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BUREAU OF INDUSTRY AND SECURITY

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Commerce Restricts Foreign-Made Components to Seven Iranian Entities Supplying Drones Used by Russia to Attack Ukraine

WASHINGTON, D.C. – Today, the Commerce Department's Bureau of Industry and Security (BIS) imposed restrictions on seven Iranian drone producers, including on the transfers of foreign-made components to them. These entities are added to the Entity List for contributing to Russia's military and defense industrial base through the production of Iranian unmanned aerial vehicles (UAVs or "drones") which are being transferred to Russia for use in its war of aggression against Ukraine. The rule applies some of the Department's most severe export restrictions on these entities, effectively cutting them off from legally accessing items made subject to U.S. jurisdiction. Today's action serves to further U.S. efforts to cut the Russian military off from the items and sources of support it needs to sustain its unjust and illegal war against Ukraine.

"Iran has been subject to comprehensive sanctions and export controls by the United States as well as allies and partners for decades. Those restrictions have led them to dedicate substantial resources into developing cheap but deadly items like drones where the components are globally produced and widely available," said Under Secretary of Commerce for Industry and Security Alan Estevez. "The actions we're taking today, on top of the prior actions by our interagency partners, are intended to smother these entities' access to items that enable Russia's illegal war of aggression against Ukraine and demonstrate our resolve to aggressively use export controls to confront Russia's desperate attempts to source drones from the Iranian regime."

"Our 37-nation export control coalition's powerful efforts are severely degrading Russia's ability to obtain what it needs to support its military aggression against Ukraine," **said Assistant Secretary of Commerce for Export Administration Thea D. Rozman Kendler.** "As a result, Russia has fewer places to turn for military support, as evidenced by its acquisition of drones from, and partnership with, pariah states like Iran. We will continue to take effective, coordinated action with our federal agency colleagues and international partners to stop entities anywhere in the world from supporting Putin's horrific war."

"By building drones for the Russian military, these seven Iranian entities have been complicit in the death of civilians and the destruction of critical infrastructure in Ukraine," **said Assistant Secretary of Commerce for Export Enforcement Matthew S. Axelrod**. "We will continue to vigorously enforce our export control laws against those who attempt to illicitly acquire U.S. items to support the Russian military."

The text of the rule released today, which includes the list of entities, is available on the Federal Register's website here (link). The effective date for the rule is January 31, 2023.