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EXTRADITED CHINESE NATIONAL SENTENCED TO NINE YEARS FOR PROVIDING U.S. GOODS TO IRAN TO SUPPORT ITS NUCLEAR PROGRAM

BOSTON – A Chinese national was sentenced today in U.S. District Court in Boston in connection with supplying a U.S. designated Iranian Weapons of Mass Destruction (WMD) Proliferator with 1,185 pressure transducers that could be used to make nuclear weapons-grade uranium.

Sihai Cheng, a/k/a Chun Hai Cheng, a/k/a Alex Cheng, 35, a citizen of the People's Republic of China (PRC), was sentenced by U.S. District Court Chief Judge Patti B. Saris to nine years in prison. In December 2015, Cheng pleaded guilty to two counts of conspiring to commit export violations and smuggle goods from the United States to Iran and four counts of illegally exporting U.S. manufactured pressure transducers to Iran.

“Cheng knowingly provided more than 1,000 pressure transducers to Iran which advanced its nuclear weapons capabilities,” said United States Attorney Carmen M. Ortiz. “At this critical time, the prosecution of individuals who violate our export laws – wherever they are located – is just as important, if not more, than ever before.”

“Massachusetts is a worldwide leader of innovative technology and research,” said Harold H. Shaw, Special Agent in Charge of the Federal Bureau of Investigation, Boston Field Division. “Mr. Cheng smuggled some of that technology used to process weapons-grade uranium into Iran. As this case illustrates, the FBI will do everything it can to keep U.S. weapons technology and other restricted materials from falling into the wrong hands and hurting our nation's security.”

“Today's lengthy sentence serves as a warning to others that stiff penalties are waiting for anyone attempting to steal/sell American technologies or trade them to foreign powers,” said Matthew Etre, Special Agent in Charge of HSI Boston. “HSI and our law enforcement partners take the national security interests of this nation very seriously and will aggressively pursue any criminal or organization engaged in these activities.”

“Today's sentence reaffirms OEE's commitment to identifying, disrupting and enforcing illegal procurement networks and preventing sensitive WMD materials and technology from being exported contrary to U.S. export law,” said Michael S. Imbrogna Acting Special Agent in Charge of the Department of Commerce, Office of Export Enforcement, Boston Field Office.

“Our special agents will continue to work hand in hand with our law enforcement partners and the U.S. Attorney's Office to protect Americans worldwide.”

In 2013, Cheng was charged in an indictment with conspiring to export, and exporting, highly sensitive U.S. manufactured goods with nuclear applications to Iran from at least 2009 to 2012. Cheng pleaded guilty to conspiring with other individuals in China and Iran to illegally obtain hundreds of U.S. manufactured pressure transducers manufactured by MKS Instruments, Inc., a company headquartered in Massachusetts, and export them to Iran. As established at the sentencing hearing, Cheng knew that the parts were being supplied to Kalaye Electric Co., a U.S. designated Iranian WMD Proliferator responsible for the Government of Iran’s nuclear centrifuge program and the development of weapons-grade uranium. Pressure transducers can be used in gas centrifuges to enrich uranium and produce weapons-grade uranium and are therefore subject to strict export controls. They cannot be shipped from the United States to China without an export license or shipped from the United States to Iran at all.

At today’s sentencing, the government argued that Cheng’s conduct gravely harmed and jeopardized the national security of the United States as well as other countries throughout the world. Cheng even invoked the threat of war between Iran and the United States as a means of increasing his profits. Cheng’s procurement network was responsible for supplying Iran thousands of components for its nuclear proliferation activities and advancing Iran’s nuclear capabilities. Cheng knew he was providing Iran critical components for use in the development of weapons-grade uranium and that the parts he was supplying were going Iran’s nuclear program. Indeed, in 2009, according to evidence at the sentencing hearing, when Cheng supplied his first four shipments of pressure transducers, Iran was secretly constructing the Fordow Fuel Enrichment Plant for the purpose of developing nuclear weapons. Further, based upon expert testimony, from 2009 to 2011, when Cheng supplied Iran 1,185 MKS pressure transducers, Iran was engaged in nuclear proliferation activities.

In imposing the nine year sentence, Judge Saris found that Cheng “knowingly provided material support to develop a nuclear weapon.”

MKS Instruments, Inc., is not a target of this investigation and has been cooperating in this matter.

U.S. Attorney Ortiz, FBI SAC Shaw, HSI SAC Etre, and Commerce Acting SAC Imbrogna, made the announcement today. Assistance was also provided by the U.S. Department of Energy. The case is being prosecuted by Assistant U.S. Attorney B. Stephanie Siegmann of Ortiz’s National Security Unit.

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