



22 CFR Part 126

[Public Notice: 12801]

RIN 1400-AG10

Amendment to the International Traffic in Arms Regulations: Prohibited Exports, Imports, and Sales to or from Certain Countries - Cyprus

AGENCY: Department of State.

ACTION: Final rule.

SUMMARY: The Department of State is amending the International Traffic in Arms Regulations to reflect current defense trade policy toward Cyprus.

DATES: This rule is effective on October 1, 2025.

FOR FURTHER INFORMATION CONTACT: Mr. Damon Smith, Foreign Affairs Officer, Office of Defense Trade Controls Policy, U.S. Department of State, telephone (202) 596-3616; e-mail DDTCCustomerService@state.gov. ATTN: Regulatory Change, ITAR Section 126.1 Cyprus Country Policy Update.

SUPPLEMENTARY INFORMATION: The Department of State (the Department) amends section 126.1 of the International Traffic in Arms Regulations (ITAR) (22 CFR parts 120 through 130) to specify that the Republic of Cyprus' status as a proscribed destination is suspended from October 1, 2025, through September 30, 2026. This action continues the Department's current policy, which originally lifted the arms embargo to the Republic of Cyprus, under section 126.1 of the ITAR, on October 1, 2022.

Specifically, section 1250A(d) of the National Defense Authorization Act for Fiscal Year 2020 (P.L. 116-92) (2020 NDAA) and section 205(d) of the Eastern Mediterranean Security and Energy Partnership Act of 2019 (P.L. 116-94, Div. J.) (EMSEPA) provide that the policy of denial for exports, reexports, and transfers of defense articles on the United States Munitions List to the Republic of Cyprus shall remain in place unless the President determines and certifies to

the appropriate congressional committees not less than annually that: (A) the Government of the Republic of Cyprus is continuing to cooperate with the United States Government in efforts to implement reforms on anti-money laundering regulations and financial regulatory oversight; and (B) the Government of the Republic of Cyprus has made and is continuing to take the steps necessary to deny Russian military vessels access to ports for refueling and servicing.

On April 14, 2020, the President delegated to the Secretary of State the functions and authorities vested by the 2020 NDAA and the EMSEPA (85 FR 35797, June 12, 2020). On July 7, 2025, utilizing these authorities, the Secretary of State certified to the appropriate congressional committees that the Republic of Cyprus meets the statutory requirements to remove the policy of denial for exports, reexports, and transfers of defense articles to the Republic of Cyprus for fiscal year 2026. The Secretary of State further approved the suspension of the policy of denial for exports, reexports, and transfers of defense articles and defense services to the Republic of Cyprus for fiscal year 2026. In conjunction with this action, the Secretary of State also suspended the policy of denial for retransfers and temporary imports destined for or originating in the Republic of Cyprus and brokering activities involving the Republic of Cyprus for fiscal year 2026.

As a result of this certification, certain exemptions to licensing requirements continue to be available for exports, reexports, retransfers, and temporary imports destined for or originating in the Republic of Cyprus and brokering activities involving the Republic of Cyprus, provided the conditions for use of those exemptions are met. Applications for licenses and other authorizations submitted to the Directorate of Defense Trade Controls involving the Republic of Cyprus and nationals of the Republic of Cyprus are subject to case-by-case review.

Regulatory Analysis and Notices

Administrative Procedure Act

This rulemaking involves a military or foreign affairs function of the United States under 5 U.S.C. 553(a). As the provisions of section 553 do not apply to this rulemaking, the Department is publishing this rule with a specified effective date and without a request for public comment.

Regulatory Flexibility Act

Since this rule is exempt from the notice-and-comment rulemaking provisions of 5 U.S.C. 553, it does not require analysis under the Regulatory Flexibility Act.

Unfunded Mandates Reform Act of 1995

This rulemaking does not involve a mandate that will result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of \$100 million or more in any year and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

Congressional Review Act

It is the view of the Office of Information and Regulatory Affairs that this rulemaking is not a major rule under the criteria of 5 U.S.C. 804. This rule will not increase costs or prices and should have no adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises in domestic and export markets. The Department does not expect this rule to have an annual effect on the economy of \$100 million or more.

Executive Orders 12372 and 13132

This rulemaking will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 13132, it is determined that this amendment does not have sufficient federalism implications to require consultations or warrant the preparation of a federalism summary impact

statement. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities do not apply to this rulemaking.

Executive Orders 12866 and 13563

Executive Orders 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributed impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. Because the scope of this rule implements a governmental policy expanding defense trade with a country, and does not impose additional regulatory requirements or obligations, the Department believes costs associated with this rule will be minimal. This rule has been designated as a significant regulatory action by the Office of Information and Regulatory Affairs under Executive Order 12866, as amended.

Executive Order 14192

This rule is exempt from the requirements of Executive Order 14192 because it relates to a foreign affairs function of the United States.

Executive Order 12988

The Department of State has reviewed this rulemaking in light of Executive Order 12988 to eliminate ambiguity, minimize litigation, establish clear legal standards, and reduce burden.

Executive Order 13175

The Department of State has determined that this rulemaking will not have tribal implications, will not impose substantial direct compliance costs on Indian tribal governments, and will not preempt tribal law. Accordingly, the requirements of Executive Order 13175 do not apply to this rulemaking.

Paperwork Reduction Act

This rulemaking does not impose or revise any information collections subject to 44 U.S.C. Chapter 35.

List of Subjects in 22 CFR Part 126

Arms and munitions, Exports

Accordingly, for the reasons set forth above, Title 22, Chapter I, Subchapter M, part 126 is amended as follows:

PART 126—GENERAL POLICIES AND PROVISIONS

1. The authority citation for part 126 continues to read as follows:

Authority: 22 U.S.C. 287c, 2651a, 2752, 2753, 2776, 2778, 2779, 2779a, 2780, 2791, 2797, 10423; Sec. 1225, Pub. L. 108-375, 118 Stat. 2091; Sec. 7045, Pub. L. 112-74, 125 Stat. 1232; Sec. 1250A, Pub. L. 116-92, 133 Stat. 1665; Sec. 205, Pub. L. 116-94, 133 Stat. 3052; E.O. 13637, 78 FR 16129, 3 CFR, 2013 Comp., p. 223.

2. Amend § 126.1 by revising paragraph (r)(2) to read as follows:

§ 126.1 Prohibited exports, imports, and sales to or from certain countries.

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(r) ***

(2) From October 1, 2025, through September 30, 2026, the policy of denial and the status of Cyprus as a proscribed destination is suspended.

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Brent T. Christensen,

Senior Official,

performing the functions of the Under Secretary,

Arms Control and International Security,

Department of State.

BILLING CODE: 4710-25

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