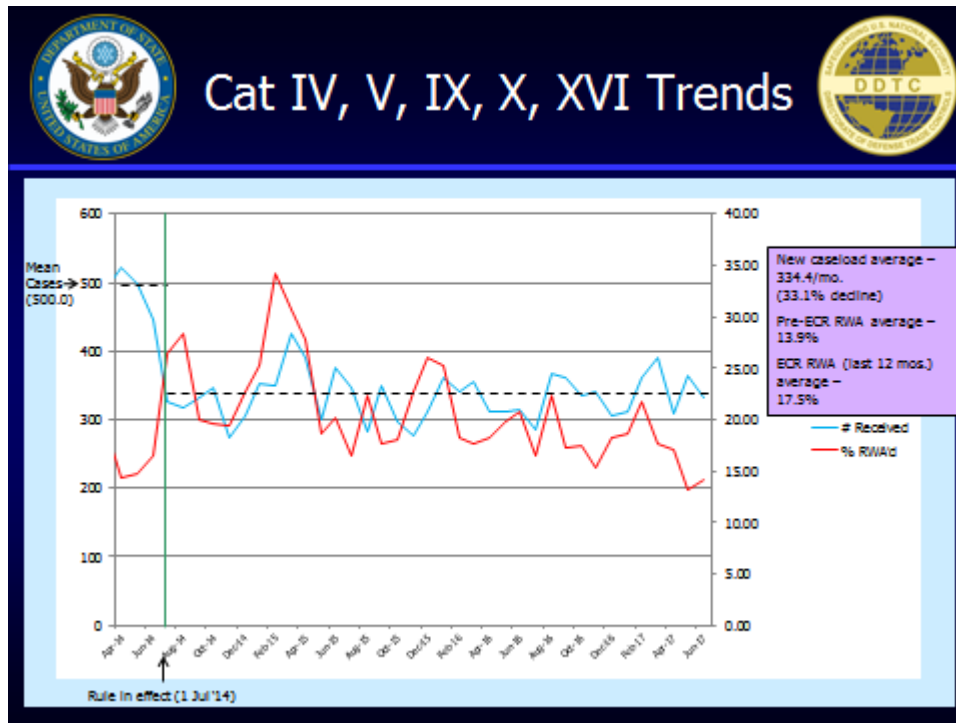


### The Third USML to CCL Regulatory Change

#### Missiles and Explosives

Jul 6 1, 2014 to June 30, 2017

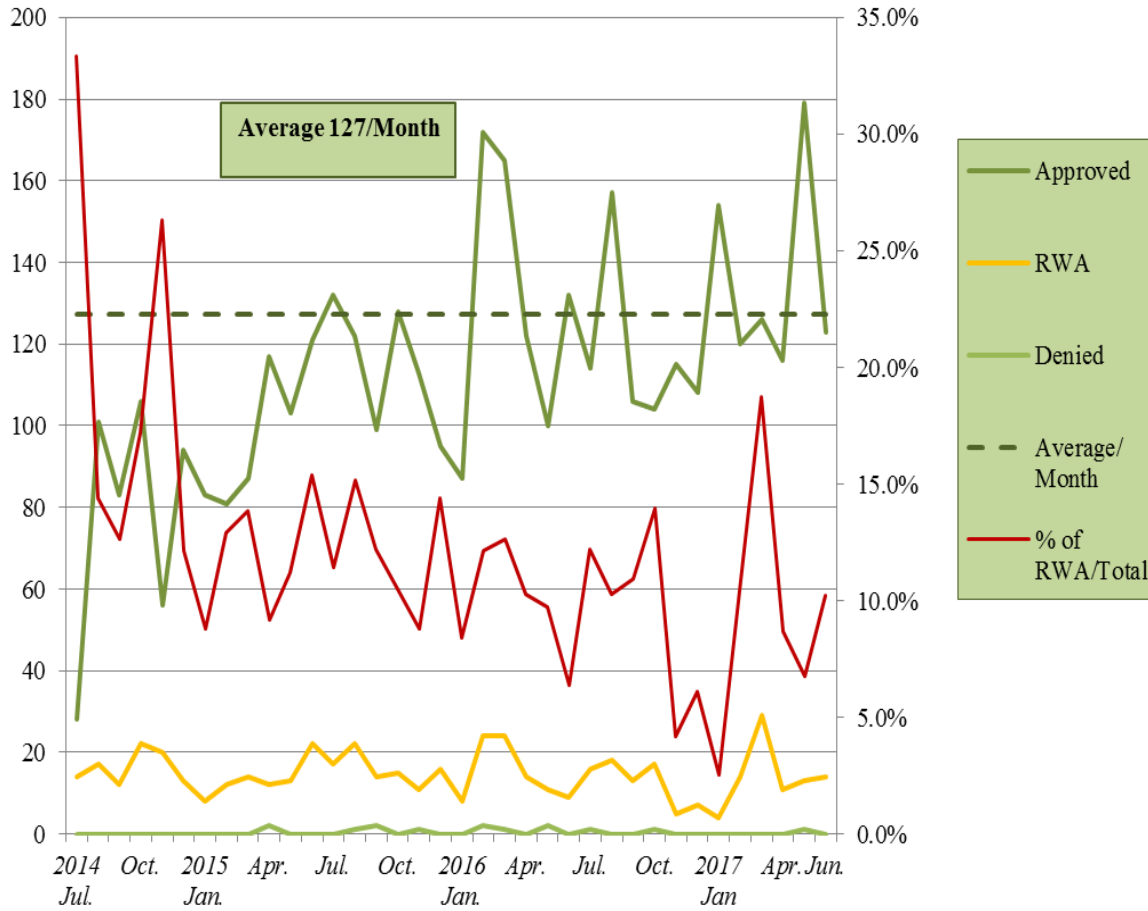
The license applications for items in categories IV (Missiles), V (Explosives), IX (Military Training Equipment), X (Protective Personnel Equipment) and XVI (Nuclear Weapons Design and Test Equipment) of the United States Munitions List (USML) have declined 33.1% from an average of 500 to 334 per month through June 30, 2017. The average monthly drop of 166 in 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, August 2017

Since the third USML to CCL regulatory change became effective on July 1, 2014, the average number of BIS license applications for the twenty 600-Series items created by this rule is 127 per month through June 30, 2017. The approval rate is 88.3%.

**BIS License Applications for the Third USML to CCL Regulatory Change**  
July 1, 2014 to June 30, 2017

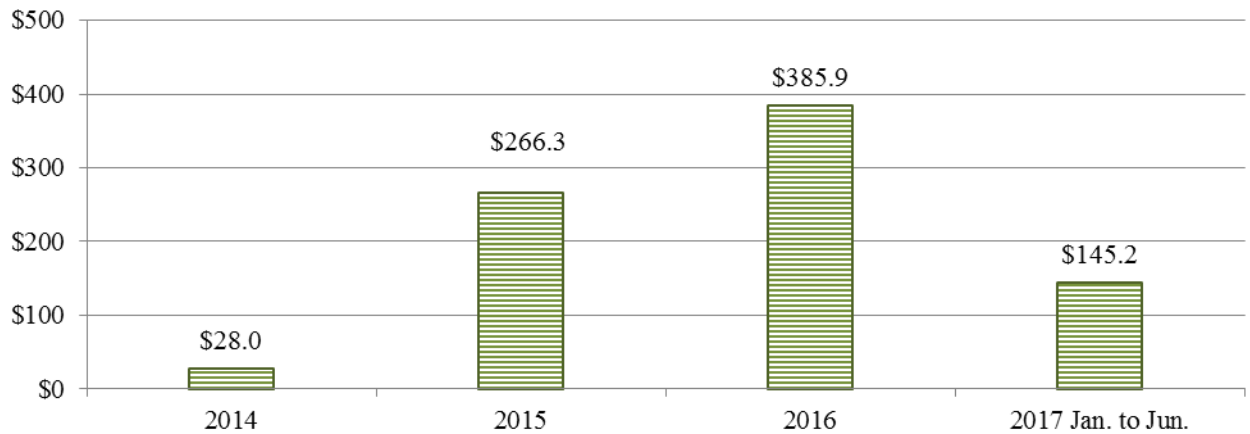


Source: Commerce U.S. Exports Exporter Support System, August 2017

From July 1, 2014 to June 30, 2017, U.S. exports of items in the third USML to CCL regulatory change – Missiles and Explosives items (0y604, 0y614, 1y608 and 1y613) under BIS jurisdiction totaled 13,777 shipments for \$825.8 million.

**U.S. Exports under the Third USML to CCL Regulatory Change under BIS Jurisdiction**

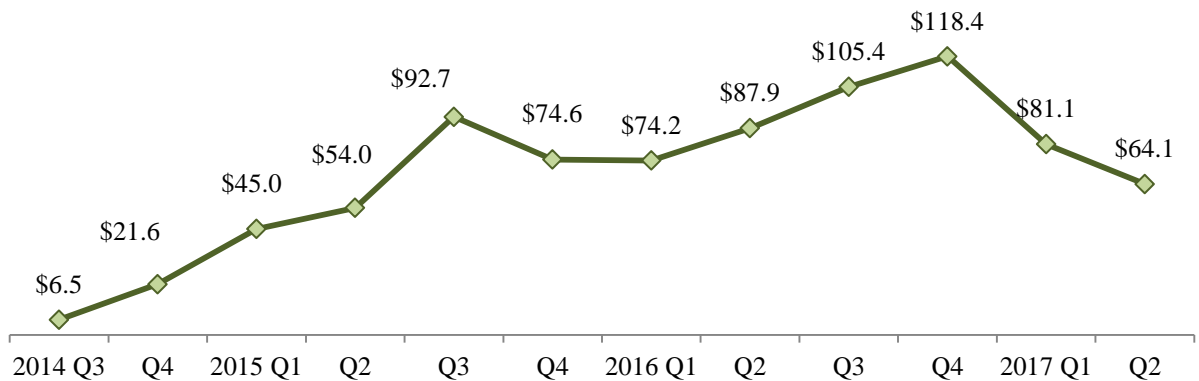
July 1, 2014 to June 30, 2017  
\$million



Source: Automated Export System, August 2017

**U.S. Quarterly Exports under the Third USML to CCL Regulatory Change under BIS Jurisdiction**

July 1, 2014 to June 30, 2017  
\$million



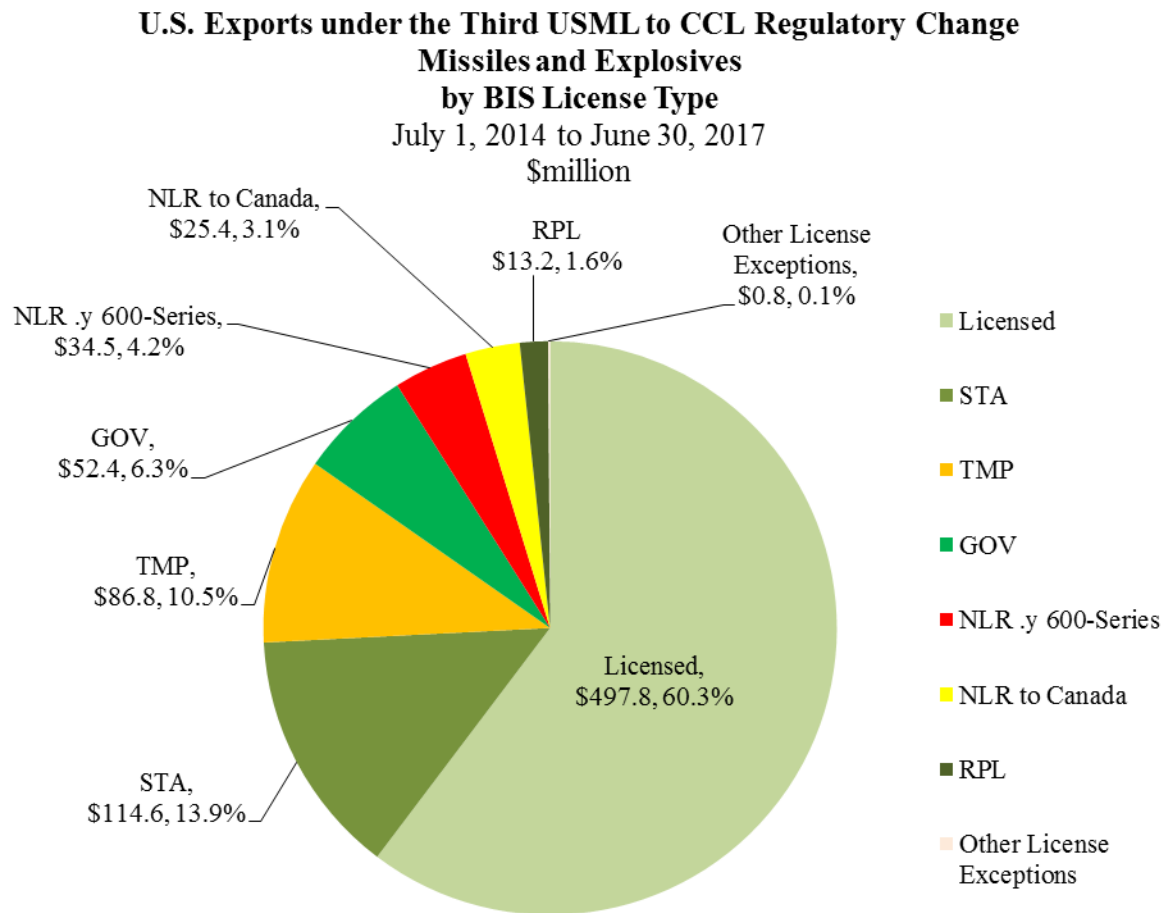
Source: Automated Export System, August 2017

**The Third USML to CCL Regulatory Change-Missiles and Explosives**  
**Top 15 Destinations of U.S. Exports under BIS Jurisdiction**  
 July 1, 2014 to June 30, 2017

Country	Shipment Count	% of Total Shipment Count	Value \$million	% of Total Value
Japan	1,185	8.6%	\$130.1	15.8%
Mexico	1,977	14.4%	\$105.0	12.7%
United Kingdom	1,803	13.1%	\$88.7	10.7%
Australia	507	3.7%	\$76.9	9.3%
Turkey	159	1.2%	\$56.5	6.8%
United Arab Emirates	176	1.3%	\$53.2	6.4%
Israel	593	4.3%	\$37.5	4.5%
South Korea	361	2.6%	\$32.3	3.9%
Germany	1,038	7.5%	\$31.3	3.8%
Canada	1,375	10.0%	\$25.6	3.1%
Saudi Arabia	190	1.4%	\$24.7	3.0%
Netherlands	195	1.4%	\$15.4	1.9%
Greece	149	1.1%	\$13.8	1.7%
Belgium	38	0.3%	\$13.6	1.7%
Italy	138	1.0%	\$11.1	1.3%
<b>Top 15 Total</b>	<b>9,884</b>		\$715.8	
<b>Top 15 Total/ Grand Total</b>		<b>71.7%</b>		<b>86.7%</b>
<b>Grand Total</b>	<b>13,777</b>		<b>\$825.8</b>	

Source: Automated Export System, August 2017

Of the \$825.8 million of U.S. exports of 600-series items in the third USML to CCL regulatory change under BIS jurisdiction from July 1, 2014 to June 30, 2017, licensed exports totaled \$497.8 million (60.3% of the total); Strategic Trade Authorization (STA) totaled \$114.6 million (13.9%); and Temporary imports, exports, reexports, and transfers (in-country) (TMP) totaled \$86.8 million (10.5%).



Source: Automated Export System, August 2017

**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