

PRESS RELEASES

Treasury Targets Procurement Network Across Middle East and East Asia Supporting Iran's UAV Program

December 19, 2023

U.S. Departments of Justice, Homeland Security, and the Treasury take joint action to disrupt international procurement network aiding IRGC UAV production

WASHINGTON — Today, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) is imposing sanctions on 10 entities and four individuals based in Iran, Malaysia, Hong Kong, and Indonesia supporting Iran's unmanned aerial vehicle (UAV) production. This network, led by Iran-based Hossein Hatefi Ardakani, has facilitated the procurement of U.S.- and foreign-origin components worth hundreds of thousands of dollars for the Islamic Revolutionary Guard Corps Aerospace Force Self Sufficiency Jihad Organization (IRGC ASF SSJO) and its UAV program.

"Iran's illicit production and proliferation of its deadly UAVs to its terrorist proxies in the Middle East and to Russia continues to exacerbate tensions and prolong conflicts, undermining stability," said Under Secretary of the Treasury for Terrorism and Financial Intelligence Brian E. Nelson. "The United States, in close coordination with our allies and partners, will continue to use the full range of our tools and authorities to disrupt these illicit procurement networks, as well as hold accountable the individuals and entities who seek to support them."

Concurrent with OFAC's action and following a multi-year investigation by Homeland Security Investigations (HSI), the Department of Justice announced the unsealing of an indictment charging Hossein Hatefi Ardakani and Gary Lam with crimes related to an illicit procurement network and scheme to unlawfully export U.S.-origin, dual-use, and sensitive technology to Iran. HSI's global investigation identified a network of Iranian intermediary companies, front companies, and logistics businesses used to procure and facilitate the transfer of sensitive U.S.- and foreign-origin technology to

Iran for its weapons programs. On [October 18, 2023](#), OFAC designated Gary Lam, whose primary name is Lin Jinghe, for his support to an Iran-based procurement agent working on behalf of the IRGC-owned Saber Kish Company.

Today's action was taken pursuant to Executive Order (E.O.) 13382, which targets proliferators of weapons of mass destruction and their means of delivery. OFAC has issued two previous rounds of designations targeting the IRGC ASF's production of Shahed-series one-way attack UAVs, which self-destructively detonate upon impacting their target with built-in warheads. On [November 15, 2022](#), OFAC designated 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 for use against Ukraine.

On [September 27, 2023](#), OFAC targeted five entities and two individuals based in Iran, the People's Republic of China, Hong Kong, Türkiye, and the United Arab Emirates that had procured servomotors -- one of which was recovered in the remnants of a Shahed-136 found in Ukraine -- for the IRGC ASF SSJO. The IRGC ASF was designated pursuant to E.O. 13382 on June 16, 2010, and the IRGC ASF SSJO was designated pursuant to E.O. 13382 on July 18, 2017.

IRAN'S HOSSEIN HATEFI ARDAKANI

Iran-based **Hossein Hatefi Ardakani (Ardakani)** oversees a transnational procurement network that spans the Middle East and East Asia and has procured hundreds of thousands of dollars' worth of servomotors, inertial navigation equipment, and other items with UAV applications for the IRGC ASF SSJO. Ardakani directly contracts with the IRGC ASF SSJO using his Iran-based firms and coordinates foreign defense procurements through front companies in Malaysia, Hong Kong, and other jurisdictions.

Ardakani 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.

ARDAKANI'S IRAN-BASED FIRMS AND ASSOCIATES

Ardakani serves as the chairman of the board of directors for Iran-based **Kavan Electronics Behrad Limited Liability Company (Kavan Electronics)**. Under Ardakani's leadership, Kavan Electronics has acquired and sold servomotors and other UAV-applicable items worth hundreds of thousands of dollars to the IRGC ASF

SSJO. Iran-based **Mehdi Dehghani Mohammadabadi (Mohammadabadi)** serves as Kavan Electronics' CEO.

Iran-based procurement agent **Gholamreza Ebrahimzadeh**

Ardakani (Ebrahimzadeh) has procured antennas, U.S.-origin gas thrusters, modular measurement systems, and other UAV-applicable items for Ardakani and his network. Ardakani also manages Iran-based **Teyf Tadbir Arya Engineering Company (Teyf Tadbir)** and owns and manages Iran-based **Basamad Electronic Pouya Engineering Limited Liability Company (Basamad Electronic)**.

Kavan Electronics is being designated pursuant to E.O. 13382 for being owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, Ardakani, and 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. Mohammadabadi is being designated pursuant to E.O. 13382 for acting or purporting to act for or on behalf of, directly or indirectly, Kavan Electronics. Ebrahimzadeh 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, Ardakani. Teyf Tadbir and Basamad Electronic are being designated pursuant to E.O. 13382 for being owned or controlled by Ardakani.

IRGC ASF SSJO COMMERCIAL FRONT

Iran-based **Saman Industrial Group (SIG)** serves as a commercial front company for the IRGC ASF SSJO. SIG has directly contracted with Ardakani's Kavan Electronics to acquire servomotors on behalf of the IRGC ASF SSJO.

SIG is being designated pursuant to E.O. 13382 for being owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, the IRGC ASF SSJO.

MALAYSIA- AND HONG KONG-BASED FRONT COMPANIES

Ardakani and Ebrahimzadeh have used Malaysia-based **Skyline Advanced Technologies SDN BHD (Skyline)** to procure and overhaul UAV-applicable servomotors, U.S.-origin spectrum analyzers, and other equipment. Ardakani and Ebrahimzadeh have also used Hong Kong-based **Dirac Technology HK Limited (Dirac)** to procure UAV-applicable antennas. Malaysia- and Hong Kong-based **Integrated Scientific Microwave Technology SDN BHD (ISM Tech)** has been used by Ardakani to procure inertial measurement units.

Malaysia- and Hong Kong-based **Arta Wave SDN BHD (Arta Wave)** has procured thousands of UAV servomotors and attempted to facilitate Ardakani's acquisition of more than 1,000 servomotors on behalf of the IRGC ASF SSJO. Malaysia-based **Nava Hobbies SDN BHD (Nava Hobbies)** has facilitated or attempted to facilitate the procurement of electrical motors, electrical fuel pumps, and servomotors for Ardakani's network.

Skyline, Dirac, ISM Tech, Arta Wave, and Nava Hobbies 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, Ardakani.

INDONESIA-BASED SERVOMOTORS PROCUREMENT

Indonesia-based firm **Surabaya Hobby CV (Surabaya Hobby)** has facilitated shipments of at least 100 servomotors destined for Iran's Pishgam Electronic Safeh Company (PESC), which was previously designated for its procurement of servomotors for the IRGC ASF SSJO. Indonesia-based Surabaya Hobby owner and representative **Agung Surya Dewanto (Dewanto)** coordinated with PESC on these shipments.

PESC was designated pursuant to E.O. 13382 on September 27, 2023, 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.

Surabaya Hobby 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. Dewanto is being designated pursuant to E.O. 13382 for acting or purporting to act for or on behalf of, directly or indirectly, Surabaya Hobby.

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 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.](#)