



# **CHINA EXPORT CONTROL LAW**



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- The new China's Export Control Law has taken effect on December 1, 2020.
- It regulates the export of sensitive materials and technologies from China to overseas.
- It also extends Chinese jurisdiction even beyond the national territory, by providing penalties and obligations binding on importers, end-users, and more .

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- Controlled items:
  - Dual-use items
  - Military products
  - Nuclear
  - Technologies, services and items related to the maintenance of national security and national interests and to the performance of anti-proliferation, among others.

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- Controlled parties:
  - Exporters
  - Intermediary trade service providers, including logistic and financial services
  - Importers and end-users



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- Administrative consequences of violation
  - Fines up to 20 times the amount involved or 5 million RMB
  - Confiscation of illegal income
  - Revocation of export permit
  - New export permit will not be granted within 5 years or lifetime for the executives or other directly responsible personnel

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- Compliance
  - To ensure the items are not within the control list
  - Consultation with the authorities or professional advisers
  - Due diligence check
  - To revise the template contracts by adding the export control compliance provisions
  - To pay attention to the change of laws and regulations
  - To provide routine training