

FCC Issues Exemptions, Clarifications for Sweeping Prohibition of Foreign-Made Drones

January 12, 2026

The Federal Communications Commission (FCC) has taken several follow-on actions that impact its December 2025 drone-focused addition to the FCC's Covered List of communications equipment and services that pose unacceptable national security risks. The December entry added to the Covered List all uncrewed aircraft systems (UAS or drones), and UAS "critical components," that are "produced in a foreign country," thereby banning such equipment from obtaining any new FCC approvals through the agency's radiofrequency equipment authorization program. The December entry was based on a National Security Determination issued by an "interagency body" identifying the risks associated with such equipment. The breadth and novelty of the new, unanticipated entry raised several questions among stakeholders, which the FCC has now sought to address through several documents and actions issued January 7.

The December 2025 Covered List Addition

The FCC is obligated by the Secure and Trusted Communications Act of 2019 to maintain the Covered List and to update it based on "specific determinations" made by federal agencies and interagency bodies with appropriate national security expertise that certain equipment and services pose unacceptable national security risks. Prior to the December 2025 update, the list included only equipment and services produced by enumerated entities such as Huawei and ZTE.

The Fiscal Year 2025 National Defense Authorization Act (NDAA) required the FCC to add certain equipment produced by drone manufacturers DJI and Autel (and their affiliates and licensees) to the

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Covered List by December 22, 2025 unless national security agencies determined that they do not pose an undue national security risk. On December 21, 2025, an “interagency body” issued the Determination, which identifies not just the DJI and Autel equipment covered by the NDAA, but also all foreign-made UAS and UAS critical components. On December 22, the Commission updated the Covered List to reflect this broad category of products. Our last client alert on this topic gives more detail on the Covered List update and underlying determination.

The January 7 Follow-On Actions

Last week, the FCC took several follow-on actions to narrow the scope of the December 22 entry and give more clarity about its implementation:

- **Exemption for Blue UAS and Buy American “Domestic End Products.”** The FCC updated the Covered List and issued an associated Public Notice to effectuate two exemptions to the December 2025 entry.
 - First, the FCC exempted UAS and UAS critical components that appear on the Defense Contract Management Agency’s (DCMA’s) Blue UAS list, which is a combination of two separate sources: the “Blue UAS Cleared List” and the list of compliant UAS components and software.
 - Second, the FCC exempted UAS and UAS critical components that qualify as “domestic end products” under the “Buy American Standard,” which requires that an exempt UAS or UAS critical component (1) be “manufactured in the United States” (generally understood to mean the item underwent its last “substantial transformation” in the United States, as defined by U.S. Customs and Border Protection guidance), and (2) assuming the exempted item isn’t wholly or predominantly made of iron/steel, the cost of domestic components of such must exceed 65% for items delivered in calendar years 2024 through 2028 (rising to 75% for items delivered starting in calendar year 2029).

Both exemptions are based on a follow-on National Security Determination from the Department of War (DoW), and are time limited—with exemptions lasting only through January 1, 2027.

- **Fact Sheet and FAQ.** The FCC also released a Fact Sheet on the UAS listing, which gives an overview of actions taken to date and provides answers to FAQs. The FAQs provide some guidance on compliance with the Covered List entry, including as related to several specific issues and fact patterns—for instance, testing and evaluation, the continued validity of previously-issued authorizations, the meaning of “produced in a foreign country,” and how to handle dual-use devices.
- **Guidance on Process for Obtaining “Conditional Approval” from DHS/DoW.** Finally, the FCC released guidance on the steps that affected entities can take—and the information they should include—to seek relief from the Covered List entry via DoW or the Department of Homeland Security (DHS) in the form of a “specific determination” that would give the FCC authority to remove the product or class of products from the list. The FCC guidance document refers to this process as a “Conditional Approval,” and directs entities to provide information regarding the applicant’s corporate structure, manufacturing details, supply chain details (including country of origin for “all components” in the

equipment), and the applicant's U.S. manufacturing/onshoring plan. While these determinations will be made by the DoW or DHS, the FCC has established an email address that will serve as the collection point for this information.

The state of play in this area—both the Covered List generally and the UAS entry specifically—is changing rapidly. Stakeholders should continue to monitor the actions at the agency to ensure compliance with this developing framework and take advantage of opportunities for public input to shape these critical national security policy questions. Wiley can help. Our experienced team of Telecommunications, Media, and Technology; National Security; and International Trade practitioners has the substantive knowledge, institutional experience, and forward thinking to help your company navigate this complicated area.