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PROCUREMENT SERVICE CENTER

FAR 52.240-1 Compliance Guide

Prohibition on Certain Drones (UAS) in Federally Funded Projects

1. What This Rule Means

FAR 52.240-1 ("Prohibition on Certain Unmanned Aircraft Systems") restricts the procurement, lease, operation, or use of UAS (commonly referred to as drones) and their associated elements when such systems are manufactured or assembled by American Security Drone Act–covered foreign entities.

This prohibition applies when using federal funds or performing work under a federal contract or subcontract. The restriction covers not only the UAS itself, but also associated components such as control systems, communication links, and payload elements.

2. Key Dates

Date	Requirement
Nov 12, 2024	Effective date of the interim FAR rule. Federal funds may not be used to buy or lease drones from restricted manufacturers.
Dec 22, 2025	Prohibited UAS may no longer be operated or used in the performance of federally funded projects or contracts, even if previously purchased.

3. Restricted Manufacturers

Prohibited UAS are those manufactured or assembled by entities identified as "covered foreign entities" by the Federal Acquisition Security Council (FASC). The authoritative list is published in SAM.gov and may change over time.

Examples frequently cited in federal guidance (non-exhaustive):

- DJI (SZ DJI Technology Co., Ltd.)
- Autel Robotics
- Other entities identified on the Consolidated Screening List in SAM.gov

Note: This list is not final or comprehensive. Always verify manufacturers through SAM.gov before procurement or use. https://sam.gov/announcements/american-security-drone-act-covered-foreign-entity-list

4. What's Allowed

- Procurement or use of UAS not on the FASC list, including U.S. and allied manufacturers.
- Use of prohibited UAS for non-federal purposes (e.g., instruction, campus activities, research not funded by federal awards).
- Until **Dec 22, 2025**, continued operation of already-owned prohibited UAS is permitted only if not otherwise prohibited by a specific contract.

5. Your Responsibilities

Before buying or using a drone on a federally funded project:

- Confirm the funding source. If federal funds are involved, FAR 52.240-1 applies.
- Check the manufacturer against the SAM.gov covered entity list.
- Review the contract terms to see if FAR 52.240-1 is included.
- Flow-down requirement: If you issue subcontracts or subawards under a federal agreement, you must include the substance of FAR 52.240-1.
- Replace or phase out restricted UAS by **Dec 22, 2025** for any federal project use.
- Maintain records of drone procurement, ownership, usage, and verification checks.

6. Risks of Non-Compliance

- Loss of federal funding
- Contract termination
- Audit findings and penalties

Disclaimer: This guide is for internal compliance awareness only. It summarizes federal requirements but does not replace the full legal text of FAR 52.240-1 or other applicable regulations.