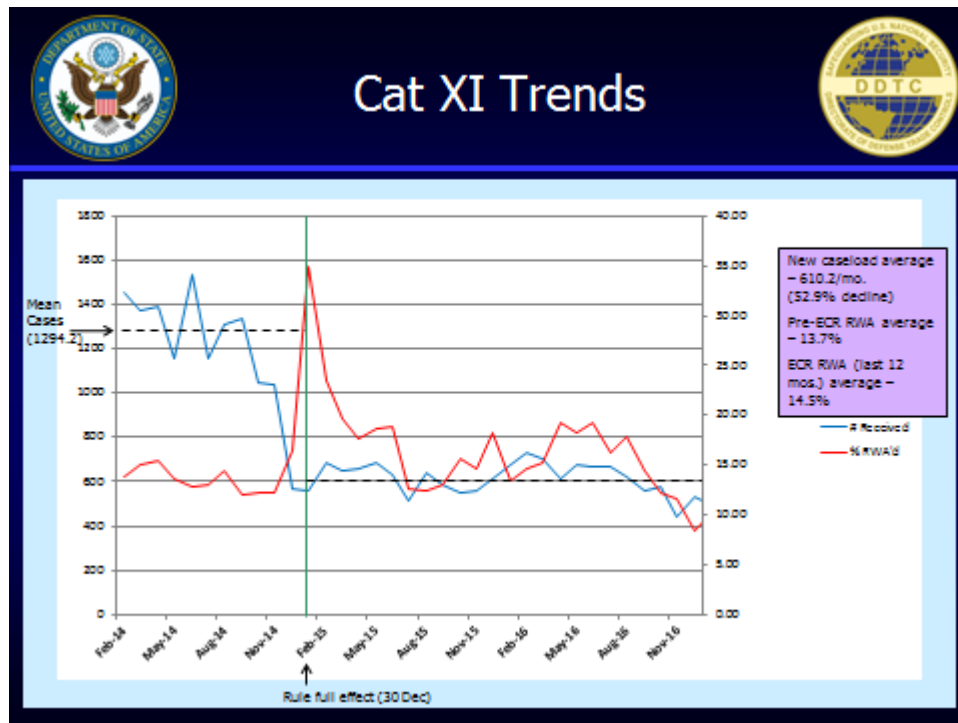


## The Fifth ECR Transition Rule

### Military Electronics

December 30, 2014 to March 31, 2017

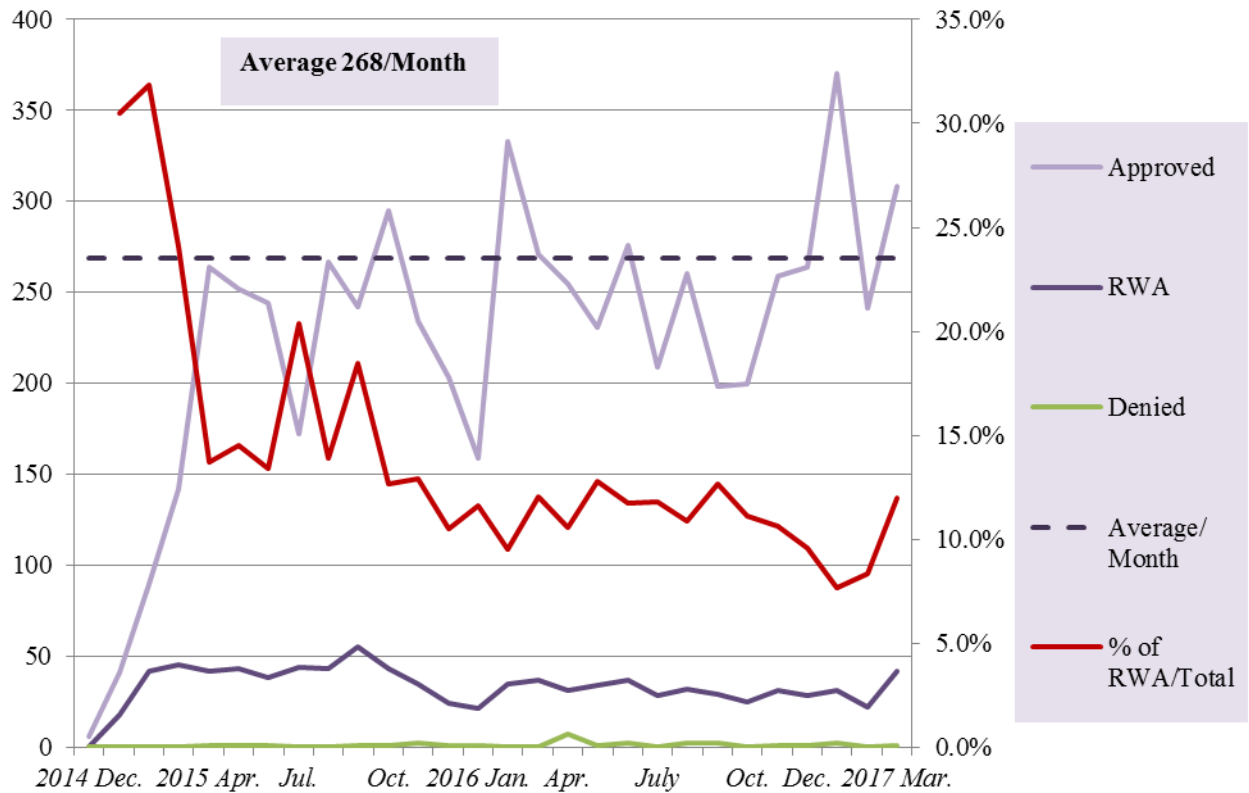
The license applications for items in category XI – Military Electronics of the United States Munitions List (USML) have declined 52.9% from an average of 1,294 to 610 per month through March 31, 2017. The average monthly drop of 684 license applications is the result of certain items transitioning to the Commerce Control List (CCL) under Export Control Reform (ECR).



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

Since the Fifth ECR Transition Rule became effective on December 30, 2014, the average number of BIS license applications for the eight 600-Series items created by this rule is 268 per month through March 31, 2017. The approval rate is 86.7%.

**BIS License Applications for the Fifth ECR Transition Rule  
December 30, 2014 to March 31, 2017**



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

From the effective date of December 30, 2014 to March 31, 2017, U.S. exports of items in the Fifth ECR transition Rule – Military Electronics items (3y611 and 9y620) under BIS jurisdiction totaled 20,900 shipments for \$1.3 billion.

**U.S. Exports of the Fifth ECR Transition Rule Items  
under BIS Jurisdiction**

December 30, 2014 to March 31, 2017  
\$million



Source: Automated Export System, July 2017

**U.S. Quarterly Exports of the Fifth ECR Transition Rule Items  
under BIS Jurisdiction**

December 30, 2014 to March 31, 2017  
\$million

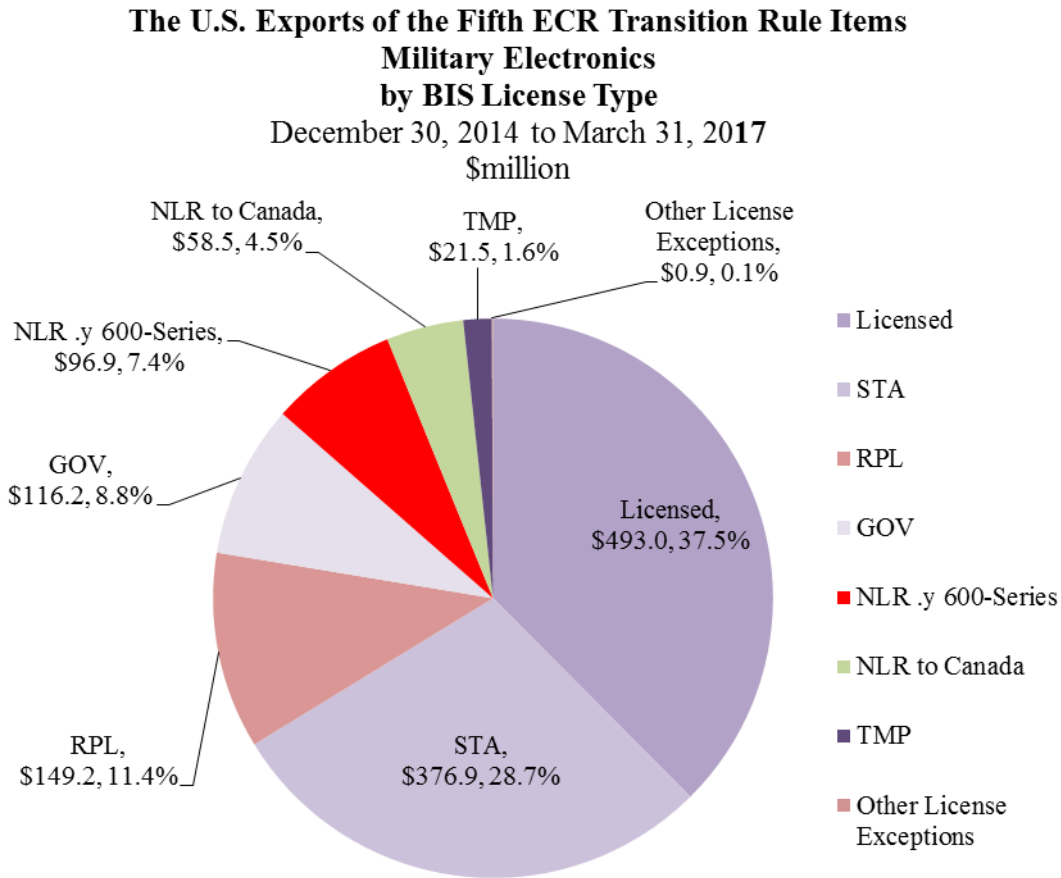


Source: Automated Export System, July 2017

**The Fifth Transition Rule-Military Electronics**  
**Top 15 Destinations of U.S. Exports under BIS Jurisdiction**  
 October 15, 2013 to March 31, 2017

| Country                                    | Shipment Count | % of Total<br>Shipment Count | Value<br>\$million | % of Total<br>Value |
|--|----------------|------------------------------|--------------------|---------------------|
| Japan                                      | 2,882          | 13.8%                        | \$418.9            | 31.9%               |
| United Kingdom                             | 2,876          | 13.8%                        | \$123.7            | 9.4%                |
| Canada                                     | 1,418          | 6.8%                         | \$82.4             | 6.3%                |
| Australia                                  | 977            | 4.7%                         | \$63.6             | 4.8%                |
| South Korea                                | 1,027          | 4.9%                         | \$62.3             | 4.7%                |
| United Arab Emirates                       | 335            | 1.6%                         | \$54.0             | 4.1%                |
| Germany                                    | 1,114          | 5.3%                         | \$48.0             | 3.7%                |
| Italy                                      | 1,106          | 5.3%                         | \$38.6             | 2.9%                |
| Israel                                     | 859            | 4.1%                         | \$38.3             | 2.9%                |
| Saudi Arabia                               | 435            | 2.1%                         | \$35.9             | 2.7%                |
| Taiwan                                     | 312            | 1.5%                         | \$33.6             | 2.6%                |
| Luxembourg                                 | 93             | 0.4%                         | \$27.3             | 2.1%                |
| France                                     | 783            | 3.7%                         | \$24.9             | 1.9%                |
| India                                      | 483            | 2.3%                         | \$20.3             | 1.5%                |
| Denmark                                    | 286            | 1.4%                         | \$18.1             | 1.4%                |
| <b>Top 15 Total</b>                        | <b>14,986</b>  |                              | <b>\$1,089.8</b>   |                     |
| <b>Top 15 Total/Grand Total</b>            |                | <b>71.7%</b>                 |                    | <b>83.0%</b>        |
| <b>Grand Total</b>                         | <b>20,900</b>  |                              | <b>\$1,312.9</b>   |                     |
| Source: Automated Export System, July 2017 |                |                              |                    |                     |

Of the \$1.3 billion in U.S. exports of 600-series items in the Fifth ECR transition rule under BIS jurisdiction, licensed exports totaled \$493.0 million (37.5% of the total); Strategic Trade Authorization (STA) totaled \$376.9 million (28.7%) and Servicing and replacement of parts and equipment (RPL) totaled \$149.2 million (11.4%).



Source: Automated Export System, July 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)