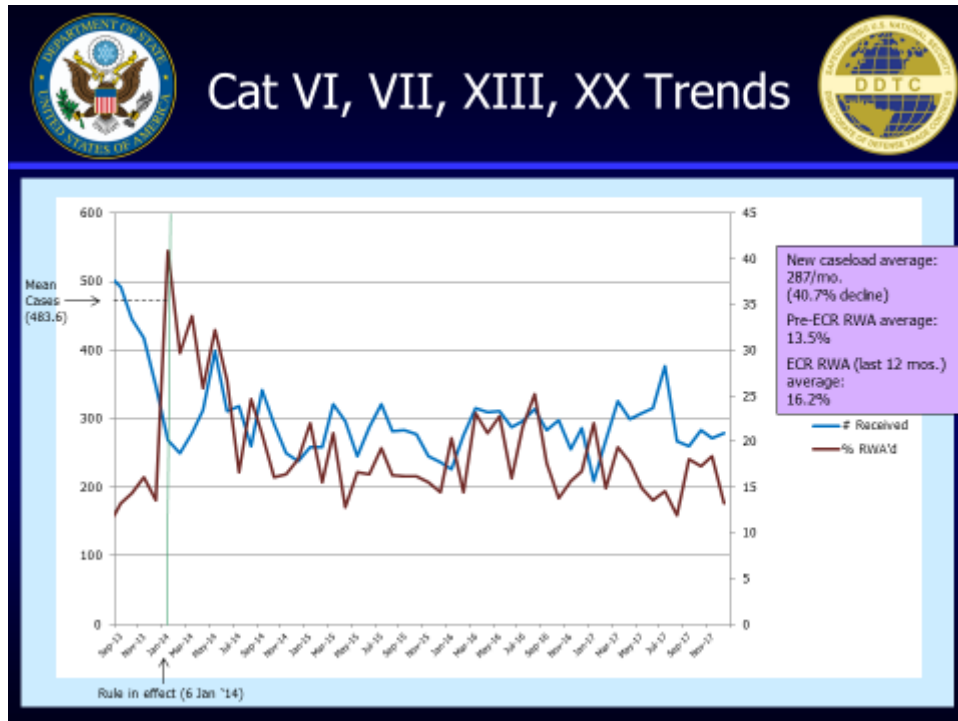


## License Applications and Exports

### The Second USML to CCL Regulatory Change Vehicles and Vessels

January 6, 2014 to December 31, 2017

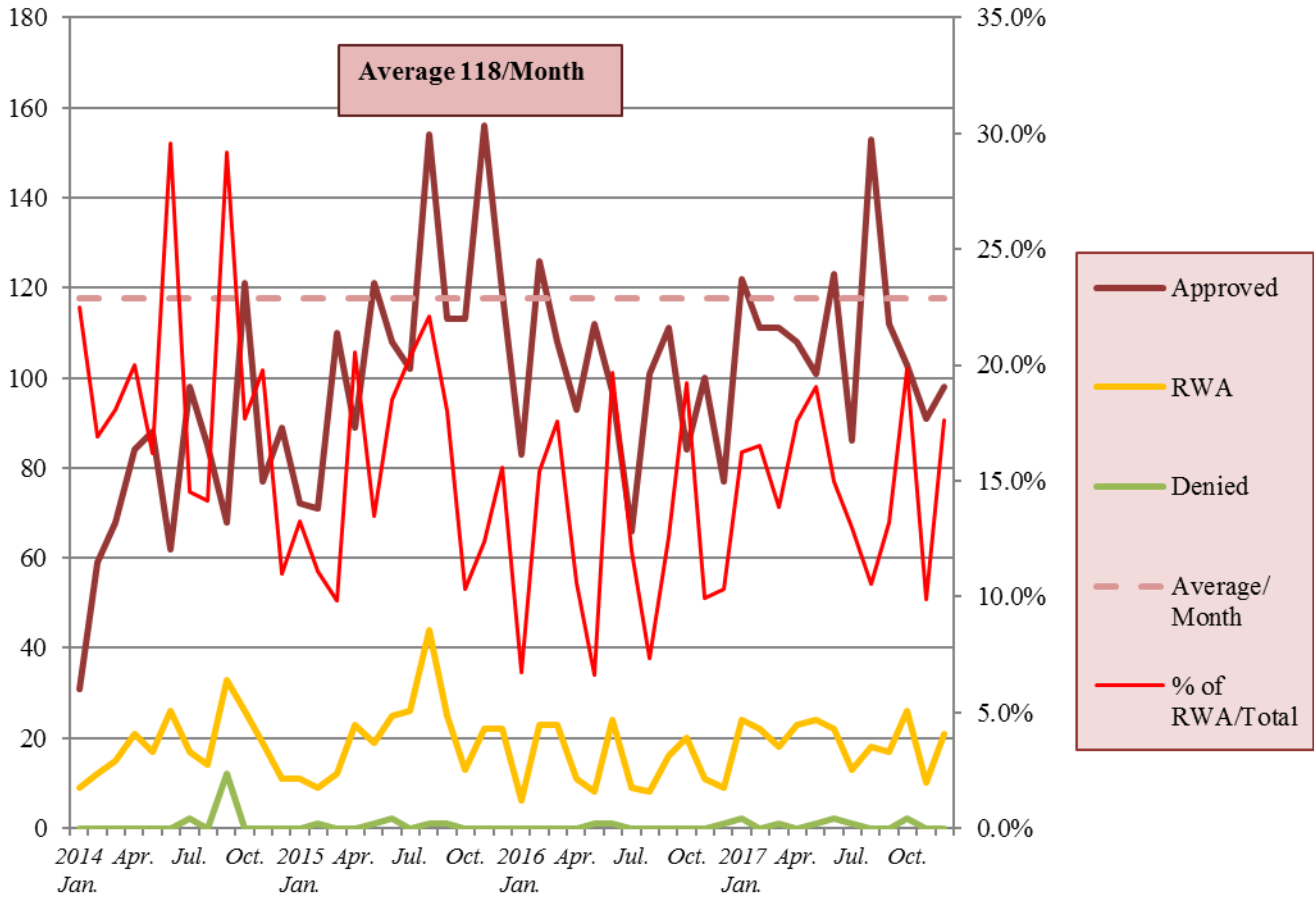
The license applications for items in categories VI (Vessels), VII (Vehicles), XIII (Auxiliary Military Equipment) and XX (Submersible Vessels) of the United States Munitions List (USML) have declined 40.7% from an average of 484 to 287 per month through December 31, 2017. The average monthly drop of 197 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, January 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 118 per month through December 31, 2017. The approval rate is 83.9%.

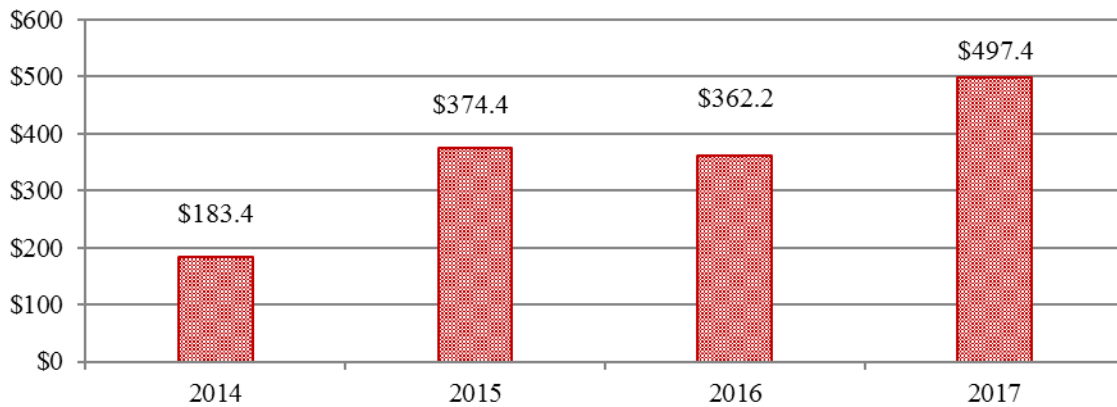
**BIS License Processing for the Second USML to CCL Regulatory Change**  
 January 6, 2014 to December 31, 2017



Source: Commerce U.S. Exports Exporter Support System, January 8, 2017

From January 6, 2014 to December 31, 2017, 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 32,073 shipments for \$1.4 billion.

**U.S. Exports under the Second USML to CCL Regulatory Change  
 under BIS Jurisdiction**  
 January 6, 2014 to December 31, 2017  
 \$million



Source: Automated Export System, January 2018

**U.S. Quarterly Exports under the Second USML to CCL Regulatory Change  
 under BIS Jurisdiction**  
 January 6, 2014 to December 31, 2017  
 \$million



Source: Automated Export System, January 2018

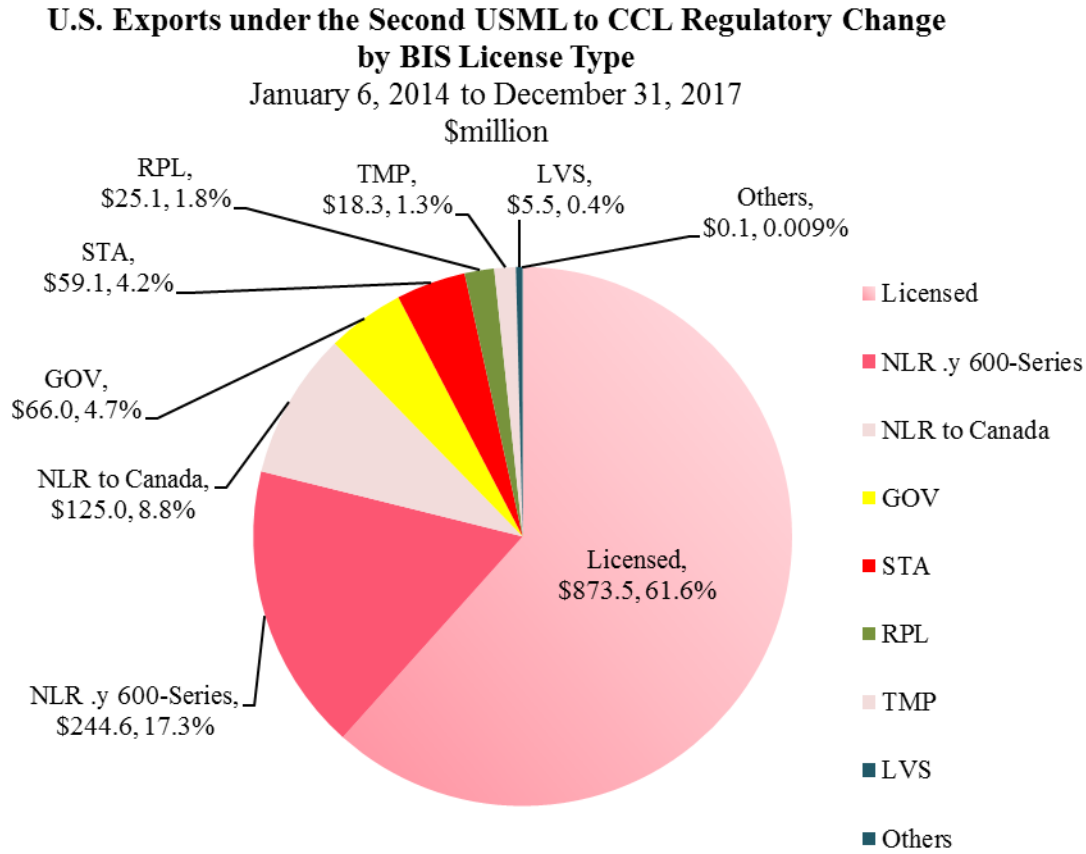
**The Second USML to CCL Regulatory Change-Vehicles and Vessels  
 Top 15 Destinations of U.S. Exports under BIS Jurisdiction by Value**

January 6, 2014 to December 31, 2017

Country	Shipment Count	% of Total Shipment Count	Value \$million	% of Total Value
Israel	2,926	9.1%	\$218.1	18.2%
South Korea	5,116	16.0%	\$195.4	12.6%
Canada	6,192	19.3%	\$175.7	9.3%
Iraq	129	0.4%	\$97.7	8.2%
Saudi Arabia	590	1.8%	\$79.0	3.7%
Turkey	630	2.0%	\$68.0	3.7%
United Kingdom	5,303	16.5%	\$56.1	3.4%
Japan	3,019	9.4%	\$48.2	3.4%
United Arab Emirates	378	1.2%	\$45.6	3.2%
Australia	813	2.5%	\$45.1	2.9%
Tunisia	13	0.0%	\$44.9	2.7%
Germany	1,148	3.58%	\$42.7	2.4%
Kuwait	307	1.0%	\$36.4	1.8%
Belgium	161	0.5%	\$28.0	1.6%
Afghanistan	247	0.8%	\$21.6	1.5%
<b>Top 15 Total</b>	<b>26,972</b>		<b>\$1,202.5</b>	
<b>Top 15 Total/ Grand Total</b>		<b>84.1%</b>		<b>84.8%</b>
<b>Grand Total</b>	<b>32,073</b>		<b>\$1,417.4</b>	

Source: Automated Export System, January 2018

Of the \$1.4 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 December 31, 2017, licensed exports totaled \$873.5 million (61.6% of the total); No License Required (NLR) for .y 600-series items totaled \$244.6 million (17.3%); and NLR for 600-series items to Canada totaled \$125.0 million (8.8 %).



Source: Automated Export System, January 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