Aerospace Exports to Russia Through a UAE Company: U.S. Export Controls in Practice

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On 14 September 2026, a Russian national pleaded guilty to conspiring to violate the Export Control Reform Act ("ECRA") through the unlawful supply of U.S.-origin aviation and aerospace components to Russia. According to the U.S. Department of Justice, the scheme involved ITC Middle East FZ-LLC, a company he co-founded in the UAE in March 2022 ("ITC"). Nearly USD 2 million in primarily export-controlled aerospace goods were supplied to ITC and ultimately reexported to Russia without the required authorization.

ITC's location gives the case particular relevance to regional aerospace firms. ITC is a Ras Al Khaimah entity, with a registered address at RAKEZ Amenity Center in the UAE. That corporate presence illustrates a legal issue for international distribution: receiving American goods through a company established outside the U.S. does not necessarily remove those goods from U.S. export control.

Under 15 C.F.R. § 734.3(a)(2), U.S.-origin items generally remain subject to the Export Administration Regulations ("EAR") wherever located in the world, subject to specified exclusions. Consequently, an onward shipment by a UAE company can require U.S. authorization even where the transaction occurs entirely outside the U.S. A company's place of incorporation and the regulatory status of its inventory are separate questions. Free-zone establishment does not itself create an exemption from these controls.

As in this case, Russia-specific restrictions can further complicate transactions. Section 746.8 of the EAR imposes, *inter alia*, licensing requirements on exports, reexports and transfers to or within Russia of items specified on the Commerce Control List, which is maintained by the Bureau of Industry and Security ("BIS"). Applicable exceptions and exclusions require separate examination. For aerospace suppliers, the relevant assessment therefore includes product classification, ultimate destination, end user and intended use. Thus, an intermediate delivery to the UAE cannot resolve whether a subsequent Russian delivery is permissible. Criminal consequences arise under 50 U.S.C. § 4819 which prohibits violations, attempts, conspiracies and conduct causing violations.

Importantly, the criminal provisions of the ECRA address willful conduct and there are distinct forms of exposure; a compliance failure should not automatically be equated with the willful conspiracy admitted in this case. The geographical connection is another layer that should be discussed precisely. The case in question is an individual's guilty plea involving a particular company. It does not establish wrongdoing by UAE authorities or the wider UAE aerospace sector. Equally, it does not identify every supplier as a knowing participant. No charges against ITC as an entity have been announced thus far.

For the aerospace industry, the practical implication is that compliance must extend beyond the immediate purchaser. Manufacturers, distributors and maintenance providers should establish who will ultimately receive controlled components, verify the commercial explanation for intermediaries and investigate any inconsistent shipping instructions. As per BIS guidance, when transactional circumstances raise red flags, exporters have a duty to conduct an inquiry. Commercially, this incident demonstrates the need for detailed end-use documentation, contractual controls on onward transfers and procedures for suspending deliveries when material questions remain unresolved. For aerospace firms in the UAE and elsewhere, demonstrable control over distribution can help preserve access to U.S. suppliers and reduce disruption to legitimate trade.

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