



Fact Sheet
Bureau of International Security and Nonproliferation
Washington, DC
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Recent U.S. Actions to Halt Iran's Procurement Practices for Attempted Acquisition of WMD-Related Items

On September 25, 2008, the United States Department of Commerce issued guidance to the U.S. exporting community designed to encourage exporters' vigilance on Iran's efforts to procure items for use in Iran's nuclear and missile programs. This action is part of the United States' broader strategy to ensure that no U.S.-origin items contribute in any way to Iran's nuclear weapons and ballistic missile programs. We believe that Iran's use of companies in third countries to procure goods is a deceptive practice that the entire international community should confront with extreme vigilance.

- The Department of Commerce issued this guidance to alert U.S. companies that Iranian entities form front companies in third countries for the sole purpose of procuring dual-use items, including U.S. origin items, which may appear to be for commercial activities elsewhere.
- This guidance warns that these front companies are often in third countries where U.S. companies have strong trading relationships. Iran's use of companies in third countries to procure U.S. origin goods highlights Iran's deceptive practices in the international commercial system.
- This guidance reminds exporters to take note of any abnormal circumstances in a transaction that indicate that the export may be destined for an inappropriate end-use, end-user, or destination and summarizes the steps that exporters can take in order to prevent unauthorized transfers to Iran.
- For additional information on the Commerce Department's actions, please visit www.bis.doc.gov.

These actions are a continuation of the U.S. Government's coordinated strategy to halt Iran's involvement in the proliferation of weapons of mass destruction and their means of delivery. Recent actions that are part of this strategy include:

- In March 2008, the U.S. Treasury Department's Financial Crimes Enforcement Network (FinCEN) issued guidance to all U.S. financial institutions on the risk arising from deficiencies in Iran's anti-money laundering and counter financing of terrorism (AML/CFT) regime, and noted these deficiencies are exacerbated by the Government of Iran's continued attempts to conduct prohibited proliferation related activity and terrorist financing. For additional information on the Treasury Department's actions, please visit http://www.fincen.gov/statutes_regs/guidance/pdf/fin-2008-a002.pdf
- On September 17, 2008, the Department of Justice returned a Superseding Indictment charging eight individuals and eight corporations in connection with their participation in conspiracies to export U.S.-manufactured commodities to prohibited entities and to Iran. These actions underscore that even the most stringent export control and sanctions program can be undermined by Iran's concerted efforts. For more information on the Justice Department's actions, please visit <http://www.bis.doc.gov/news/2008/doj09172008.htm>

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