

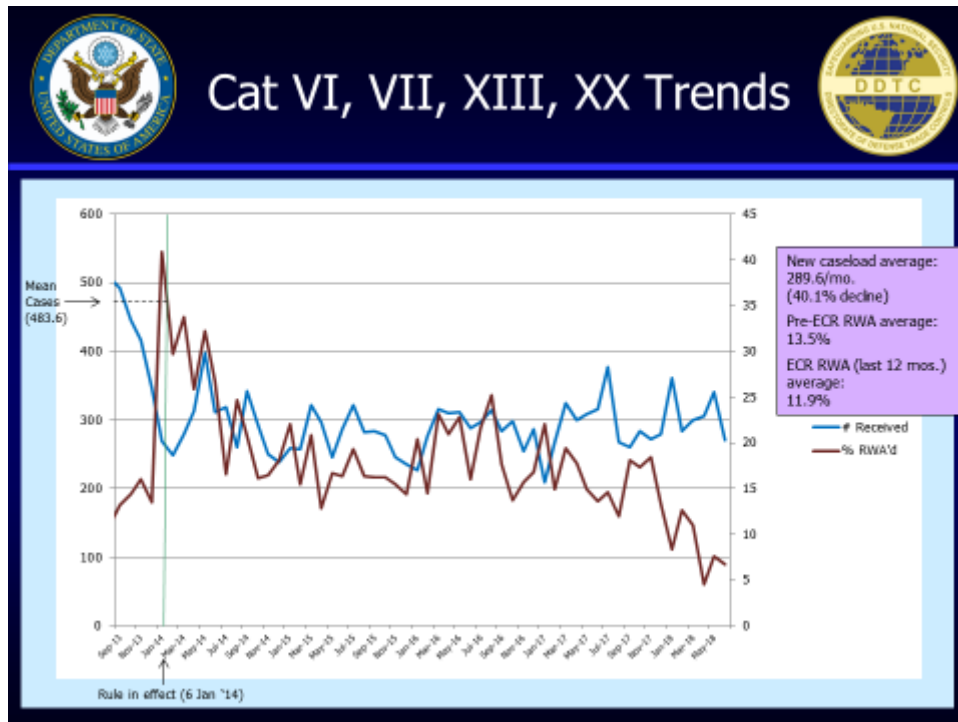
## License Applications and Exports

### The Second USML to CCL Regulatory Change

#### Vehicles and Vessels

January 6, 2014 to June 30, 2018

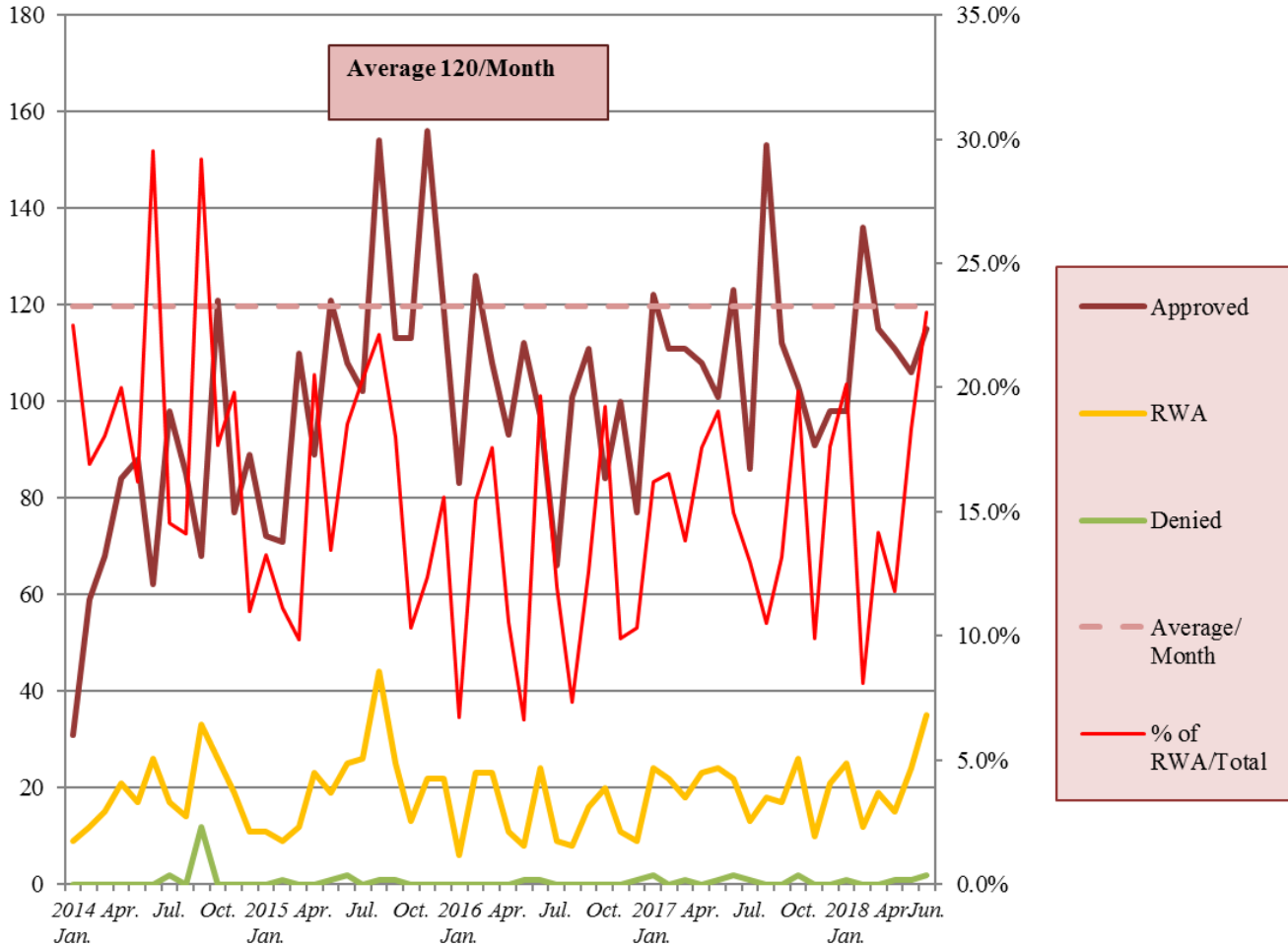
The license applications for items in categories VI (Vessels), VII (Vehicles), XIII (Auxiliary Military Equipment) and XX (Submersible Vessels) of the United States Munitions List (USML) have declined 40.1% from an average of 484 to 290 per month through June 30, 2018. The average monthly drop of 194 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, July 25, 2018

Since the second USML to CCL regulatory change became effective on January 6, 2014, the average number of BIS license applications for the nineteen 600-Series items created by this rule is 120 per month through June 30, 2018. The approval rate is 83.8%.

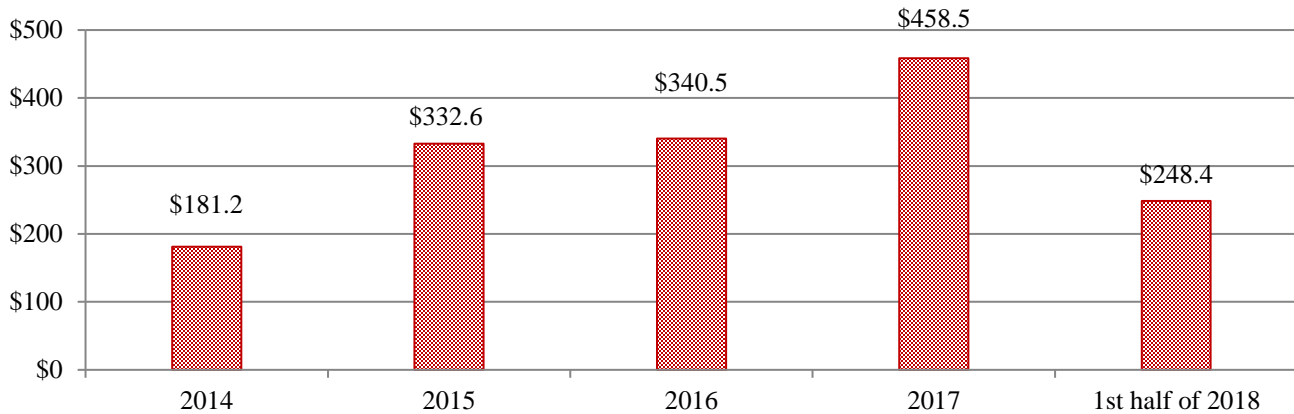
**BIS License Processing for the Second USML to CCL Regulatory Change**  
 January 6, 2014 to June 30, 2018



Source: Commerce U.S. Exports Exporter Support System, July 25, 2018

From January 6, 2014 to June 30, 2018, U.S. exports of items in the second USML to CCL regulatory change – Vehicles and Vessels items (0y606, 8y609, 8y620 and 0y617) under BIS jurisdiction totaled 35,129 shipments for \$1.6 billion.

**U.S. Exports under the Second USML to CCL Regulatory Change  
 under BIS Jurisdiction**  
 January 6, 2014 to June 30, 2018  
 \$million



Source: Automated Export System, July 20, 2018

**U.S. Quarterly Exports under the Second USML to CCL Regulatory Change  
 under BIS Jurisdiction**  
 January 6, 2014 to June 30, 2018  
 \$million



Source: Automated Export System, July 20, 2018

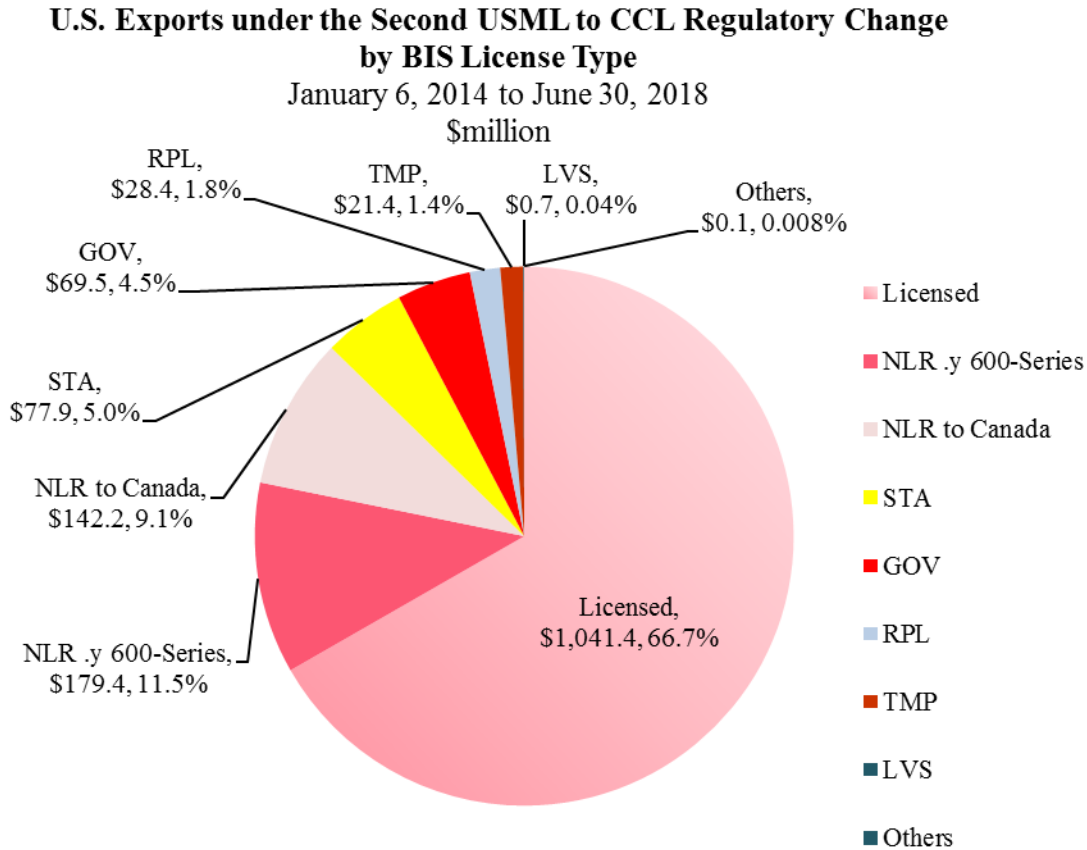
**The Second USML to CCL Regulatory Change-Vehicles and Vessels  
 Top 15 Destinations of U.S. Exports under BIS Jurisdiction by Value**

January 6, 2014 to June 30, 2018

Country	Shipment Count	% of Total Shipment Count	Value \$million	% of Total Value
South Korea	5,780	16.5%	\$276.1	18.2%
Israel	3,101	8.8%	\$270.1	12.6%
Canada	7,324	20.8%	\$204.3	9.3%
Turkey	693	2.0%	\$72.2	8.2%
Iraq	103	0.3%	\$62.6	3.7%
Saudi Arabia	647	1.8%	\$58.4	3.7%
United Kingdom	5,613	16.0%	\$57.9	3.4%
Japan	3,058	8.7%	\$57.0	3.4%
United Arab Emirates	434	1.2%	\$48.5	3.2%
Australia	870	2.5%	\$47.0	2.9%
Germany	1,278	3.6%	\$46.7	2.7%
Tunisia	14	0.04%	\$44.9	2.4%
Kuwait	302	0.9%	\$36.1	1.8%
Belgium	164	0.5%	\$30.7	1.6%
Afghanistan	255	0.7%	\$23.8	1.5%
<b>Top 15 Total</b>	<b>29,636</b>		<b>\$1,336.4</b>	
<b>Top 15 Total/ Grand Total</b>		<b>84.4%</b>		<b>85.6%</b>
<b>Grand Total</b>	<b>35,129</b>		<b>\$1,561.2</b>	

Source: Automated Export System, July 20, 2018

Of the \$1.6 billion in U.S. exports of 600-series items in the second USML to CCL regulatory change under BIS jurisdiction from January 6, 2014 to June 30, 2018, licensed exports totaled \$1.0 billion (66.7% of the total); No License Required (NLR) for .y 600-series items totaled \$179.4 million (11.5%); and NLR for 600-series items to Canada totaled \$142.2 million (9.1%).



Source: Automated Export System, July 20, 2018

BIS License Exceptions:

NLR: No License Required

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

STA: Strategic Trade Authorization

RPL: Servicing and replacement of parts and equipment

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

LVS: Shipments of limited value