

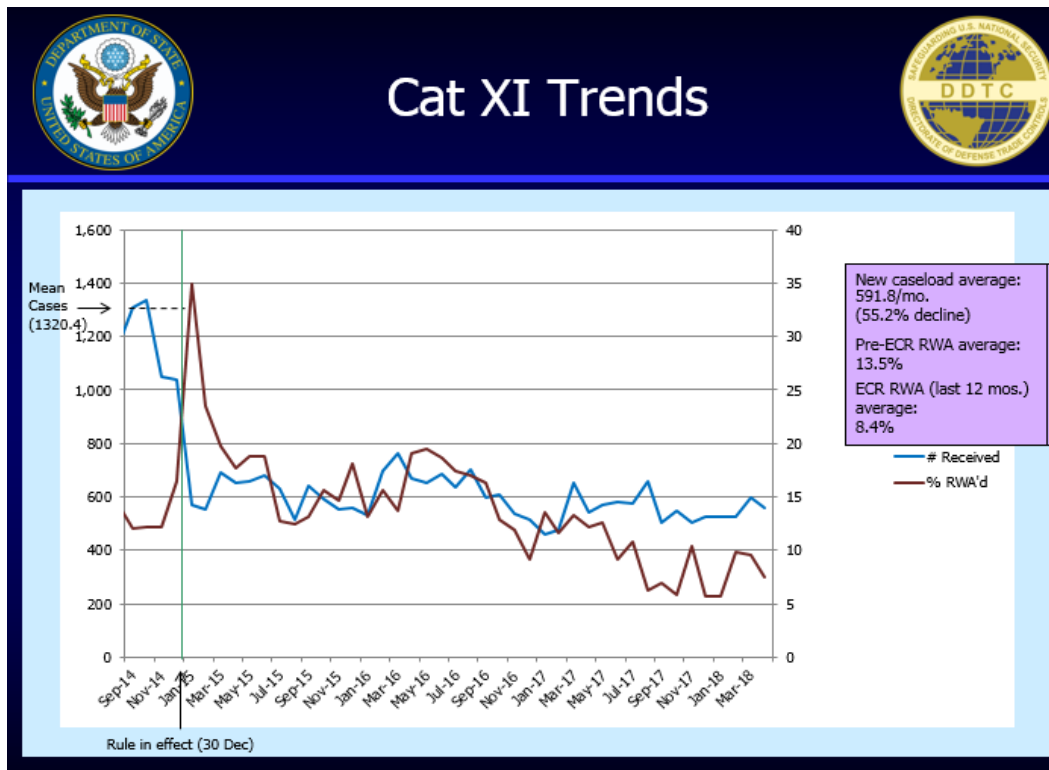
License Applications and Exports

The Fifth USML to CCL Regulatory Change

Military Electronics

December 30, 2014 to March 31, 2018

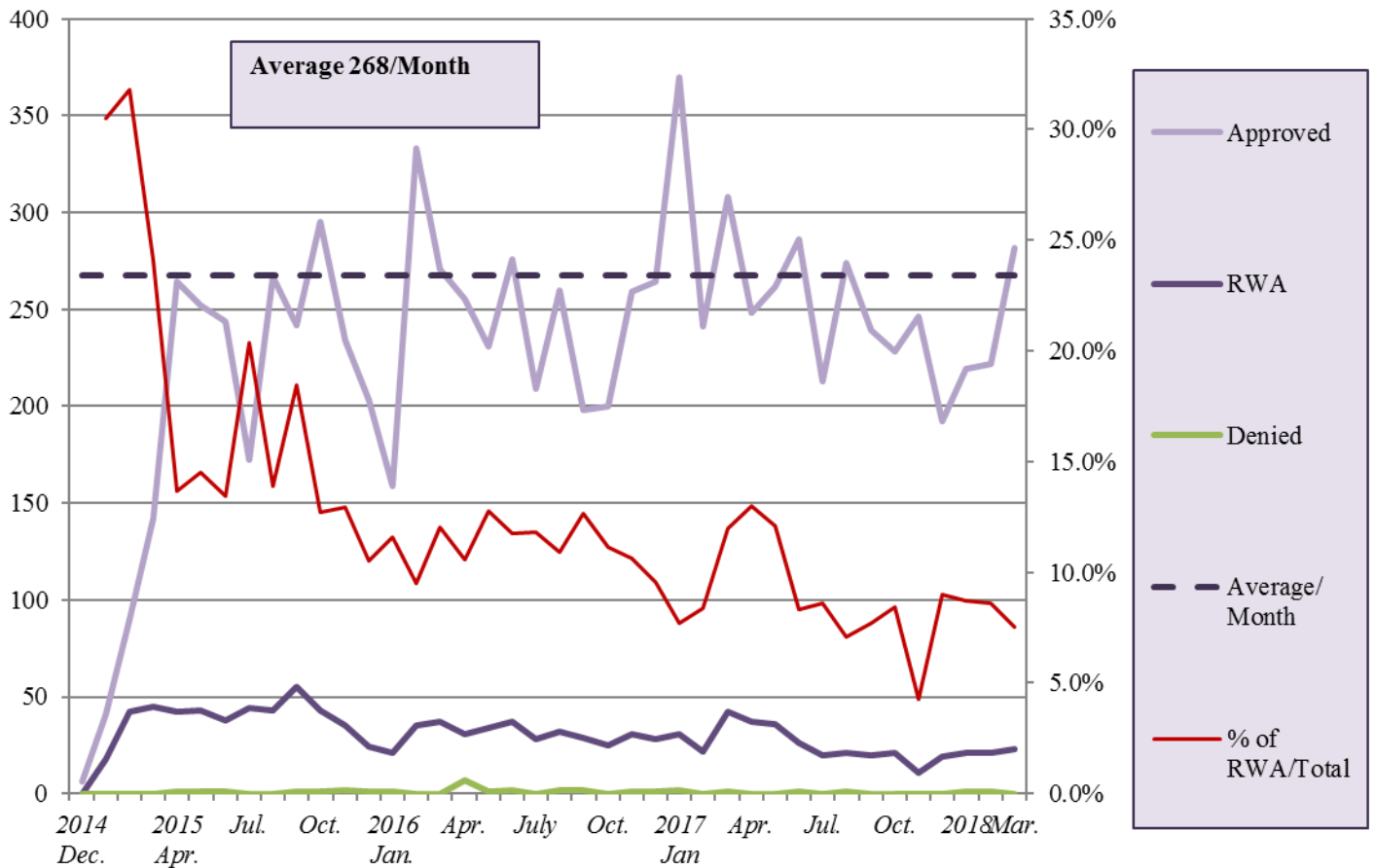
The license applications for items in category XI – Military Electronics of the United States Munitions List (USML) have declined 55.2% from an average of 1,320 to 592 per month through March 31, 2018. The average monthly drop of 728 license applications is the result of certain items transitioning to the Commerce Control List (CCL).



Source: The Directorate of Defense Trade Controls of the U.S. Department of State, June 5, 2018

Since the fifth USML to CCL regulatory change 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, 2018. The approval rate is 88.1%.

BIS License Applications for the Fifth USML to CCL Regulatory Change
 December 30, 2014 to March 31, 2018

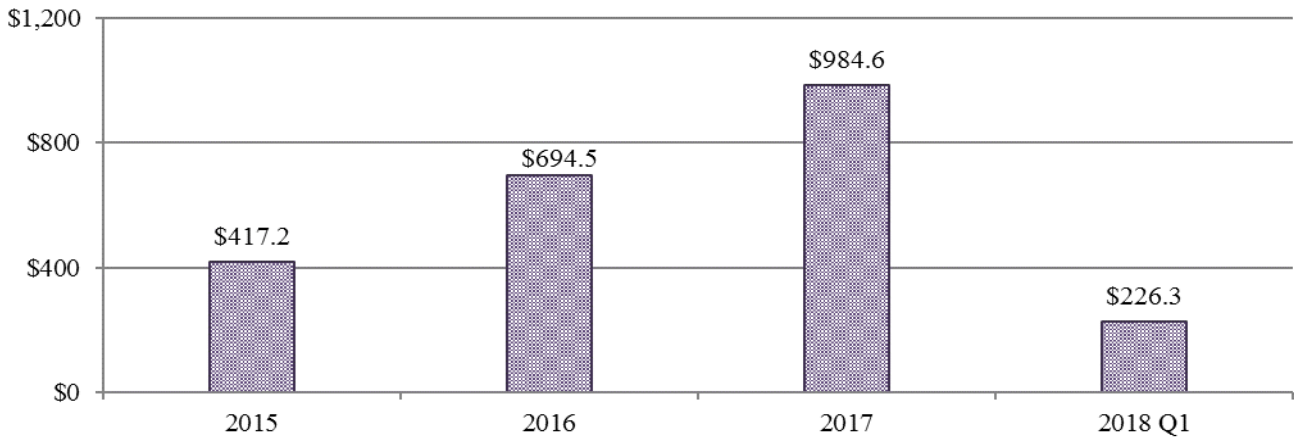


Source: Commerce U.S. Exports Exporter Support System, June 5, 2018

From the effective date of December 30, 2014 to March 31, 2018, U.S. exports of items in the fifth USML to CCL regulatory change – Military Electronics items (3y611 and 9y620) under BIS jurisdiction totaled 34,897 shipments for \$2.3 billion.

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

December 30, 2014 to March 31, 2018
 \$million



Source: Automated Export System, June 15, 2018

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

December 30, 2014 to March 31, 2018
 \$million



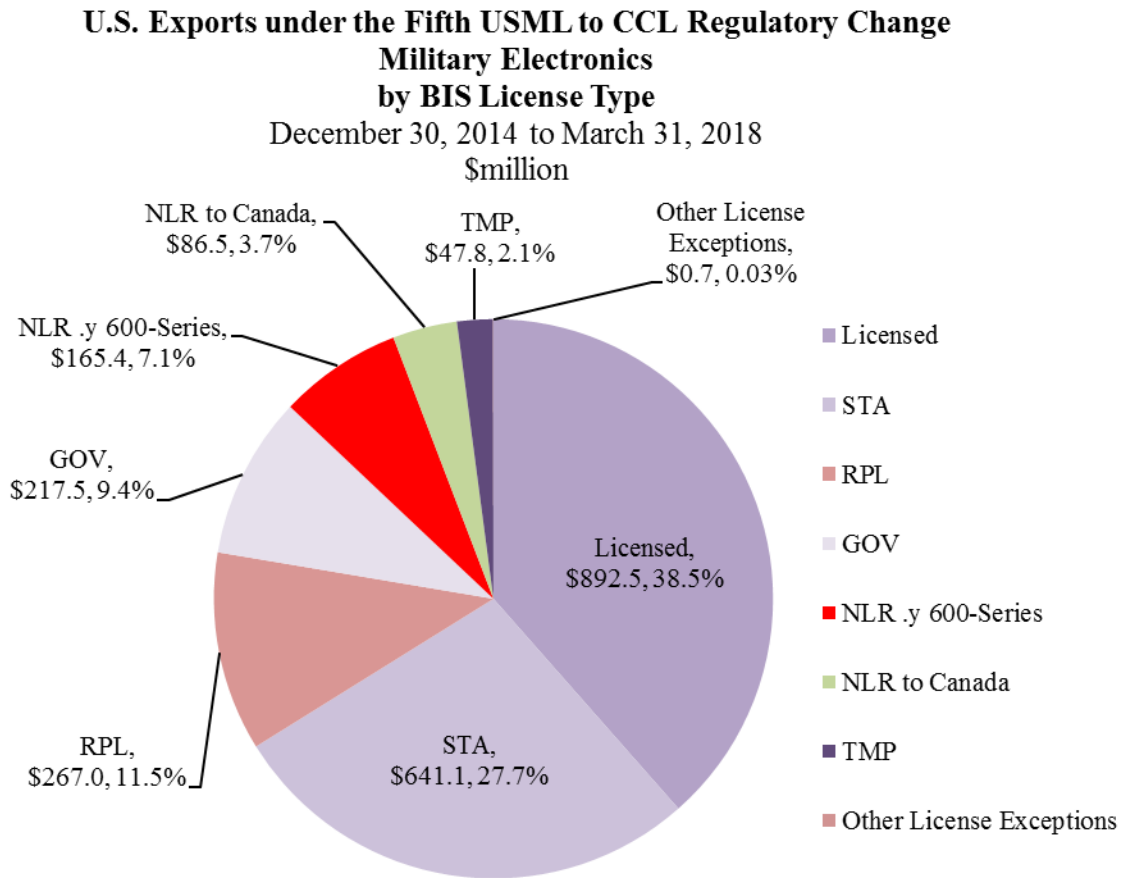
Source: Automated Export System, June 15, 2018

The Fifth USML to CCL Regulatory Change-Military Electronics
Top 15 Destinations of U.S. Exports under BIS Jurisdiction
 December 30, 2014 to March 31, 2018

Country	Shipment Count	% of Total Shipment Count	Value \$million	% of Total Value
Japan	4,389	12.6%	\$648.2	28.0%
United Kingdom	4,523	13.0%	\$190.0	8.2%
South Korea	1,835	5.3%	\$161.8	7.0%
Saudi Arabia	744	2.1%	\$137.9	5.9%
Canada	2,162	6.2%	\$112.9	4.9%
United Arab Emirates	536	1.5%	\$100.0	4.3%
Australia	1,533	4.4%	\$99.7	4.3%
Italy	1,796	5.1%	\$83.0	3.6%
Germany	1,822	5.2%	\$75.3	3.2%
Israel	1,464	4.2%	\$69.2	3.0%
Taiwan	442	1.3%	\$61.4	2.6%
France	1,463	4.2%	\$51.0	2.2%
Turkey	804	2.3%	\$37.2	1.6%
Denmark	519	1.5%	\$33.9	1.5%
Afghanistan	649	1.9%	\$33.0	1.4%
Top 15 Total	24,681		\$1,894.6	
Top 15 Total/Grand Total		70.7%		81.7%
Grand Total	34,897		\$2,318.4	

Source: Automated Export System, June 15, 2018

Of the \$2.3 billion in U.S. exports of 600-series items in the fifth USML to CCL regulatory change under BIS jurisdiction from December 30, 2014 to March 31, 2018, licensed exports totaled \$892.5 million (38.5% of the total); Strategic Trade Authorization (STA) totaled \$641.1 million (27.7%) and Servicing and replacement of parts and equipment (RPL) totaled \$267.0 million (11.5%).



Source: Automated Export System, June 15, 2018

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)