Export Control Law of the People’s Republic of China

Dan Young Business Consultancy — www.danyoungcpa.com

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Chapter I — General Provisions

Article 1. This Law is enacted for the purposes of safeguarding national security and interests, fulfilling international obligations such as non-proliferation, strengthening and regulating export controls, and maintaining national security and development interests.

Article 2. This Law applies to the export control of dual-use items, military products, nuclear materials, and other goods, technologies, and services related to the safeguarding of national security and interests and the fulfillment of international obligations such as non-proliferation.

The term “export control” as used in the preceding paragraph refers to the prohibitive or restrictive measures taken by the State against the transfer of controlled items from the territory of the People’s Republic of China to overseas, as well as the provision of controlled items by citizens, legal persons, and unincorporated organizations of the People’s Republic of China to foreign organizations and individuals.

The term “controlled items” as used in this Law includes goods, technologies, services, and relevant data and other items.

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The term “dual-use items” as used in this Law refers to goods, technologies, and services that may be used for both civil and military purposes or that may contribute to enhancing military potential, particularly those that may be used for the design, development, production, or use of weapons of mass destruction and their means of delivery.

The term “military products” as used in this Law refers to items used for military purposes. Where laws or administrative regulations provide otherwise for the export control of military products, such provisions shall prevail.

The term “nuclear materials” as used in this Law refers to nuclear materials, nuclear equipment, non-nuclear materials used for reactors, and related technologies and services. Where laws or administrative regulations provide otherwise for the export control of nuclear materials, such provisions shall prevail.

Article 3. Export controls shall adhere to the overall concept of national security, safeguard national security and interests, and fulfill international obligations such as non-proliferation.

The State shall strengthen international exchange and cooperation in export controls and participate in the formulation of international rules for export controls.

Article 4. The State shall implement a unified export control system, which shall be jointly implemented by the export control administrative departments of the State Council and other relevant departments of the State Council in accordance with the division of duties.

The State shall establish an export control coordination mechanism to coordinate major matters concerning export control. The export control administrative departments of the State Council and the relevant departments of the State Council shall closely coordinate, strengthen information sharing, and carry out export control work in accordance with their respective duties.

Article 5. The export control administrative departments of the State Council and other relevant departments of the State Council shall, in accordance with their respective duties, formulate and adjust export control lists, issue export licenses, supervise and inspect export control activities, and investigate and handle violations of export control laws and regulations.

The province-level people’s governments and relevant departments shall, in accordance with laws and administrative regulations, carry out export control-related work within their respective administrative regions.

Article 6. The State shall strengthen international cooperation in export controls, participate in the formulation of relevant international rules and the negotiation of relevant international treaties and agreements, and promote the formation of a fair, reasonable, and non-discriminatory international export control system.

The State shall, when necessary, take countermeasures against any country or region that abusively applies export control measures to endanger the national security and interests of the People’s Republic of China.

Article 7. Export business operators engaged in the export of controlled items shall comply with this Law and other relevant laws and administrative regulations, accept the supervision and administration of the relevant State departments, and fulfill their obligations in accordance with the law.

Article 8. The State shall guide export business operators in establishing and improving their internal compliance systems for export controls and shall regulate their operations in accordance with the law.

Where an export business operator has established a sound internal compliance system for export controls and operates in a well-regulated manner, the export control administrative departments of the State Council may grant facilitation measures such as general licensing.

Article 9. Industry organizations shall, in accordance with laws, administrative regulations, and their articles of association, provide guidance to their members on export controls, establish industry norms, strengthen industry self-discipline, and promote compliant operations within the industry.

Article 10. The State shall carry out education on export controls, enhance public awareness of national security and compliance, and encourage and support scientific research, technological development, and personnel training related to export controls.

Chapter II — Control Lists and Control Measures

Section 1 — Control Lists

Article 11. The State shall implement a control list system for the export of controlled items. The export control administrative departments of the State Council shall, in conjunction with relevant departments, formulate, adjust, and publish control lists.

Control lists shall set forth the names, types, control codes, and other control elements of controlled items.

Article 12. In addition to items included in control lists, the State may also impose temporary controls on goods, technologies, and services outside the control lists. The export control administrative departments of the State Council may, upon approval by the State Council or the State Council and the Central Military Commission, implement temporary controls on specific goods, technologies, and services, and shall make a public announcement. The term of temporary controls shall not exceed two years. Before the expiry of the temporary control period, a timely assessment shall be conducted, and a decision shall be made on whether to include the items in the control lists, extend the temporary control period, or lift the temporary controls, based on the assessment results.

Article 13. The State may, in accordance with the need to safeguard national security and interests and fulfill international obligations such as non-proliferation, impose embargoes or prohibit the export of controlled items to specific destination countries or regions, or to specific organizations and individuals.

Article 14. The formulation and adjustment of export control lists and the implementation of temporary controls or embargoes shall be carried out in compliance with the procedures prescribed by laws and administrative regulations, and timely announcements shall be made. Where necessary, hearings or consultations with relevant enterprises, industry organizations, and experts may be conducted before the formulation of relevant control measures, except where national security requires confidentiality.

Section 2 — Export Licensing

Article 15. An export business operator that intends to export controlled items shall apply to the export control administrative departments of the State Council for an export license in accordance with the law.

The State may adopt facilitation measures such as general licensing for certain types of controlled items determined to involve relatively low risks.

Article 16. When applying for an export license, an export business operator shall submit the following documents and materials:

(1) Basic information on the export business operator and the end-user;

(2) A description of the controlled items, including the name, specifications and model, quantity, purpose, and technical parameters;

(3) An end-user certificate and end-use statement;

(4) A copy of the contract or agreement with the foreign importer;

(5) Other documents and materials required by laws and administrative regulations.

Where an export business operator has established a sound internal compliance system, it may submit the relevant supporting materials in a simplified manner.

Article 17. The export control administrative departments of the State Council shall conduct an examination of the export business operator's application for an export license. Where the application meets the conditions prescribed by laws and administrative regulations, a decision to approve the application shall be made within the statutory time limit and an export license shall be issued; otherwise, a decision to disapprove the application shall be made and the reasons therefor shall be provided in writing.

Where the export of controlled items may endanger national security and interests, or may be used for the design, development, production, or use of weapons of mass destruction and their means of delivery, or may be used for terrorist purposes, the export control administrative departments of the State Council shall not issue an export license.

Article 18. An export business operator that has obtained an export license shall, when exporting controlled items, present the export license to the customs authorities for customs declaration formalities and accept customs supervision. The customs authorities shall handle the customs declaration formalities based on the export license.

Where the State applies general licensing facilitation measures to certain types of controlled items, the export business operator shall apply for an export license in accordance with the law before handling customs declaration formalities.

In the case of export by means of postal delivery, express delivery, cross-border e-commerce, or hand-carry by exiting personnel, the provisions of the preceding two paragraphs shall apply.

Article 19. The end-user of an exported controlled item shall use the item in accordance with the end-use statement and shall not change the end-user or end-use or transfer the item to a third party without the consent of the export control administrative departments of the State Council.

Where an export business operator or importer discovers that the end-user or end-use of an exported controlled item may be changed, it shall immediately report such change to the export control administrative departments of the State Council in accordance with the provisions of the State.

Article 20. The State shall establish a risk management system for end-users and end-uses of exported controlled items. The export control administrative departments of the State Council shall, in conjunction with relevant departments, assess the risks associated with end-users and end-uses of exported controlled items, and shall establish a control list of importers and end-users.

Where an importers or end-user is included in the control list, the export control administrative departments of the State Council may prohibit or restrict the export business operator from engaging in transactions involving controlled items with such importers or end-user, or order the export operators to suspend the export of relevant controlled items. In exceptional circumstances, the export business operator may, upon stating reasons and applying to the export control administrative departments of the State Council, continue the transactions.

Article 21. Where an export business operator provides a controlled item that is not within the scope of the export control list to a foreign importer, and the export business operator knows or should know, or is notified by the export control administrative departments of the State Council, that the relevant item may endanger national security and interests, may be used for the design, development, production, or use of weapons of mass destruction and their means of delivery, or may be used for terrorist purposes, the export business operator shall apply for an export license in accordance with the provisions of this Law.

The term "knows or should know" as used in the preceding paragraph includes but is not limited to situations where an export business operator has been notified by the export control administrative departments of the State Council.

Article 22. Export business operators shall retain documents and materials related to the export of controlled items for a period of not less than five years for inspection by the export control administrative departments

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of the State Council.

Chapter III — Supervision and Administration

Article 23. The export control administrative departments of the State Council and other relevant departments shall, in accordance with their respective duties, supervise and administer export control activities, and investigate and handle illegal acts in accordance with the law.

Article 24. When performing their duties, the export control administrative departments of the State Council and other relevant departments may take the following measures in accordance with the law:

(1) Conduct on-site inspections of the premises and facilities of parties suspected of violating this Law;

(2) Inquire about the parties, interested persons, and other relevant organizations and individuals, and require them to explain matters related to the investigation;

(3) Access and copy the parties' relevant documents, materials, contracts, bills, vouchers, and other documents and materials;

(4) Inspect, seal up, or seize relevant controlled items, means of transport, equipment, and tools involved in the case;

(5) Check the parties' bank accounts;

(6) Other measures prescribed by laws and administrative regulations.

When the export control administrative departments of the State Council and other relevant departments exercise their functions and powers in accordance with the law, the parties concerned and other relevant organizations and individuals shall provide cooperation and shall not refuse or obstruct them.

Article 25. The State shall establish a consultation mechanism for export controls, encouraging and supporting export business operators and industry organizations to consult with the export control administrative departments of the State Council on matters such as the classification and control scope of items, and the export licensing policies.

Article 26. The export control administrative departments of the State Council shall, in conjunction with relevant departments, establish an export control information platform. Export business operators exporting controlled items shall timely and accurately submit information related to export control to the export control administrative departments of the State Council, and cooperate with relevant departments in information exchange and sharing.

Article 27. Customs authorities shall, in accordance with the law, supervise and administer the export of controlled items. The export control administrative departments of the State Council and the customs authorities shall strengthen information sharing and work coordination to improve the efficiency of supervision and administration.

Where customs authorities discover that an export business operator is exporting controlled items without an export license during customs supervision, they shall handle the matter in accordance with the law, and may also require the export control administrative departments of the State Council to provide an opinion before handling the matter.

Article 28. Where the export control administrative departments of the State Council discover in their supervision and administration that an export business operator is suspected of violating this Law, they may take the following measures in accordance with the law:

(1) Order the suspension of the relevant acts;

(2) Revoke or cancel the relevant export license;

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(3) Order the recall of relevant controlled items that have been exported;

(4) Temporarily withhold the relevant controlled items that have not been exported;

(5) Other measures prescribed by laws and administrative regulations.

Article 29. The State encourages and supports scientific research institutions, universities, enterprises, and other organizations to conduct research on export control risk assessment, risk monitoring, and early warning, and provides support in technology and information.

Article 30. To coordinate the promotion of high-quality development and high-level security, the State shall establish a regular evaluation mechanism for export controls, regularly assess the effectiveness of export controls, and timely adjust control policies and measures.

Article 31. Where Chinese citizens, legal persons, and unincorporated organizations provide relevant controlled items to foreign organizations and individuals, they shall undergo the export licensing formalities in accordance with the relevant provisions of this Law.

Article 32. Any organization or individual shall have the right to report violations of this Law to the export control administrative departments of the State Council and other relevant departments. The departments receiving such reports shall handle them in a timely manner and keep the identity of the reporting party confidential.

Article 33. The State shall implement a credit management system for export business operators. The export control administrative departments of the State Council shall, in conjunction with relevant departments, include export business operators' compliance with export control-related provisions in their credit records and publish them to the public in accordance with the law.

Chapter IV — Legal Liability

Article 34. Where an export business operator, in violation of the provisions of this Law, exports controlled items without a license, the export control administrative departments of the State Council shall order it to cease the illegal act, confiscate the illegal gains, and impose a fine of not less than five times but not more than ten times the value of the illegal business turnover if the illegal business turnover is RMB 500,000 or more; if there is no illegal business turnover or the illegal business turnover is less than RMB 500,000, a fine of not less than RMB 500,000 but not more than RMB 5,000,000 shall be imposed. If the circumstances are serious, the operator shall be ordered to suspend business for rectification, or even have its relevant business qualification revoked.

Article 35. Where an export business operator exports controlled items by providing false or misleading documents or materials or by other fraudulent means to obtain an export license, the export control administrative departments of the State Council shall revoke the export license, confiscate the illegal gains, and impose a fine in accordance with the provisions of Article 34 of this Law. If the circumstances are serious, the relevant business qualification shall be revoked.

Article 36. Where an export business operator, in violation of the provisions of this Law, changes the end-user or end-use of an exported controlled item, or transfers the controlled item to a third party without authorization, the export control administrative departments of the State Council shall order it to cease the illegal act, confiscate the illegal gains, and impose a fine of not less than five times but not more than ten times the value of the illegal business turnover if the illegal business turnover is RMB 500,000 or more; if there is no illegal business turnover or the illegal business turnover is less than RMB 500,000, a fine of not less than RMB 500,000 but not more than RMB 5,000,000 shall be imposed. If the circumstances are serious, the operator shall be ordered to suspend business for rectification, or even have its relevant business qualification revoked.

Article 37. Where an export business operator provides controlled items not within the scope of the export control list to a foreign importer, and the export business operator knows or should know that such items may be used for purposes endangering national security or for the design, development, production, or use of weapons of mass destruction and their means of delivery, or for terrorist purposes, but still provides such items without applying for a license in accordance with the law, the provisions of Article 34 of this Law on the administrative penalty for exporting controlled items without a license shall apply.

Article 38. Where an export business operator, in violation of the provisions of this Law, engages in transactions involving controlled items with an importer or end-user included in the control list, the export control administrative departments of the State Council shall order it to cease the illegal act, confiscate the illegal gains, and impose a fine of not less than ten times but not more than twenty times the value of the illegal business turnover if the illegal business turnover is RMB 500,000 or more; if there is no illegal business turnover or the illegal business turnover is less than RMB 500,000, a fine of not less than RMB 500,000 but not more than RMB 5,000,000 shall be imposed. If the circumstances are serious, the operator shall be ordered to suspend business for rectification, or even have its relevant business qualification revoked.

Article 39. Where an export business operator refuses or obstructs supervision and inspection, the export control administrative departments of the State Council shall give a warning and may impose a fine of not less than RMB 100,000 but not more than RMB 300,000. If the circumstances are serious, the operator shall be ordered to suspend business for rectification, or even have its relevant business qualification revoked.

Article 40. Where a party fails to cooperate with investigations or refuses to provide relevant documents and materials, the export control administrative departments of the State Council may impose a fine of not more than RMB 100,000 and may order the party to make corrections within a specified period.

Article 41. Where organizations or individuals outside the territory of the People’s Republic of China violate the provisions of this Law on the administration of end-users and end-uses of exported controlled items, endangering the national security and interests of the People’s Republic of China, or obstructing the fulfillment of international obligations such as non-proliferation, the export control administrative departments of the State Council may handle the matter in accordance with the law by including the relevant organizations and individuals in the control list and prohibiting or restricting the export business operator from engaging in transactions involving controlled items with such organizations and individuals.

Article 42. Where an intermediary service provider such as a transport, agency, or freight forwarding service provider, a customs broker, an e-commerce platform, or a financial service provider provides services for the export of controlled items in violation of the provisions of this Law, the export control administrative departments of the State Council shall give a warning and may impose a fine of not less than five times but not more than ten times the illegal business turnover if the illegal business turnover is RMB 100,000 or more; if there is no illegal business turnover or the illegal business turnover is less than RMB 100,000, a fine of not less than RMB 100,000 but not more than RMB 1,000,000 shall be imposed. If the circumstances are serious, the operator shall be ordered to suspend business for rectification, or even have its relevant business qualification revoked.

Article 43. Where any organization or individual instigates, coerces, or deceives an export business operator into engaging in illegal export control activities, or provides facilitation or assistance for an export business operator to engage in illegal export control activities, the export control administrative departments of the State Council shall impose penalties in accordance with the law. Where the illegal act constitutes a crime, criminal liability shall be pursued in accordance with the law.

Article 44. Where state functionaries of the export control administrative departments or other relevant departments abuse their powers, neglect their duties, or engage in malpractices for personal gain in export control work, disciplinary action shall be taken against them in accordance with the law. Where the act

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constitutes a crime, criminal liability shall be pursued in accordance with the law.

Article 45. Where an export business operator engages in export control violations that are recorded in its credit record, the export control administrative departments of the State Council and other relevant departments may, in accordance with laws and administrative regulations, take measures such as strict examination and approval of administrative licensing, restrictions on enjoyment of preferential policies, and joint disciplinary action against the operator within the scope of their respective duties.

Article 46. The export control administrative departments of the State Council shall, in accordance with the provisions of this Law, include the relevant entities or individuals in the control list and announce the relevant decisions. Where the controlled entities or individuals request removal from the control list after taking corrective measures, the export control administrative departments of the State Council shall conduct an examination and make a decision based on the actual situation.

Article 47. Where the illegal proceeds from export control violations are transferred to outside the territory of the People's Republic of China, the export control administrative departments of the State Council may require the parties to repatriate such proceeds, and impose penalties in accordance with the law.

Article 48. Where a violation of this Law constitutes a crime, criminal liability shall be pursued in accordance with the law.

Chapter V — Supplementary Provisions

Article 49. Nuclear exports, nuclear dual-use items and related technologies exports, military product exports, and other exports for which laws and administrative regulations provide special provisions shall be governed by such provisions; where there are no provisions in such laws and administrative regulations, the relevant provisions of this Law shall apply.

Article 50. The export of controlled items related to the safeguarding of national security and interests such as the export of chemical precursor chemicals, the export of precursor chemicals for narcotics and psychotropic substances, and the export of missile-related items and technologies shall be governed by the provisions of this Law and other relevant laws and administrative regulations.

Article 51. The import of goods, technologies, or services that may endanger national security or interests of the People's Republic of China may be subject to controls by reference with the relevant provisions of this Law.

Article 52. Where there is an act of transferring, transporting, trading, or otherwise providing controlled items by means other than export that endangers national security and interests, it shall be handled by reference with the relevant provisions of this Law.

Article 53. The export control of goods, technologies, and services within special customs supervision areas such as bonded zones and export processing zones shall be governed by this Law.

Article 54. The State shall, in accordance with the needs of export controls, properly handle the relationship between export controls and the protection of intellectual property rights.

Article 55. Where the State needs to adjust its export controls due to changes in national security and interests or changes in international obligations, no compensation shall be provided for the losses incurred by any party as a result.

Article 56. The provisions of this Law on the supervision and administration of export business operators shall apply, mutatis mutandis, to the export activities of foreign organizations and individuals within the territory of the People's Republic of China.

Article 57. The export control administrative departments of the State Council shall, in accordance with the provisions of this Law and their respective duties, formulate specific measures for the implementation of this

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Law and submit them to the State Council for approval before implementation.

Article 58. Where provisions of any relevant law or administrative regulation on export control in effect prior to the implementation of this Law are inconsistent with the provisions of this Law, the provisions of this Law shall prevail.

Article 59. The State Council and the Central Military Commission shall formulate measures for the export control of military products in accordance with this Law.

Article 60. This Law shall come into force as of December 1, 2020.

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