Treasury Sanctions Transnational Procurement Network Supporting Iran's One-Way Attack UAV Program

September 27, 2023

WASHINGTON — Today, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) sanctioned five entities and two individuals based in Iran, the People's Republic of China (PRC), Hong Kong, Türkiye, and the United Arab Emirates (UAE) involved in the procurement of sensitive parts for Iran's one-way attack unmanned aerial vehicle (UAV) program. This network has facilitated shipments and financial transactions in support of the Islamic Revolutionary Guard Corps Aerospace Force Self Sufficiency Jihad Organization's (IRGC ASF SSJO) procurement of servomotors, a critical component used in Iran's Shahed-series UAVs. Iran has been supplying Russia with Shahed-136 UAVs to support Russia's illegal invasion of Ukraine. One of the servomotors procured by the network designated today was recovered in the remnants of a Russia-operated Shahed-136 that was recently shot down in Ukraine.

"Iranian-made UAVs continue to be a key tool for Russia in its attacks in Ukraine, including those that terrorize Ukrainian citizens and attack its critical infrastructure," said Under Secretary of the Treasury for Terrorism and Financial Intelligence Brian E. Nelson. "The United States, in coordination with our allies and partners, will persist in holding accountable those who contribute to Iran's proliferation of its UAVs to Russia, its proxies in the Middle East, and other destabilizing actors."

Since September 2022, OFAC has issued nine rounds of designations targeting Iran's UAV program. Today's action, which is taken pursuant to Executive Order (E.O.) 13382, builds on OFAC's November 15, 2022 designation of Iran's Shahed Aviation Industries Research Center (SAIRC), a firm subordinate to the IRGC ASF that designs and manufactures the Shahed-136 one-way attack UAV that Iran has supplied to Russia. OFAC designated the IRGC ASF pursuant to E.O. 13382 on June 16, 2010, and the U.S. Department of State designated the IRGC ASF SSJO pursuant to E.O. 13382 on July 18, 2017.

IRAN'S PISHGAM ELECTRONIC SAFEH COMPANY

Iran-based **Pishgam Electronic Safeh Company** (**PESC**) has procured thousands of servomotors with one-way attack UAV applications, worth hundreds of thousands of dollars, for Iran's IRGC ASF SSJO. Iran-based **Hamid Reza Janghorbani** (**Janghorbani**) serves as the Chief Executive Officer of PESC.

PESC is being designated pursuant to E.O. 13382 for having provided, or attempted to provide, financial, material, technological, or other support for, or goods or services in support of, the IRGC ASF SSJO. Janghorbani is being designated pursuant to E.O. 13382 for acting or purporting to act for or on behalf of, directly or indirectly, PESC.

EAST ASIA-BASED PROCUREMENT NODES

Hong Kong-based **Hongkong Himark Electron Model Limited** (**Hongkong Himark**) has fulfilled several servomotor orders worth more than $1 million for PESC in Iran, with PRC-based Hongkong Himark official **Fan Yang** (**Fan**) representing Hongkong Himark in these sales. Fan sold several thousand servomotors to PESC in Iran and undertook measures, such as falsifying invoices, to obfuscate the Iranian end-user of the shipments. Fan and Hongkong Himark have also supplied servomotors worth more than a hundred thousand dollars to the Houthis in Yemen.

Hongkong Himark is being designated pursuant to E.O. 13382 for having provided, or attempted to provide, financial, material, technological, or other support for, or goods or services in support of, PESC. Fan is being designated pursuant to E.O. 13382 for acting or purporting to act for or on behalf of, directly or indirectly, Hongkong Himark.

TÜRKIYE- AND UAE-BASED FINANCIAL AND LOGISTICAL FACILITATORS

Türkiye-based firms **Dal Enerji Madencilik Turizm Sanayi Ve Ticaret Anonim Sirketi** (**Dal Enerji**) and **Anka Port Ic Ve Dis Ticaret INSAAT Lojistik Sanayi Limited Sirketi** (**Anka Port**) have facilitated financial transactions totaling hundreds of thousands of dollars in support of PESC's servomotor procurement from Hongkong Himark, affording PESC access to the U.S. and international financial systems. UAE-based **Farhad Ghaedi Goods Wholesalers LLC** (**Farhad Ghaedi**) has facilitated the shipment of thousands of servomotors through Dubai for onward delivery to PESC in Iran.

Dal Enerji has also facilitated hundreds of thousands of dollars in payments for illicit Iranian petrochemical sales in support of the Iran Chemical Industries Investment Company (ICIIC),

which was designated pursuant to E.O. 13846 on September 29, 2022, for, on or after November 15, 2018, having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, Triliance Petrochemical Co. Ltd.

Dal Enerji, Anka Port, and Farhad Ghaedi are being designated pursuant to E.O. 13382 for having provided, or attempted to provide, financial, material, technological, or other support for, or goods or services in support of, PESC.

SANCTIONS IMPLICATIONS

As a result of today's action, all property and interests in property of the individuals and entities named above, and of any entities that are owned, directly or indirectly, 50 percent or more by them, individually, or with other blocked persons, that are in the United States or in the possession or control of U.S. persons must be blocked and reported to OFAC. All transactions by U.S. persons or within the United States (including transactions transiting the United States) that involve any property or interests in property of blocked or designated persons are prohibited.

In addition, persons that engage in certain transactions with the individuals or entities designated today may themselves be exposed to sanctions. Furthermore, any foreign financial institution that knowingly facilitates a significant transaction or provides significant financial services for any of the individuals or entities designated today pursuant to E.O. 13382 could be subject to U.S. sanctions.

The power and integrity of OFAC sanctions derive not only from OFAC's ability to designate and add persons to the SDN List but also from its willingness to remove persons from the SDN List consistent with the law. The ultimate goal of sanctions is not to punish but to bring about a positive change in behavior. For information concerning the process for seeking removal from an OFAC list, including the SDN List, please refer to OFAC's FAQ 897.

For identifying information on the individuals and entities designated today, click here.

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