

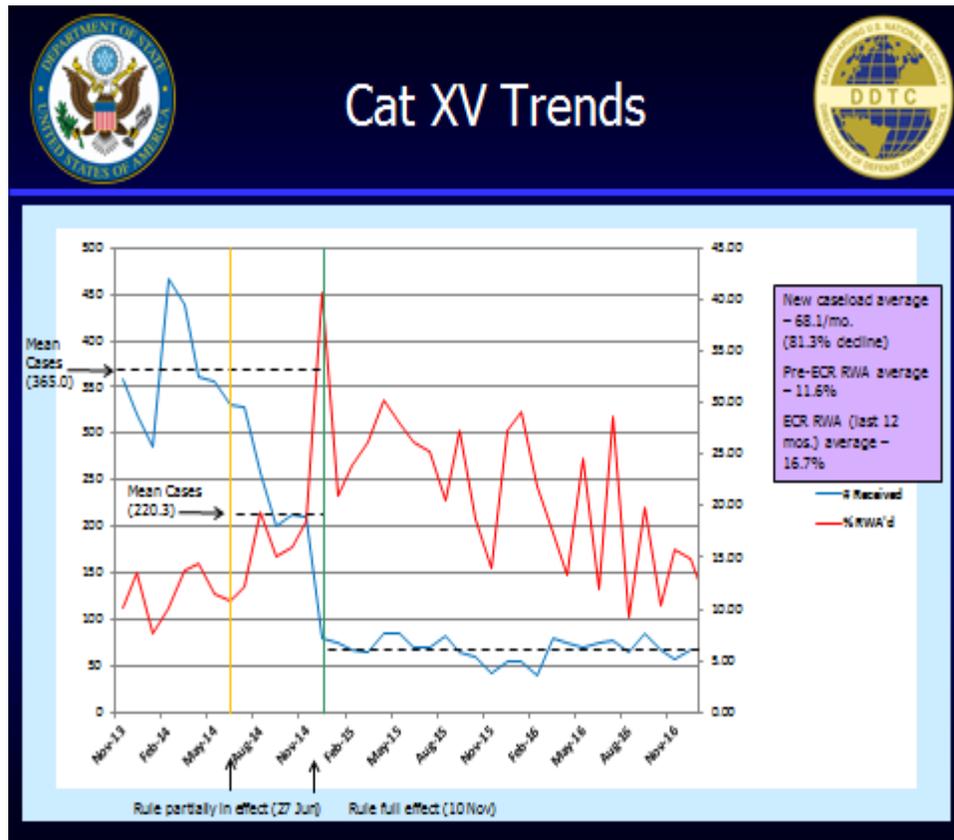
## Export Control Reform

### License Applications and U.S. Exports The Fourth Transition Rule

#### Satellites

June 27, 2014 to December 31, 2016

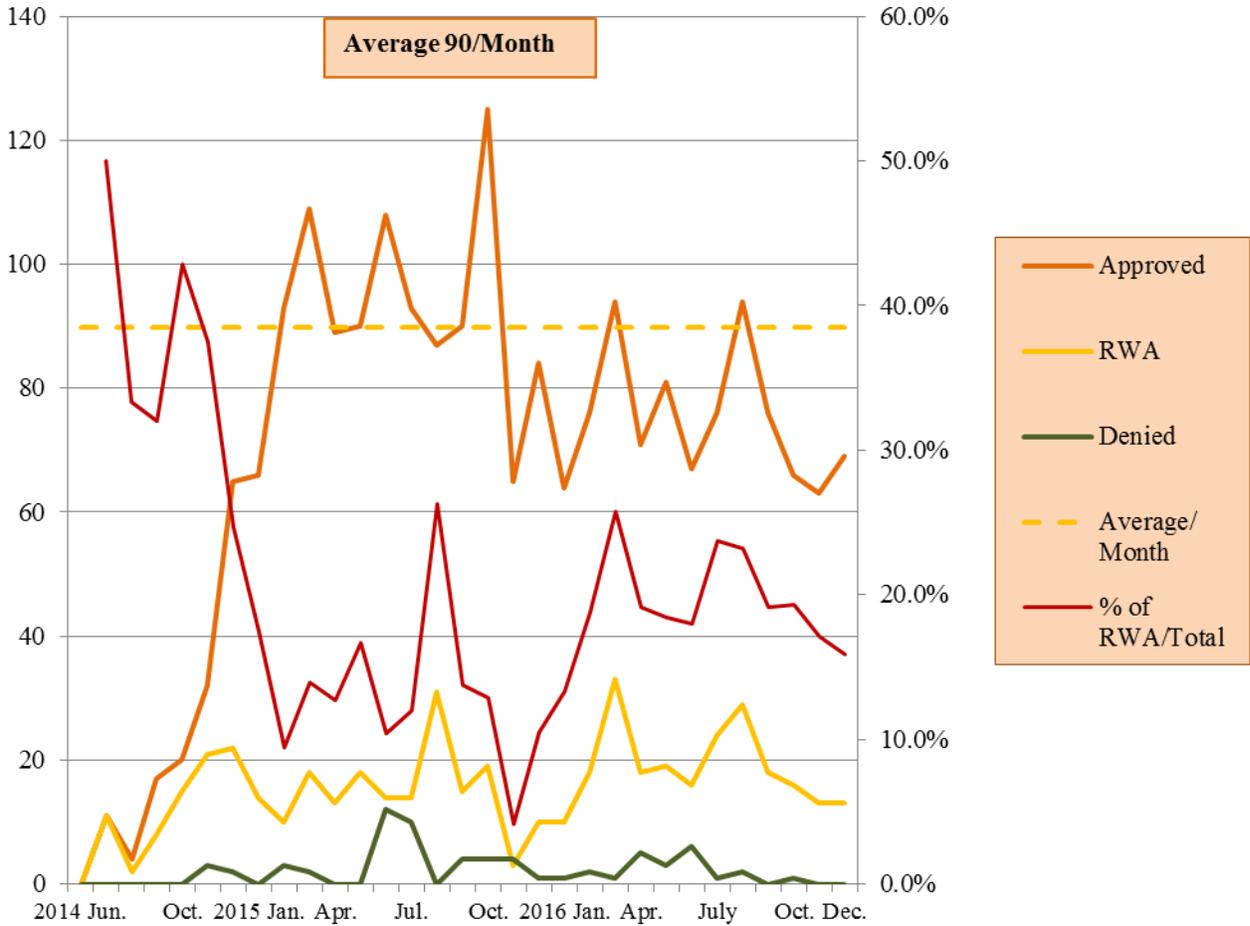
The license applications for items in category XV- Satellites of the United States Munitions List (USML) have declined 81.3% from an average of 365 to 68 per month through December 31, 2016. The average monthly drop of 297 in license applications is the result of certain items transitioning to the Commerce Control List (CCL) under Export Control Reform (ECR).



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

Since the Fourth ECR Transition Rule became effective on June 27, 2014, the average number of BIS license applications for the four 9x515 items created by this rule is 90 per month through December 31, 2016. The approval rate is 79.5%.

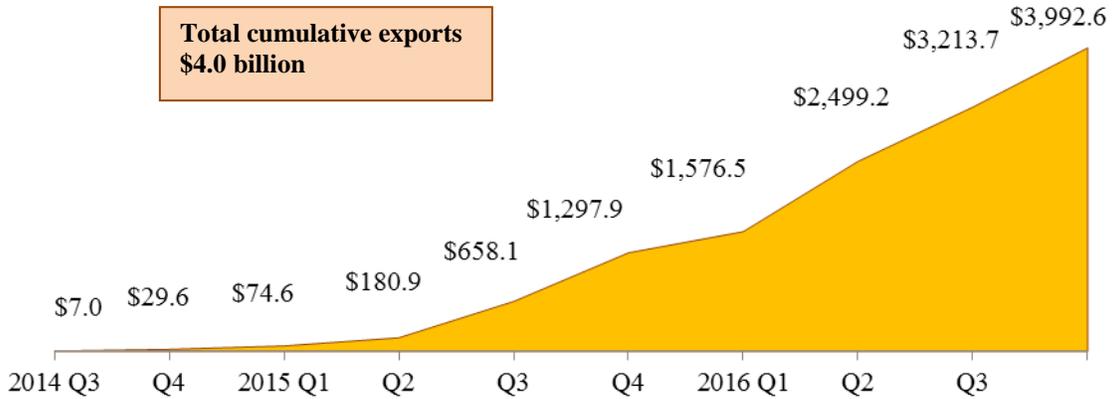
### BIS License Applications for the Fourth ECR Transition Rule June 27, 2014 to December 31, 2016



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

From June 27, 2014 to the fourth quarter of 2016, the U.S. exports of items under the Fourth ECR transition Rule – Satellites items (9x515) under BIS jurisdiction totaled 5,649 shipments for \$4.0 billion.

**The U.S. Cumulative Exports of the Fourth ECR Transition Rule  
Items under BIS Jurisdiction  
June 27, 2014 to December 31, 2016  
Smillion**



Source: Automated Export System (AES), January 2017

**The U.S. Quarterly Exports of the Fourth ECR Transition Rule Items  
under BIS Jurisdiction  
June 27, 2014 to December 31, 2016  
Smillion**



Source: Automated Export System (AES), January 2017

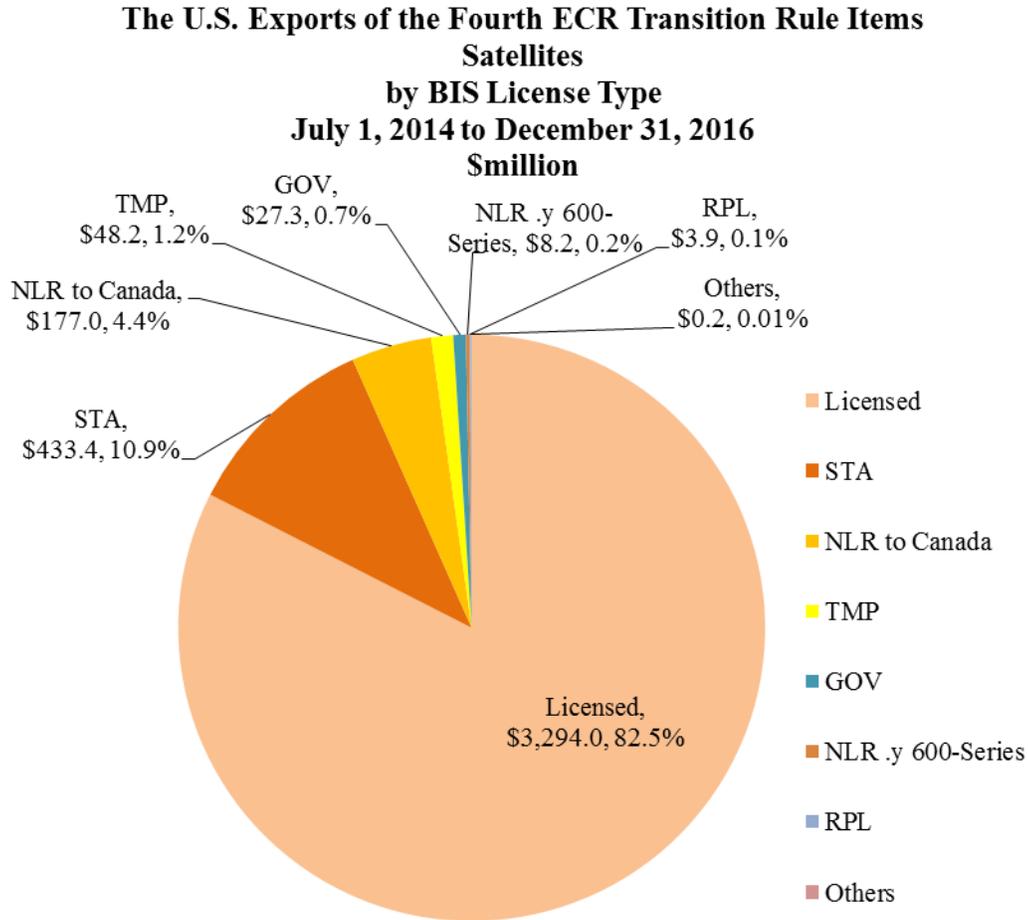
**The Fourth Transition Rule-Satellite**  
**Top 15 Destinations of U.S. Exports under BIS Jurisdiction**  
**October 15, 2013 to December 31, 2016**

Country	Shipment Count	% of Total Shipment Count	Value \$million	% of Total Value
French Guiana	49	0.7%	\$1,304.7	32.7%
Kazakhstan	5	0.1%	\$441.7	11.1%
France	782	11.9%	\$389.8	9.8%
Brazil	8	0.1%	\$331.6	8.3%
Japan	905	13.8%	\$307.0	7.7%
Mexico	22	0.3%	\$292.4	7.3%
Australia	86	1.3%	\$242.2	6.1%
Panama	1	0.0%	\$131.6	3.3%
Bermuda	22	0.3%	\$128.7	3.2%
Thailand	10	0.2%	\$80.9	2.0%
Germany	1,291	19.7%	\$71.2	1.8%
United Kingdom	637	9.7%	\$55.0	1.4%
Canada	368	5.6%	\$29.9	0.7%
Spain	613	9.4%	\$28.9	0.7%
Netherlands	150	2.3%	\$23.8	0.6%
<b>Top 15 Total</b>	<b>4,949</b>		\$3,859.4	
<b>Top 15 Total/ Grand Total</b>		<b>75.6%</b>		<b>96.7%</b>
<b>Grand Total</b>	<b>6,549</b>		<b>\$3,992.6</b>	

Note: The Guiana Space Center, run by France and European Union, is located in French Guiana.

Source: Automated Export System, January 2017

Of \$4.0 billion in exports of 9x515 items in the Fourth ECR transition rule under BIS jurisdiction, licensed exports totaled \$3.3 billion (82.5% of the total); Strategic Trade Authorization (STA) totaled \$433.4 million (10.9%); and No License Required (NLR) to Canada and 9A515.e items to all other destinations totaled \$177.0 million (4.4%).



Source: Automated Export System (AES), January 2017

**BIS License Exceptions:**

STA: Strategic Trade Authorization

NLR: No License Required

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

RPL: Servicing and replacement of parts and equipment