



## **DEPARTMENT OF COMMERCE**

### **Bureau of Industry and Security**

#### **15 CFR Part 744**

**[Docket No. 230126-0028]**

**RIN 0694-AJ08**

#### **Additions to the Entity List**

**AGENCY:** Bureau of Industry and Security, Department of Commerce.

**ACTION:** Final rule.

**SUMMARY:** In this rule, the Bureau of Industry and Security (BIS) amends the Export Administration Regulations (EAR) by adding seven entities to the Entity List. These seven entities, listed under the destination of Iran, have been determined by the U.S. Government to be acting contrary to the national security or foreign policy interests of the United States for contributing to Russia's military and defense industrial base. They are being added to the Entity List with application of the Russia/Belarus-Military End User Foreign Direct Product rule.

**DATES:** This rule is effective on January 31, 2023.

**FOR FURTHER INFORMATION CONTACT:** Chair, End-User Review Committee, Office of the Assistant Secretary for Export Administration, Bureau of Industry and Security, Department of Commerce, Phone: (202) 482-5991, Email: [ERC@bis.doc.gov](mailto:ERC@bis.doc.gov).

#### **SUPPLEMENTARY INFORMATION:**

##### **Background**

The Entity List (supplement no. 4 to part 744 of the EAR (15 CFR parts 730-774)) identifies entities for which there is reasonable cause to believe, based on specific and articulable facts, that the entities have been involved, are involved, or pose a significant risk of being or becoming involved in activities contrary to the national security or foreign policy interests of the United States, pursuant to § 744.11(b). The EAR impose additional license requirements on, and

limit the availability of, most license exceptions for exports, reexports, and transfers (in-country) when a listed entity is a party to the transaction. The license review policy for each listed entity is identified in the “License Review Policy” column on the Entity List, and the impact on the availability of license exceptions is described in the relevant *Federal Register* document that added the entity to the Entity List. The Bureau of Industry and Security (BIS) places entities on the Entity List pursuant to parts 744 (Control Policy: End-User and End-Use Based) and 746 (Embargoes and Other Special Controls) of the EAR.

The End-User Review Committee (ERC), composed of representatives of the Departments of Commerce (Chair), State, Defense, Energy and, where appropriate, the Treasury, makes all decisions regarding additions to, removals from, or other modifications to the Entity List. The ERC makes all decisions to add an entry to the Entity List by majority vote and makes all decisions to remove or modify an entry by unanimous vote.

## **Entity List Decisions**

### *A. Additions to the Entity List*

The ERC determined to add the following seven entities to the Entity List under the destination of Iran based on § 744.11 for activity contrary to U.S. national security and foreign policy interests under §§ 744.11 and 744.21 of the EAR: Design and Manufacturing of Aircraft Engines, Islamic Revolutionary Guard Corps Aerospace Force, Islamic Revolutionary Guard Corps Research and Self-Sufficiency Jihad Organization, Oje Parvaz Mado Nafar Company, Paravar Pars Company, Qods Aviation Industry, and Shahed Aviation Industries. These entities are designated by the Departments of State and/or the Treasury pursuant to Executive Order 13382 and other sanctions programs. They are also currently subject to restrictions set forth in part 744 of the EAR, such as those in §§ 744.8, 744.12, and 744.14. With this rule, 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), which are being transferred to Russia for use in Ukraine. This activity is contrary to U.S. national security and foreign policy

interests under § 744.11(b) and these entities qualify as ‘military end-users’ under § 744.21(g) of the EAR. These entities will receive a footnote 3 designation because the ERC has determined that they are Russian or Belarusian ‘military end users’ in accordance with § 744.21. A footnote 3 designation subjects these entities to the Russia/Belarus-Military End User Foreign Direct Product (FDP) rule, detailed in § 734.9(g) of the EAR. These seven entities are added to the Entity List with a license requirement for all items subject to the EAR. BIS will review license applications for items for these entities under a policy of denial apart from food and medicine designated as EAR99, which will be reviewed on a case-by-case basis. No license exceptions are available for exports, reexports, or transfers (in-country) to these entities.

For the reasons described above, this final rule adds the following seven entities to the Entity List and includes, where appropriate, aliases:

## **IRAN**

- Design and Manufacturing of Aircraft Engines (DAMA);
- Islamic Revolutionary Guard Corps Aerospace Force;
- Islamic Revolutionary Guard Corps Research and Self-Sufficiency Jihad Organization;
- Oje Parvaz Mado Nafar Company;
- Paravar Pars Company;
- Qods Aviation Industry; *and*
- Shahed Aviation Industries.

### *Savings Clause*

For the changes being made in this final rule, shipments of items removed from eligibility for a License Exception or export, reexport, or transfer (in-country) without a license (NLR) as a result of this regulatory action that were en route aboard a carrier to a port of export, reexport, or

transfer (in-country), on January 31, 2023, pursuant to actual orders for export, reexport, or transfer (in-country) to or within a foreign destination, may proceed to that destination under the previous eligibility for a License Exception or export, reexport, or transfer (in-country) without a license (NLR) before March 3, 2023. Any such items not actually exported, reexported or transferred (in-country) before midnight, on March 3, 2023, require a license in accordance with this final rule.

### **Export Control Reform Act of 2018**

On August 13, 2018, the President signed into law the John S. McCain National Defense Authorization Act for Fiscal Year 2019, which included the Export Control Reform Act of 2018 (ECRA) (50 U.S.C. 4801-4852). ECRA provides the legal basis for BIS's principal authorities and serves as the authority under which BIS issues this rule.

### **Rulemaking Requirements**

1. This rule has been determined to be not significant for purposes of Executive Order 12866.
2. Notwithstanding any other provision of law, no person is required to respond to or be subject to a penalty for failure to comply with a collection of information, subject to the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) (PRA), unless that collection of information displays a currently valid Office of Management and Budget (OMB) Control Number. This regulation involves collections previously approved by OMB under control number 0694-0088, Simplified Network Application Processing System, which includes, among other things, license applications and commodity classifications, and carries a burden estimate of 29.6 minutes for a manual or electronic submission for a total burden estimate of 33,133 hours. Total burden hours associated with the PRA and OMB control number 0694-0088 are not expected to increase as a result of this rule.

3. This rule does not contain policies with federalism implications as that term is defined in Executive Order 13132.
4. Pursuant to section 1762 of the Export Control Reform Act of 2018, this action is exempt from the Administrative Procedure Act (5 U.S.C. 553) requirements for notice of proposed rulemaking, opportunity for public participation, and delay in effective date.
5. Because a notice of proposed rulemaking and an opportunity for public comment are not required to be given for this rule by 5 U.S.C. 553, or by any other law, the analytical requirements of the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.*, are not applicable. Accordingly, no regulatory flexibility analysis is required, and none has been prepared.

#### **List of Subjects in 15 CFR Part 744**

Exports, Reporting and recordkeeping requirements, Terrorism.

Accordingly, part 744 of the Export Administration Regulations (15 CFR parts 730-774) is amended as follows:

#### **PART 744 – CONTROL POLICY: END-USER AND END-USE BASED**

1. The authority citation for 15 CFR part 744 continues to read as follows:

**Authority:** 50 U.S.C. 4801–4852; 50 U.S.C. 4601 *et seq.*; 50 U.S.C. 1701 *et seq.*; 22 U.S.C. 3201 *et seq.*; 42 U.S.C. 2139a; 22 U.S.C. 7201 *et seq.*; 22 U.S.C. 7210; E.O. 12058, 43 FR 20947, 3 CFR, 1978 Comp., p. 179; E.O. 12851, 58 FR 33181, 3 CFR, 1993 Comp., p. 608; E.O. 12938, 59 FR 59099, 3 CFR, 1994 Comp., p. 950; E.O. 13026, 61 FR 58767, 3 CFR, 1996 Comp., p. 228; E.O. 13099, 63 FR 45167, 3 CFR, 1998 Comp., p. 208; E.O. 13222, 66 FR 44025, 3 CFR, 2001 Comp., p. 783; E.O. 13224, 66 FR 49079, 3 CFR, 2001 Comp., p. 786; Notice of September 19, 2022, 87 FR 57569 (September 21, 2022); Notice of November 8, 2022, 87 FR 68015 (November 10, 2022).

2. Supplement No. 4 to part 744 is amended under IRAN by adding, in alphabetical order, entries for “Design and Manufacturing of Aircraft Engines,” “Islamic Revolutionary Guard Corps Aerospace Force,” “Islamic Revolutionary Guard Corps Research and Self-Sufficiency Jihad Organization,” “Oje Parvaz Mado Nafar Company,” “Paravar Pars Company,” “Qods Aviation Industry,” and “Shahed Aviation Industries” to read as follows:

#### Supplement No. 4 to Part 744 – Entity List

\* \* \* \* \*

COUNTRY	ENTITY	LICENSE REQUIREMENT	LICENSE REVIEW POLICY	FEDERAL REGISTER CITATION
*****				
IRAN	*****			
	Design and Manufacturing of Aircraft Engines (DAMA), a.k.a., the following four aliases: -DAMA; -Design and Manufacturing of Aero-Engine Company; -Iranian Turbine Manufacturing Industries; <i>and</i> -Turbine Engine Manufacturing Co.  Shishesh Mina Street, Karaj Special Road, Tehran, Iran.	For all items subject to the EAR. (See §§ 734.9(g), <sup>3</sup> 744.21(b) and 746.8(a)(3) of the EAR)	Policy of denial for all items subject to the EAR apart from food and medicine designated as EAR99, which will be reviewed on a case-by-case basis. See §§ 746.8(b) and 744.21(e)	88 FR [INSERT FR PAGE NUMBER AND DATE OF PUBLICATION IN THE FEDERAL REGISTER].
	*****			
	Islamic Revolutionary Guard Corps Aerospace Force, a.k.a., the following ten aliases: -IRGC-ASF; -Aerospace Division of IRGC; -Aerospace Force of the Army of the Guardians of the Islamic Revolution; -AFAGIR; -Air Force, IRGC; -IRGC Aerospace Force; -IRGC Air Force; IRGCAF; -IRGCASF; Islamic Revolution Guards Corps Air Force; -Islamic Revolutionary Guards Corps Air Force; <i>and</i> -Sepah Pasdaran Air Force.  Damavand Tehran Highway, Tehran Province, Iran.	For all items subject to the EAR. (See §§ 734.9(g), <sup>3</sup> 744.21(b) and 746.8(a)(3) of the EAR)	Policy of denial for all items subject to the EAR apart from food and medicine designated as EAR99, which will be reviewed on a case-by-case basis. See §§ 746.8(b) and 744.21(e)	88 FR [INSERT FR PAGE NUMBER AND DATE OF PUBLICATION IN THE FEDERAL REGISTER].

	<p>Islamic Revolutionary Guard Corps Research and Self-Sufficiency Jihad Organization, a.k.a., the following 13 aliases:</p> <ul style="list-style-type: none"> <li>-IRGC SSJO;</li> <li>-Islamic Revolutionary Guard Corps Self-Sufficiency Jihad Organization;</li> <li>-IRGC Research and Self Sufficiency Jihad Organization;</li> <li>-Self-Sufficiency Jihad Organization;</li> <li>-IRGC's Arms and Military Equipment Self-Sufficiency Program;</li> <li>-IRGC Jihad Self-Sufficiency Organization;</li> <li>-Jihad Self-Sufficiency Organization of Islamic Revolution Iranian Revolutionary Guards;</li> <li>-Self Sufficiency Jihad Organization;</li> <li>-IRGC's Self-Sufficiency and Industrial Research Center;</li> <li>-IRGC's Self-Sufficiency and Industrial Research Centre;</li> <li>-IRGC Missile Research Center;</li> <li>-IRGC Self-Sufficiency Organization;</li> <li><i>and</i></li> <li>-IRGC's Research and Self-Sufficiency Organization.</li> </ul> <p>Tehran and Isfahan, Iran.</p>	<p>For all items subject to the EAR. (See §§ 734.9(g),<sup>3</sup> 744.21(b) and 746.8(a)(3) of the EAR)</p>	<p>Policy of denial for all items subject to the EAR apart from food and medicine designated as EAR99, which will be reviewed on a case-by-case basis. See §§ 746.8(b) and 744.21(e)</p>	<p>88 FR [INSERT FR PAGE NUMBER AND DATE OF PUBLICATION IN THE FEDERAL REGISTER].</p>
*****				
	<p>Oje Parvaz Mado Nafar Company, a.k.a., the following three aliases:</p> <ul style="list-style-type: none"> <li>-Mado;</li> <li>-Owj Parvaz Mado Nafar Company LLC; <i>and</i></li> <li>-Mado Company.</li> </ul> <p>No. 1106, 11 Hemmat Corner, Hemmat Square, Hemmat Boulevard, Shokuhieh Industrial Town, Qom, Qom Province, 3718116354, Iran.</p>	<p>For all items subject to the EAR. (See §§ 734.9(g),<sup>3</sup> 744.21(b) and 746.8(a)(3) of the EAR)</p>	<p>Policy of denial for all items subject to the EAR apart from food and medicine designated as EAR99, which will be reviewed on a case-by-case basis. See §§ 746.8(b) and 744.21(e)</p>	<p>88 FR [INSERT FR PAGE NUMBER AND DATE OF PUBLICATION IN THE FEDERAL REGISTER].</p>
*****				
	<p>Paravar Pars Company, a.k.a., the following six aliases:</p> <ul style="list-style-type: none"> <li>-Paravar Pars Aerospace Research and Engineering Services;</li> <li>-Paravar Pars Aerospace Research Institute;</li> <li>-Paravar Pars Engineering and Services Aerospace Research Company;</li> <li>-Paravar Pars;</li> <li>-ParavarPars; <i>and</i></li> </ul>	<p>For all items subject to the EAR. (See §§ 734.9(g),<sup>3</sup> 744.21(b) and 746.8(a)(3) of the EAR)</p>	<p>Policy of denial for all items subject to the EAR apart from food and medicine designated as EAR99, which will be reviewed on a case-</p>	<p>88 FR [INSERT FR PAGE NUMBER AND DATE OF PUBLICATION IN THE FEDERAL REGISTER].</p>

	<p>-Pravarpars Engineering Research and Design Company.</p> <p>13 km of Shahid Babaei Highway, after Imam Hossein University, next to Telo Road, Tehran, Iran.</p>		by-case basis. See §§ 746.8(b) and 744.21(e)	
	*****			
	<p>Qods Aviation Industry, a.k.a., the following eight aliases:</p> <p>-Qods Aviation Industries;  Qoods Aviation Industries;  -Qhods Aviation Industries;  -Qods Aviation Industry;  -Qods Air Industries;  -Ghods Aviation Industries;  -Qods Research Center; <i>and</i>  -Qods Aeronautics Industries.</p> <p>Unit (or Suite) 207, Saleh Blvd, Tehran, Iran; <i>and</i> Unit 207, Tarajit Maydane Taymori (or Teimori) Square, Basiri Building, Tarasht, Tehran, Iran; <i>and</i> P.O. Box 15875-1834, Km 5 Karaj Special Road, Tehran, Iran.</p>	For all items subject to the EAR. (See §§ 734.9(g), <sup>3</sup> 744.21(b) and 746.8(a)(3) of the EAR)	Policy of denial for all items subject to the EAR apart from food and medicine designated as EAR99, which will be reviewed on a case-by-case basis. See §§ 746.8(b) and 744.21(e)	88 FR [INSERT FR PAGE NUMBER AND DATE OF PUBLICATION IN THE FEDERAL REGISTER].
	*****			
	<p>Shahed Aviation Industries, a.k.a., the following five aliases:</p> <p>-Shahed Aviation Industries Research Center;  -Shahed Aviation;  -Shahed Aviation Industries Research;  -Shahed Aviation Industries Research Centre; <i>and</i>  -SAIRC.</p> <p>Shahid Lavi Street, Sajad Street, Isfahan, Iran.</p>	For all items subject to the EAR. (See §§ 734.9(g), <sup>3</sup> 744.21(b) and 746.8(a)(3) of the EAR)	Policy of denial for all items subject to the EAR apart from food and medicine designated as EAR99, which will be reviewed on a case-by-case basis. See §§ 746.8(b) and 744.21(e)	88 FR [INSERT FR PAGE NUMBER AND DATE OF PUBLICATION IN THE FEDERAL REGISTER].
*****				

\* \* \* \* \*

<sup>3</sup> For this entity, “items subject to the EAR” includes foreign-produced items that are subject to the EAR under § 734.9(g) of the EAR. See §§ 746.8 and 744.21 of the EAR for related license requirements, license review policy, and restrictions on license exceptions.

\* \* \* \* \*



**Thea D. Rozman Kendler,**

*Assistant Secretary for Export Administration.*

[FR Doc. 2023-02130 Filed: 1/31/2023 8:45 am; Publication Date: 2/1/2023]