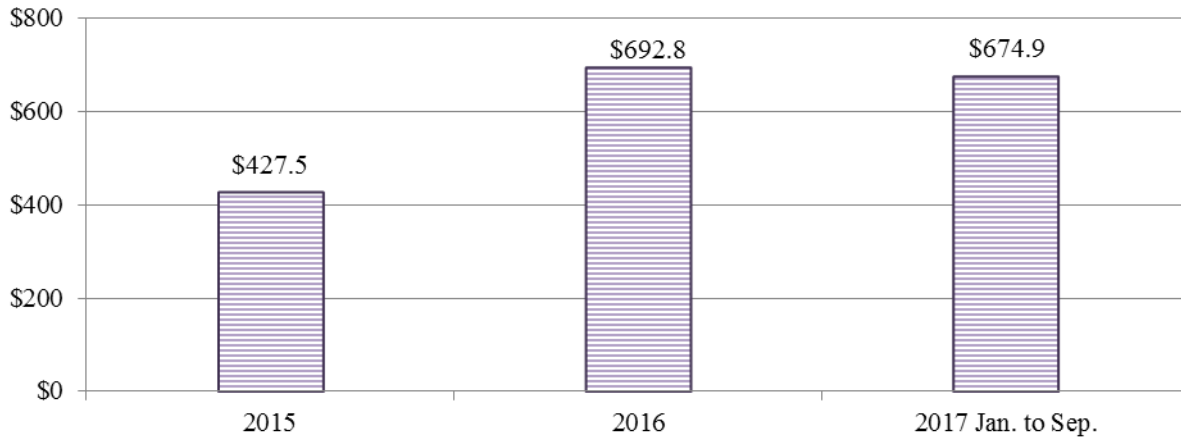
BIS License Applications for the Fifth USML to CCL Regulatory Change
 December 30, 2014 to September 30, 2017



Source: Commerce U.S. Exports Exporter Support System, October 2017

From the effective date of December 30, 2014 to September 30, 2017, U.S. exports of items in the fifth USML to CCL regulatory change – Military Electronics items (3y611 and 9y620) under BIS jurisdiction totaled 28,404 shipments for \$1.8 billion.

**U.S. Exports under the Fifth USML to CCL Regulatory Change
 under BIS Jurisdiction**
 December 30, 2014 to September 30, 2017
 \$million



Source: Automated Export System, October 2017

**U.S. Quarterly Exports under the Fifth USML to CCL Regulatory
 Change under BIS Jurisdiction**
 December 30, 2014 to September 30, 2017
 \$million



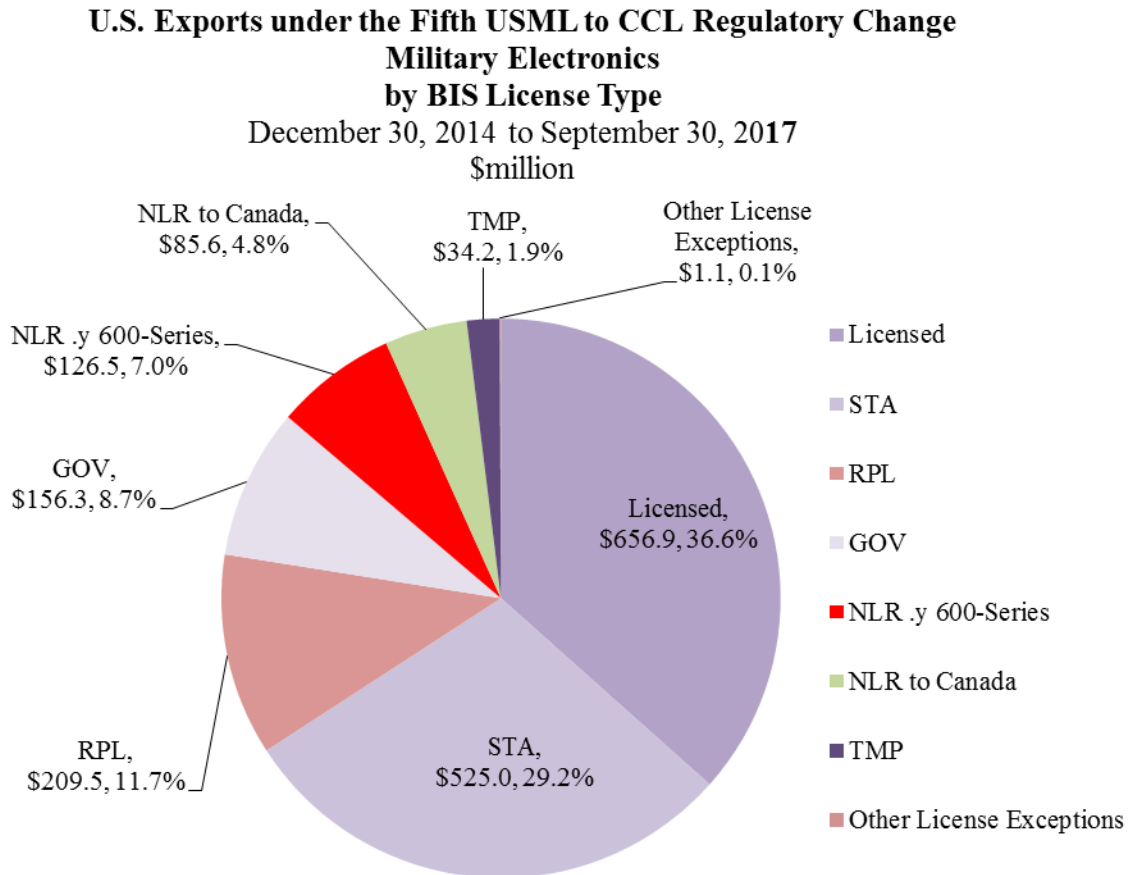
Source: Automated Export System, October 2017

The Fifth USML to CCL Regulatory Change-Military Electronics
Top 15 Destinations of U.S. Exports under BIS Jurisdiction
 December 30, 2014 to September 30, 2017

Country	Shipment Count	% of Total Shipment Count	Value \$million	% of Total Value
Japan	3,765	13.3%	\$557.5	31.1%
United Kingdom	3,678	12.9%	\$156.6	8.7%
South Korea	1,382	4.9%	\$107.2	6.0%
Canada	1,777	6.3%	\$97.9	5.5%
United Arab Emirates	443	1.6%	\$80.7	4.5%
Australia	1,260	4.4%	\$77.6	4.3%
Germany	1,527	5.4%	\$62.4	3.5%
Italy	1,451	5.1%	\$57.2	3.2%
Israel	1,162	4.1%	\$55.6	3.1%
Saudi Arabia	575	2.0%	\$47.5	2.6%
Taiwan	380	1.3%	\$44.5	2.5%
France	1,184	4.2%	\$41.0	2.3%
Luxembourg	130	0.5%	\$33.9	1.9%
India	607	2.1%	\$25.5	1.4%
Denmark	401	1.4%	\$25.5	1.4%
Top 15 Total	19,722		\$1,470.6	
Top 15 Total/ Grand Total		69.4%		81.9%
Grand Total	28,404		\$1,795.2	

Source: Automated Export System, October 2017

Of the \$1.8 billion in U.S. exports of 600-series items in the fifth USML to CCL regulatory change under BIS jurisdiction from December 30, 2014 to September 30, 2017, licensed exports totaled \$656.9 million (36.6% of the total); Strategic Trade Authorization (STA) totaled \$525.0 million (29.2%) and Servicing and replacement of parts and equipment (RPL) totaled \$209.5 million (11.7%).



Source: Automated Export System, October 2017

BIS License Exceptions:

STA: Strategic Trade Authorization

RPL: Servicing and replacement of parts and equipment

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

NLR: No License Required

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