

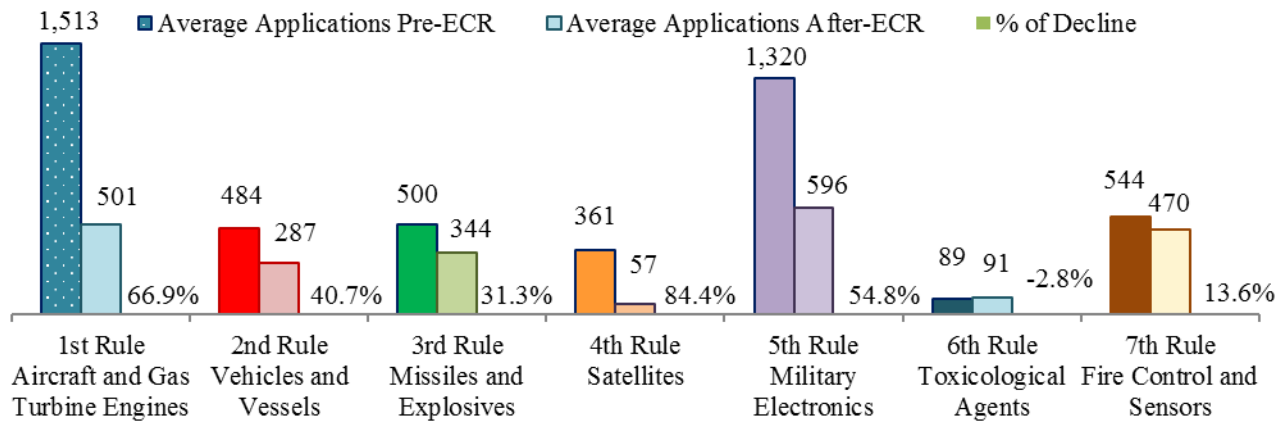
Licensing Statistics of 600-series and 9x515 Items

October 15, 2013 to December 31, 2017

The license applications for items in the 18 categories of the United States Munitions List (USML) showed an overall average decline of 51.2 % from 4,811 to 2,346 per month through December 31, 2017. The average monthly drop of 2,465 in license applications is the result of certain items that do not warrant control on the USML transitioning to the Commerce Control List (CCL). The biggest drop in license applications was those impacted by the fourth regulatory change involving the transition of satellites with a 84.4% decline. The Directorate of Defense Trade Controls (DDTC) of the U.S. Department of State estimates a 45% decline in license applications will be shown when all USML categories have been reviewed.

DDTC Average Monthly Applications by USML to CCL Regulatory Change

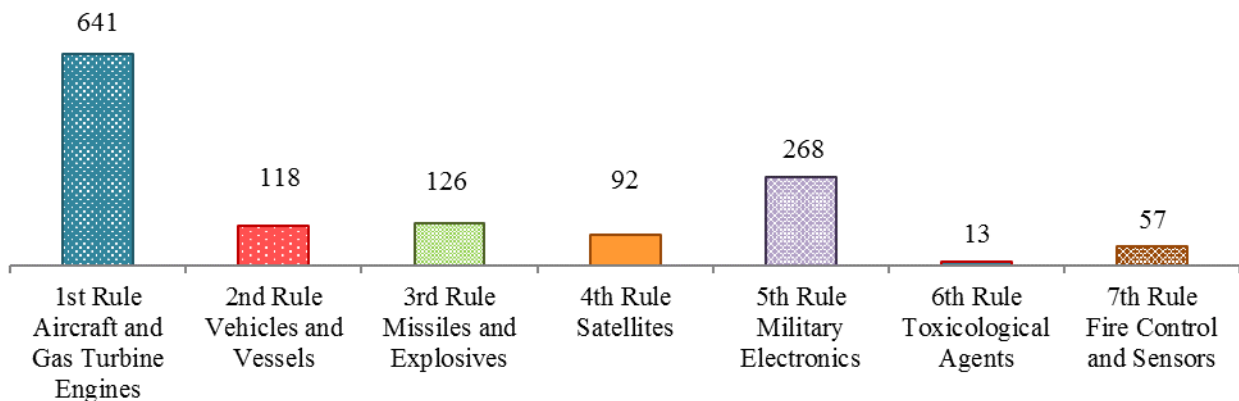
October 15, 2013 to December 31, 2017



Source: Directorate of Defense Trade Controls of the U.S. Department of State, January 2018

BIS Average Monthly Applications by USML to CCL Regulatory Change

October 15, 2013 to December 31, 2017



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

From October 15, 2013 to December 31, 2017, BIS has processed a total of 56,159¹ applications for 600-series and 9x515 items. Of these, 52,305 applications were for 600-series items and 3,854 were for 9x515 items.

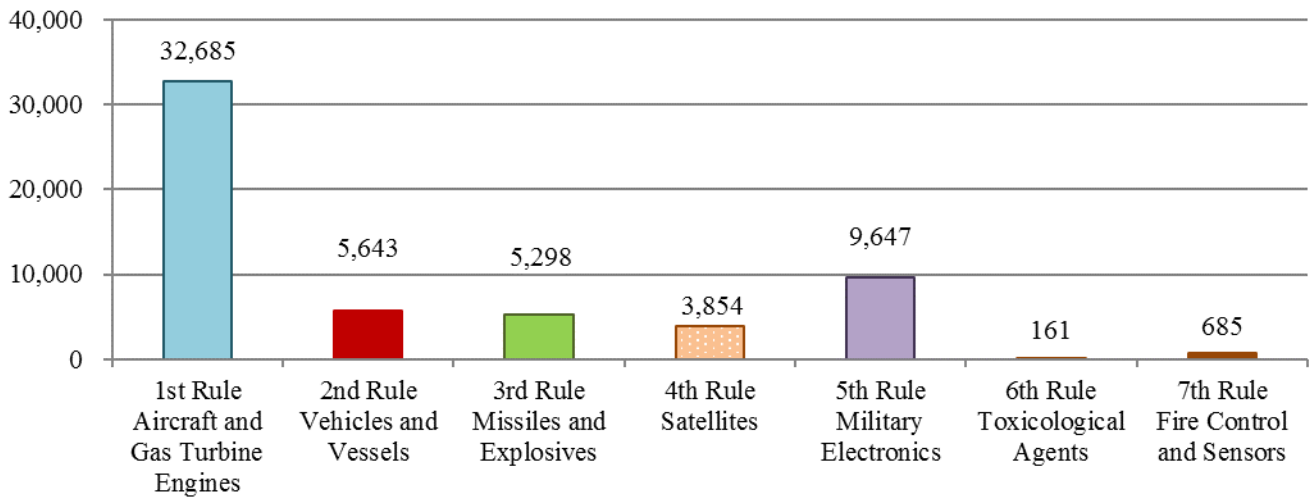
Of 52,305 applications for 600-series items:

- Approved applications were 46,788, 89.5% of the total applications;
- Returned without action (RWA) were 5,380, 10.3% of the total; and
- Denied applications were 137, 0.3% of the total.

Of 3,854 applications for 9x515 items:

- Approved applications were 3,130, 81.2% of the total applications;
- Returned without action (RWA) were 641, 16.6% of the total; and
- Denied applications were 83, 2.2% of the total.

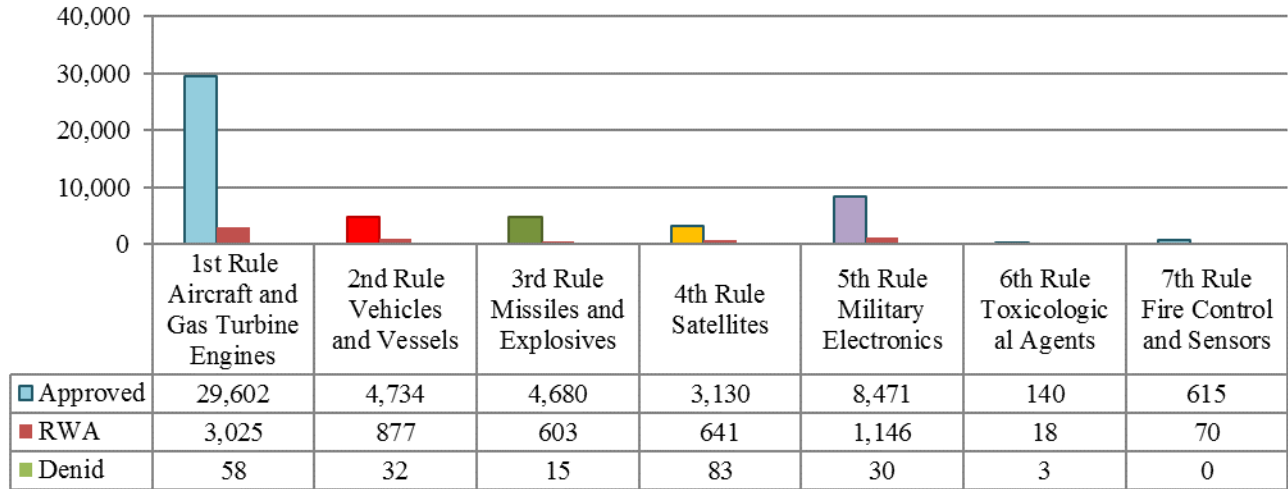
BIS License Applications for 600-Series and 9x515 Items by Total Count
 Effective Date to December 31, 2017



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

¹ Note: This number for the total applications is slightly smaller than the sum of all applications by each rule because license applications containing multiple ECCNs may be associated with more than one regulatory change. For instance, a single application containing 9A610 and 0A606 items would be counted in both the 1st rule column and the 2nd rule column.

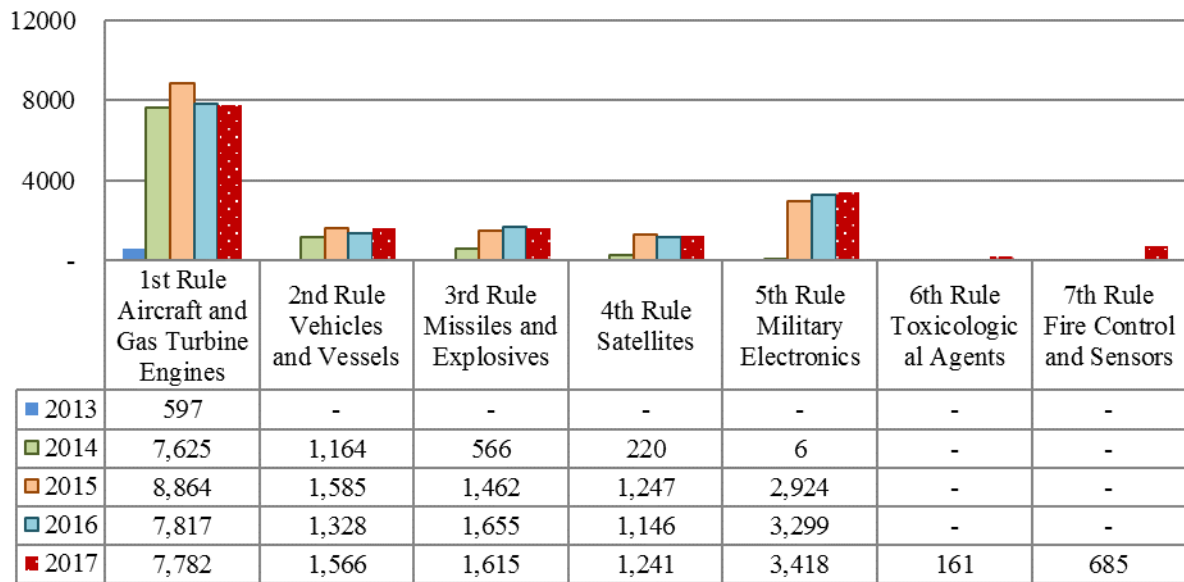
BIS License Applications for 600-Series and 9x515 Items by Decisions
 Effective Date to December 31, 2017



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

**BIS Yearly License Applications for 600-Series and 9x515 Items
 by Transition Rule**

Effective Date to December 31, 2017



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

From October 15, 2013 to December 31, 2017, BIS has processed applications for 600-series and 9x515 items for a value of \$246.1 billion. Of these, \$124.0 billion for 600-series items and \$122.1 for 9x515 items.

Of \$124.0 billion for 600-series items:

- Approved applications valued at \$113.1 billion, 91.2% of the total application value;
- Returned without action (RWA) valued at \$10.3 billion, 8.3% of the total; and
- Denied applications valued at \$544.9 million, 0.4% of the total.

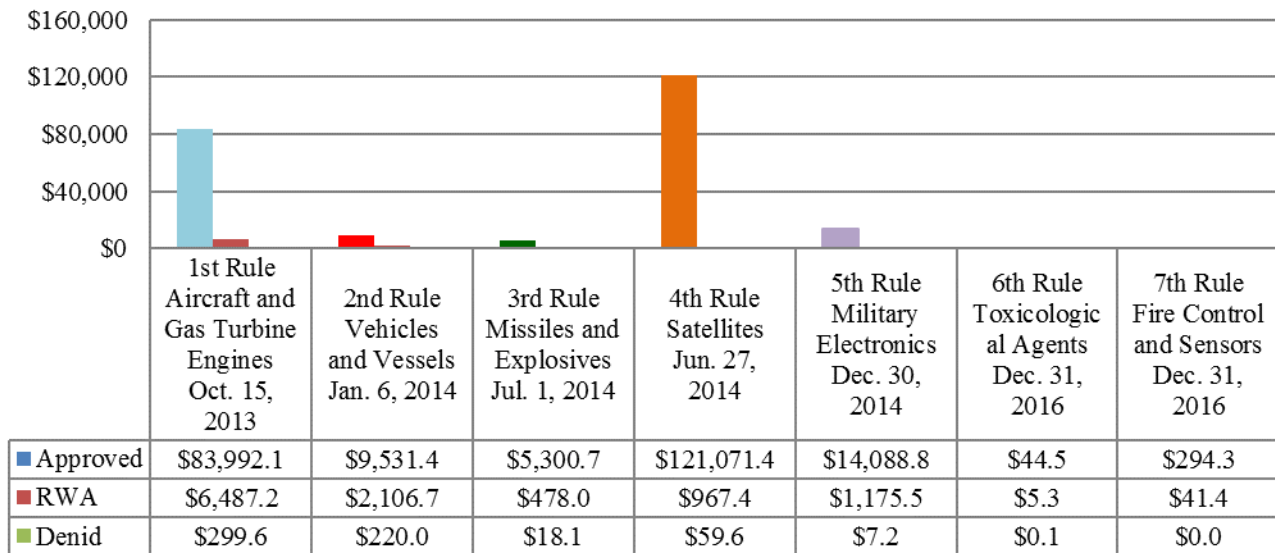
Of \$122.1 billion for 9x515 items:

- Approved applications valued at \$121.1 billion, 95.2% of the total application value;
- Returned without action (RWA) valued at \$967 million, 4.6% of the total; and
- Denied applications valued at \$604.5 million, 0.2% of the total.

BIS License Applications for 600-Series and 9x515 Items by Value

Effective Date to December 31, 2017

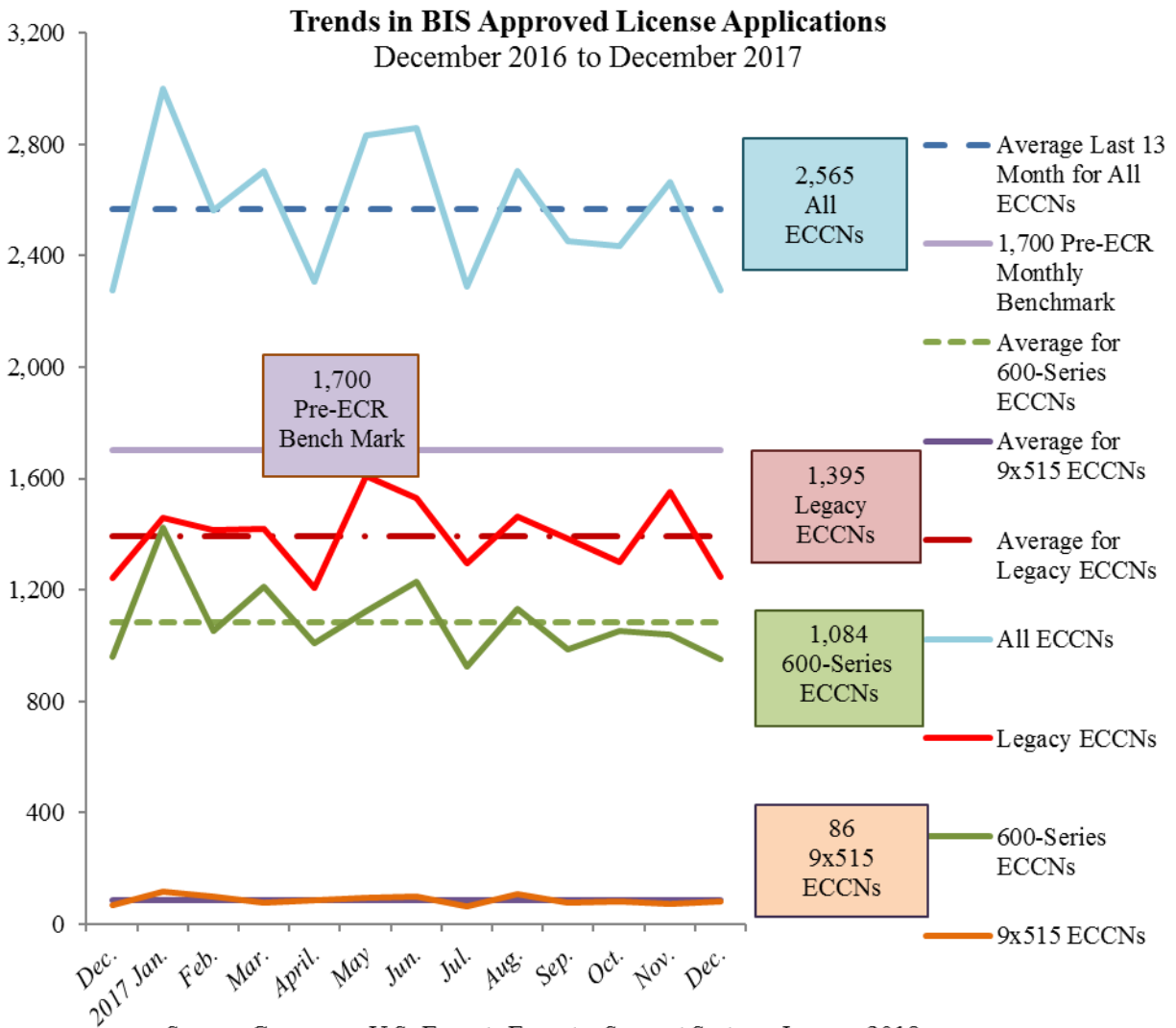
\$million



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

In the last 13 months from December 2016 to December 2017, the average monthly BIS license approvals for all ECCNs are 2,565, indicating an increase of 50.9% from the average monthly approvals of 1,700 during the fiscal year 2012 to 2013, prior to the first regulatory change from the USML to the CCL becoming effective:

- For 600-Series items, the average monthly license approvals are 1,084;
- For 9x515 items are 86; and
- For legacy ECCNs are 1,395.

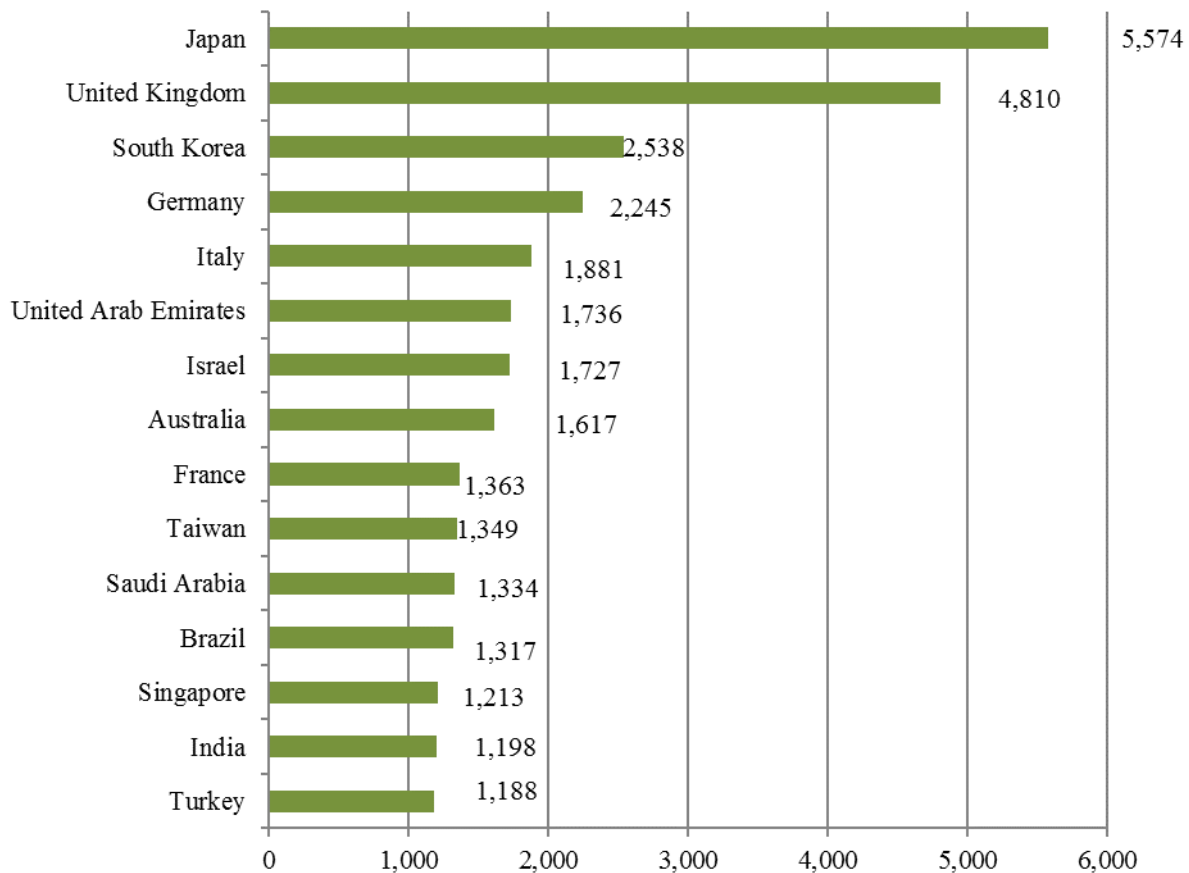


Source: Commerce U.S. Exports Exporter Support System, January 2018

Top Destinations of BIS Approved Licenses for 600-Series Items

Of the total 46,788 BIS approved licenses for 600-series items from October 15, 2013 to December 31, 2017, 31,090 (66.4% of the total approved licenses) were issued for exports to the top 15 destinations by license count. The top destinations were Japan with 5,574 approved licenses (11.9% of the total); the United Kingdom with 4,810 (10.3%), and South Korea with 2,538 (5.4%).

**Top Fifteen Destinations of BIS Approved Licenses
 for 600-Series Items by License Count**
 October 15, 2013 to December 31, 2017



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

Top Ten Approved ECCNs for 600-Series Items by Count

October 15, 2013 - December 31, 2017

ECCN	Description	Total Approved	Value \$million
9A610	Military aircraft and related commodities	22,446	\$48,265.3
3A611	Military electronics	7,730	\$13,914.2
9A619	Military gas turbine engines and related commodities	4,890	\$28,551.4
9E610	Technology "required" for the "development," "production," operation, installation, maintenance, repair, overhaul, or refurbishing of military aircraft and related commodities controlled by 9A610, equipment controlled by 9B610, materials controlled by 9C610 or software controlled by 9D610.	4,482	\$2,276.6
0A606	Ground vehicles and related commodities	3,154	\$8,751.0
1A613	Armored and protective "equipment" and related commodities	1,719	\$3,215.1
9E619	Technology "required" for the "development," "production," operation, installation, maintenance, repair, overhaul, or refurbishment of military gas turbine engines and related commodities controlled by 9A619, equipment controlled by 0B619, materials controlled by 9C619, or software controlled by 9D619.	1,644	\$1,264.0
3E611	Technology "required" for military electronics	1,609	\$126.6
9A604	Commodities related to launch vehicles, missiles, and rockets	1,339	\$1,174.4
9B610	Test, inspection, and production "equipment" and related commodities "specially designed" for the "development" or "production" of commodities enumerated in ECCN 9A610 or USML Category VIII	1,264	\$4,643.8
Source: Commerce U.S. Exports Exporter Support System, January 2018			