

# Practice and Updates on Chinese Export Control

Ladies and gentlemen, Dear colleagues,

Good afternoon!

I am pleased to have the chance to attend the Asian Export Control Seminar of this year, and to exchange views on export control with colleagues present here. My topic today is “Practice and Updates on Chinese Export Control”.

China has always attached great importance to export control. In a highly responsible manner, China has established a complete system of export control. We share same goal, principle, rules and measures of export control with the international community. It has been proved that the Chinese export control system is effective and efficient.

## **I. Export Control Authority**

The Ministry of Commerce (known as MOFCOM) is the competent authority of export control on dual-use items and technologies in China. In 2014, MOFCOM established the Bureau of Industry, Security and Import and Export Control (known as BISIEC), with 6 subordinate divisions, to carry out full responsibility of export control. The major tasks include but not limited to the following:

- Legislation and policy-making
- Review of export applications and issuance of export licenses
- Issuance of the official Statement of End-User and End-Use.
- Investigation and enforcement
- Evaluation and analysis on export control impact on industry and trade development

## **II. Latest development of legislation and mechanism**

China started export control legislation and system building in 1990's. Presently, China has established export control regulations and mechanism covering areas of nuclear, nuclear dual-use biological, chemical, and missile. To cope with the increasing demand of maintaining national security, international peace, and to further enhance and improve export control, China is now engaged in formulating a new Export Control Law and according regulations, and has made significant progress in this regard. The new export control law will define the task of export control, basic principles, policies, control lists and methods of control. The law will become a fundamental law to guide and regulates all activities in the field of export control.

China's export control has adopted administrative measures according to international practice such as licensing, list-based control, end user and end use control, catch-all, etc.. As the control lists are regarded, the nuclear and nuclear dual-use list are exactly same with that of the NSG lists. The lists in areas of biological, chemical

and missile are compatible with that of the existing multilateral export control regimes. In addition, the Chinese government also adjusts the control lists according to the real situation. For example, in July, 2015, MOFCOM announced temporary export control measures against UAVs with potential military and civilian use.

As most countries do, MOFCOM coordinates closely with other central and local government agencies. At the central government level, MOFCOM leads a joint inter-agency mechanism including MFA, MIIT, MEPC and etc.. At the local level, the local governmental departments will assist the central government by providing business consulting, ICP guidance, and etc.. MOFCOM has formed a expertise supporting mechanism which ensures expert are involved in daily licensing, consulting, technical judgment in case investigation.

In recent years, China employed the latest ITC technology and enhanced the online administrative platform for export control licensing, which greatly improved the efficiency of the administration.

### **III. Export control enforcement**

The Chinese government pays high attention to export control enforcement, and carries out investigation and settlement of the suspected cases according to laws and regulations. MOFCOM is in close cooperation with the customs authority and other government bodies and has successfully deters a number of suspicious transactions through investigation, verification and punishment.

### **IV. International exchange and industry outreach**

At the multilateral level, China takes an active part in the activities or exchanges with multilateral export control regimes. As a member of NSG, China participates the NSG annual meeting and TEG meeting, providing constructive suggestions to adjustment of guideline or control list. Participation of this Asian Export Control Seminar is also a good example. At bilateral level, China conducts exchange and cooperation with the U.S., EU, organizing outreach programs together. At the level of industry outreach, lately, China adopted a series of methods to educate companies, popularize the export control regulations and policies, encourage companies to establish ICP, foster the consciousness of abiding by the export control laws and regulations, and promote legal trade and cooperation.

Thank you for your attention!