



中华人民共和国商务部产业安全与进出口管制局

Ministry of Commerce of the People's Republic of China
Bureau of Industry, Security, Import and Export Control

Recent Development of China's Export Controls

BISIEC MOFCOM

Feb , 2019

Main Contents

* Legal System of Export Control

- i. applicable laws, regulations and rules
- ii. Export Control Law Draft

Practice of Export Control

- i. competent authorities
- ii. licencing procedures

- * The international security situation is complicated and sensitive, traditional and non-traditional security threats are intertwined. WMD proliferation and other security threats have become one of the hottest issues of international security.
- * For the past decades, China has established a comprehensive export control regime covering munitions and nuclear, biological, chemical, missile related dual use items by adopting licensing system, control list and enforcement measures to fulfill international obligations and maintain national security.

Legal Framework

▣ Relevant Laws

- Foreign Trade Law
- Customs Law
- Administrative License Law
- Administrative Punishment Law

Export Control Law (draft)

- * On June 16, 2017, the Export Control Law (draft) was published on the website of Ministry of Commerce to solicit opinions from all walks of life.
- * We have received opinions from CISTEC.

Export Control Law (draft)

* 6 chapters

- * 1.General rules,
- * 2.Control policy and list
- * 3.Licencing management
- * 4.Enforcement
- * 5.Legal liability
- * 6.Micenllenous rules

Main Aspect of the Draft

* 1. Scope of applicability

- * Military products,
- * dual use items ,
- * nuclear products(trigger list of NSG)

2. Control List

- * 1. make and adjust control list ---as a basic rule
- * 2. temporary control and embargo---as complementary measures
- * 3. approved by State Council and Central Military Commission

3.Licensing Management

- * 1. For the exporters, different measures will be taken based on the sensitivity of the items

End use and end user certificate

- * To produce the end use and end user certificate when making application
- * To commit not to transfer to any third party or change the end use without consent of the exporting country
- * Examination and verification when necessary

4. Enforcement

- * Power of the authorities: investigate, seal and detain suspicious items
- * Enlarge the scope of violations
- * Increase the level of fines for deterrence

5. Improve the enterprises awareness of export control

Encourage the enterprise to set up ICP

Consultation with the authorities before export whenever necessary

To issue warning note or make an appointment with the enterprises to warn the risk

Legal Framework(cont.)

▣ Regulations

- Regulations of the People's Republic of China on Nuclear Export Control
- Regulations of the People's Republic of China on Export Control of Nuclear Dual-Use Items and Related Technologies
- Regulations of the People's Republic of China on Management of Controlled Chemicals
- Regulations of the People's Republic of China on Export Control of Dual-Use Biological Agents and Related Equipment and Technologies
- Regulations of the People's Republic of China on Export Control of Missiles and Missile-related Items and Technologies
- Measures on the Export Control of Certain Chemicals and Related Equipment and Technologies

Legal Framework (cont.)

□ Ministerial Rules

- Rules on the Administration of Export Registration for Sensitive Items and Technologies
- Rules for the Administration on Import and Export License for Dual-use Items and Technologies
- Rules on General Permit for Export of Dual-Use Items and Technologies

Practice of Export Control

- * Competent Authority
- * Control list
- * Licensing procedures

Competent Authorities

**Ministry
of
Commerce
(dual
use items)**

Ministry of Industry and Information Technology

China Atomic Energy Authority

(State Administration of Science, Technology
and Industry for National Defense)

Ministry of Foreign Affairs

Dual-Use Export Licensing Catalogue

- * The catalog will be issued annually.

Sensitive items and technologies	Nuclear
	Nuclear Dual-Use
	Biological Dual-Use
	Controlled Chemical
	Certain Chemical
	Missile-related
	others

Licensing Procedures: E-Licensing Platform

- * Export license must be applied via E-Licensing Platform.
- * Operated based on a special network to ensure security
- * Enable efficient communication and verification of information
- * Improve the efficiency and reduce the cost
- * Linked with Customs Network to share data

Outreach

- MOFCOM Announcement No.69 Aug 29th, 2007
 - * ICP is an important element of China's export control system.
 - * The obligation to obey national export control policy and regulations lies with industry.
 - * MOFCOM encourages exporter to establish ICP.
- Workshops & Seminars
- Hotlines
- Websites: Publication of Policy and Regulations, Consultant, Q&A

Enforcement practice

- Laws and regulations serve as the legal basis to punish violations of export controls.
- Interagency cooperation
- Depending on the degree of offenses, civil or criminal punishment will be imposed.

Common Challenges

- * Rapid development of technologies
- * national security v. economic interests
- * Deemed export
- * Re-export
- * ITT

Outlook

- ❑ Strengthen legislation
- ❑ Improve licensing system
- ❑ Strengthen enforcement
- ❑ Enhance training
- ❑ Participate actively in bilateral communications and international cooperation



Thank you!

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