

## U.S. Relaxes Defense Trade Controls on Syria

Effective October 1, 2026, the U.S. Department of State amended the International Traffic in Arms Regulations (ITAR) to remove Syria from the list of countries subject to a comprehensive policy of denial under 22 C.F.R. § 126.1(d)(1).<sup>1</sup> The State Department will now review applications for licenses and other approvals to export defense articles and defense services to Syria, or to import them from Syria, on a case-by-case basis rather than under a presumption of denial.

### Background

The United States designated Syria a State Sponsor of Terrorism on December 29, 1979.<sup>2</sup> That designation supplied a statutory basis for restricting defense trade, since designation carries a ban on arms-related exports and sales and stringent controls on exports and reexports of dual-use items.<sup>3</sup>

On August 24, 2026, the State Department rescinded Syria's designation as a State Sponsor of Terrorism.<sup>4</sup> That rescission, together with the waiver or removal of separate restrictions under the Syria Accountability and Lebanese Sovereignty Restoration Act, the Chemical and Biological Weapons Control and Warfare Elimination Act, and the Child Soldiers Prevention Act, satisfied the statutory prerequisites for changing Syria's ITAR status.<sup>5</sup>

### Final Rule Removing Syria from ITAR § 126.1(d)(1)

On September 30, 2026, the State Department filed for public inspection a final rule removing Syria from ITAR § 126.1(d)(1), the list of countries for which U.S. policy is to

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<sup>1</sup> International Traffic in Arms Regulations: Syria Country Policy Revision, 91 Fed. Reg. 62,313 (Oct. 1, 2026) (to be codified at 22 C.F.R. § 126.1), <https://www.govinfo.gov/content/pkg/FR-2026-10-01/pdf/2026-20082.pdf>.

<sup>2</sup> See Rescission of the State Sponsor of Terrorism Determination Regarding Syria, 91 Fed. Reg. 55,965 (Aug. 31, 2026) (rescinding “the Determination of December 29, 1979, regarding Syria”).

<sup>3</sup> *State Sponsors of Terrorism*, U.S. DEP'T OF STATE, <https://www.state.gov/state-sponsors-of-terrorism> (last visited Sept. 12, 2026).

<sup>4</sup> Rescission of the State Sponsor of Terrorism Determination Regarding Syria, 91 Fed. Reg. 55,965 (Aug. 31, 2026).

<sup>5</sup> International Traffic in Arms Regulations: Syria Country Policy Revision, Fed. Reg. Doc. No. 2026-20082 (scheduled for publication Oct. 1, 2026) (to be codified at 22 C.F.R. pt. 126), <https://public-inspection.federalregister.gov/2026-20082.pdf>.

deny licenses and other approvals for exports and imports of defense articles and defense services; the rule was published and took effect the next day, on October 1, 2026.<sup>6</sup>

Before its removal, Syria appeared on the § 126.1(d)(1) list alongside Belarus, Burma, China, Cuba, Iran, North Korea, and Venezuela. The DDTC now reviews license requests involving Syria for exports and temporary imports of defense articles and defense services case by case rather than denying them as a matter of policy.

### Easing of U.S. Export Controls on Syria in Context

This relaxation of defense trade controls follows the September 2025 relaxation of export controls of items designated EAR99, which are generally low-technology consumer goods such as clothing, shoes, toys, furniture, stationery, kitchenware, and toiletries. Since September 2, 2025, items designated EAR99 may be exported or reexported to Syria under License Exception Syria Peace and Prosperity (SPP), provided that the transaction does not require a license under an end-user or end-use control.<sup>7</sup> Items on the Commerce Control List (CCL) still require a license unless another listed license exception applies, but the Bureau of Industry and Security (BIS) now reviews applications under a “presumption of approval” for commercial end uses that support Syria’s economic and business development.<sup>8</sup>

As of this Client Alert, Syria remains in EAR Country Group E:1<sup>9</sup> and continues to be subject to Syria-specific anti-terrorism export controls. The SST rescission is expected to pave the way for BIS to remove Syria from Country Group E:1 and to revise or eliminate the remaining anti-terrorism controls, including raising the de minimis threshold for U.S. content from 10% to 25%.<sup>10</sup>

### Prior Sanctions Relief

These developments follow a series of U.S. measures to normalize relations with Syria, each of which Curtis has reported: [Treasury’s initial sanctions relief after the fall of the Assad regime](#); the [issuance of licenses and waivers](#) alongside the United Kingdom and the

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<sup>6</sup> *Id.*; see also Fed. Reg. Doc. No. 2026-20082 (filed for public inspection Sept. 30, 2026), <https://public-inspection.federalregister.gov/2026-20082.pdf>.

<sup>7</sup> 15 C.F.R. § 740.5 (2026); see also *id.* § 744.8 (end-user restrictions for persons on OFAC’s SDN List).

<sup>8</sup> *Id.* § 746.9(a)–(c)(1).

<sup>9</sup> The list of “terrorist supporting countries,” set out in Supplement No. 1 to 15 C.F.R. Part 740.

<sup>10</sup> See 15 C.F.R. § 734.4(c)–(d) (2026) (de minimis thresholds); *id.* pt. 740, supp. 1 (Country Group E:1).

European Union; the [expansion of sanctions relief and suspension of the Caesar Act](#); and [Congress's repeal of the Caesar Act](#).

#### About Curtis

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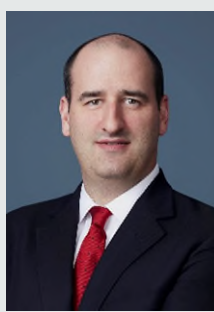
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