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# China: Economic Sanctions

**(name redacted)**

Specialist in Foreign Policy Legislation

August 22, 2016

**Congressional Research Service**

7-....

[www.crs.gov](http://www.crs.gov)

R44605

## Summary

United States-China relations, since 1969, when the process of normalization began under President Richard M. Nixon, have advanced to a point that relatively few restrictions affecting trade remain. This report summarizes the United States' economic sanctions on China. The United States, in its relationship with China,

- limits U.S. foreign assistance and State Department programs;
- limits U.S. support for China's requests for funding in the international banks;
- prohibits the exportation of defense articles and defense services to China;
- prohibits the importation of munitions and ammunition from China;
- limits exports to China of goods and services controlled for national security or foreign policy reasons, including prohibiting exports to specific Chinese entities of goods that have a military end-use;
- limits import/export and procurement contracts for specific Chinese entities found to be engaged in weapons proliferation activities; and
- restricts access to U.S.-based assets and the ability to enter into transactions with U.S. persons, imposed on specific Chinese persons for reasons ranging from weapons proliferation, illicit narcotics trafficking, international terrorism, and engagement with others against which the United States imposes sanctions (i.e., entities in Iran, Russia, North Korea, Belarus).

Policymakers recognize the influence and impact of China's growing economy and role in international markets, military modernization, increasingly outward-looking investment in other regions, activities in the South China Sea, and often contrarian position in the United Nations Security Council. These factors challenge legislators and the executive branch alike in their efforts to shape and implement the U.S.-China bilateral relationship.

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## Introduction

United States-China relations, since 1969, when the process of normalization began under President Richard M. Nixon, have advanced to a point that relatively few restrictions affecting trade remain.<sup>1</sup> This report summarizes the United States' economic sanctions on China, including

- limits on U.S. foreign assistance and State Department programs;
- limits on U.S. support for China's requests for funding in the international financial institutions;
- prohibitions on the exportation of defense articles and defense services to China;
- prohibitions on the importation of munitions and ammunition from China;
- limits on exports to China of goods and services controlled for national security or foreign policy reasons, including a prohibition on exports to specific Chinese entities of goods that have a military end-use;
- limits on import/export and procurement contracts for specific Chinese entities found to be engaged in weapons proliferation activities; and
- restrictions on access to U.S.-based assets and ability to enter into transactions with U.S. persons, imposed on specific Chinese persons for reasons ranging from weapons proliferation, illicit narcotics trafficking, international terrorism, and engagement with others against which the United States imposes sanctions (i.e., entities in Iran, Russia, North Korea, Belarus).

Economic sanctions may be defined as coercive economic measures taken against a target to bring about a change in policies. They typically include measures such as: trade embargoes, restrictions on particular exports or imports, denial of foreign assistance, loans, and investments, or control of foreign assets and economic transactions that involve U.S. citizens or businesses. The decision to apply economic trade and aid sanctions can be based, to some extent, on a country's record with respect to human rights, religious freedom, international terrorism, terrorist financing, proliferation of weapons of mass destruction, disruption of regional stability, treaty violations, international narcotics trafficking, trafficking in persons, trafficking in protected natural resources and endangered species, child abduction, interference with democratic processes, war crimes, corruption, cyber espionage, and money laundering. The Departments of State, the Treasury, and Commerce are primarily responsible for administering the use of economic sanctions in U.S. foreign policy and national security policy, though the entire interagency has a role.

## U.S. Sanctions Imposed in Response to Tiananmen Square Events

In the immediate wake of the government of China's crackdown against pro-democracy protesters on June 4, 1989 in and around Tiananmen Square, President George H.W. Bush suspended U.S.

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<sup>1</sup> For further discussion of the U.S.-China relationship, see CRS In Focus IF10119, *U.S.-China Relations*, by (name redacted) and (name redacted); CRS In Focus IF10030, *U.S.-China Trade Issues*, by (name redacted); and CRS Report RL33536, *China-U.S. Trade Issues*, by (name redacted). For a discussion of U.S. sanctions in place against China from 1949 to 1997, see CRS Report 96-272, *China: U.S. Economic Sanctions*, by (name redacted).

foreign aid, government-to-government arms sales and military exchanges, commercial arms sales, high-level government exchanges, export licenses, and support in international financial institutions for loans and grants to China.

Congress followed up by enacting three bills that continued the President's initial steps and added a few other restrictions (in order of enactment):

- The Departments of Commerce, Justice and State, the Judiciary, and Related Agencies Appropriations Act, 1990, prohibited funds from being “used to reinstate, or approve any export license applications for the launch of United States-built satellites on ... Chinese-built launch vehicles....”<sup>2</sup>
- The International Development and Finance Act of 1989 prohibited the U.S. Export-Import Bank from financing trade, making loans, credits, credit guarantees, or issuing insurance or reinsurance to China.<sup>3</sup>
- The Foreign Relations Authorization Act, Fiscal Years 1990 and 1991, continued the President's suspension of Overseas Private Investment Corporation (OPIC) financing for China and export licenses for defense articles and defense services and satellites with an end-use in China, and required the President to suspend U.S. Trade and Development Agency (USTDA) funding<sup>4</sup> and export licenses for crime control equipment for China.<sup>5</sup>

The President could terminate any of the restrictions, those extending his initial actions and those creating new restrictions, if he reported to Congress:

(1) that the Government of the People's Republic of China has made progress on a program of political reform throughout the country, including Tibet, which includes—

(A) lifting of martial law;

(B) halting of executions and other reprisals against individuals for the nonviolent expression of their political beliefs;

(C) release of political prisoners;

(D) increased respect for internationally recognized human rights, including freedom of expression, the press, assembly, and association; and

<sup>2</sup> P.L. 101-162 (103 Stat. 988): see particularly Sec. 610 (103 Stat. 1038). On December 19, 1989, however, President Bush reported in letters to the Speaker of the House and President of the Senate that: “it is in the national interest of the United States to lift the prohibition on reinstatement and approval of export licenses for the three United States-built AUSSAT and AsiaSat satellites for launch on Chinese-built launch vehicles,” in *Weekly Compilation of Presidential Documents*, v. 25, no. 51, December 25, 1989, p. 1972.

<sup>3</sup> P.L. 101-240 (103 Stat. 2492): see particularly Sec. 103 (12 U.S.C. 635 note; 103 Stat. 2496). On December 19, 1989, the same day he signed this bill into law, President Bush reported in letters to the Speaker of the House and President of the Senate that: “it is in the national interest of the United States to terminate the suspensions under subsection 103(a) of the Act of programs of the Export-Import Bank of the United States for the People's Republic of China. I am thereby waiving the prohibitions on the Export-Import Bank's financing any trade with, and on extending any loan, credit, credit guarantee, insurance or reinsurance to the People's Republic of China as provided in subsection 103(a).” *Weekly Compilation of Presidential Documents*, v. 25, no. 51, December 25, 1989, p. 1973.

<sup>4</sup> In the waning days of his term, President Clinton notified Congress that it was in the U.S. national interest to terminate the suspension of Trade and Development Agency funding to China. *Compilation of Presidential Documents: Administration of William J. Clinton*, “Letter to Congressional Leaders Transmitting a Report on Funding for the Trade and Development Agency With Respect to China,” January 15, 2001, p. 128.

<sup>5</sup> P.L. 101-246 (104 Stat. 15): see particularly Sec. 902 (22 U.S.C. 2151 note; 104 Stat. 83).

(E) permitting a freer flow of information, including an end to the jamming of Voice of America and greater access for foreign journalists;....<sup>6</sup>

Alternatively, the President could find it in the U.S. national interest to resume financial programs, export licensing, and nuclear cooperation.

Incrementally, all but two of the Tiananmen Square sanctions have been waived, either on a case-by-case basis or more broadly removed, or have been made obsolete by other circumstances.<sup>7</sup> The remaining sanctions—a suspension of OPIC funding<sup>8</sup> and restrictions on export licenses for U.S. Munitions List (USML) items and crime control equipment—are incorporated in the paragraphs addressing foreign aid and trade, below.

## Current U.S. Economic Restrictions on China

### Foreign Assistance and State Department Funds

The United States provides foreign assistance to China,<sup>9</sup> in the form of programs that assist Tibetan communities, provides HIV/AIDS and other infectious disease intervention, and funds a Resident Legal Advisor who operates out of the U.S. Embassy in Beijing to “provide expertise on criminal law and procedure to Chinese officials, jurists, and academics....”<sup>10</sup> Since 1993, the U.S.

<sup>6</sup> Sec. 902(b)(1), P.L. 101-246 (22 U.S.C. 2151 note), Sec. 610, P.L. 101-162, and Sec. 103, P.L. 101-240 contained nearly identical conditions to be met.

<sup>7</sup> On January 12, 1998, for example, President Clinton determined and certified that, “Pursuant to section (b)(1) of Public Law 99–183 of December 16, 1985, relating to the approval and implementation of the Agreement for Cooperation Between the United States and the People’s Republic of China, I hereby certify that: (A) the reciprocal arrangements made pursuant to Article 8 of the Agreement have been designed to be effective in ensuring that any nuclear material, facilities, or components provided under the Agreement shall be utilized solely for intended peaceful purposes as set forth in the Agreement; (B) the Government of the People’s Republic of China has provided additional information concerning its nuclear nonproliferation policies and that, based on this and all other information available to the United States Government, the People’s Republic of China is not in violation of paragraph (2) of section 129 of the Atomic Energy Act of 1954; and (C) the obligation to consider favorably a request to carry out activities described in Article 5(2) of the Agreement shall not prejudice the decision of the United States to approve or disapprove such a request. *Pursuant to section 902(a)(6)(B)(i) of Public Law 101–246, I hereby certify that the People’s Republic of China has provided clear and unequivocal assurances to the United States that it is not assisting and will not assist any nonnuclear-weapon state, either directly or indirectly, in acquiring nuclear explosive devices or the material and components for such devices.*” (Emphasis added.) Presidential Determination No. 98-10 of January 12, 1998 (68 F.R. 3447).

On at least two occasions, Presidents Bush and Clinton each invoked Sec. 902(b)(2) to terminate suspensions in order to issue export licenses for defense articles and U.S. satellites. “Statement by President Secretary Fitzwater on Restrictions on U.S. Satellite Component Exports to China, April 30, 1991,” in *Weekly Compilation of Presidential Documents*, v. 27, May 3, 1991, p. 531; and “Termination of Suspensions Under Foreign Relations Authorization Act with Respect to Issuance of Licenses to People’s Republic of China—Message from the President of the United States (H. Doc. 104-236),” *Congressional Record*, June 24, 1996, p. H6709.

<sup>8</sup> U.S. Department of State, *China: Investment Climate Statement*, May 2015, p. 29; Overseas Private Investment Corporation, *Making an Impact: Annual Report 2015*, p. 32.

<sup>9</sup> Some contend that the denial of or limitations on foreign assistance should not be considered a sanction. Their position is that foreign assistance is not an entitlement; no country should expect its availability. Others characterize restrictions on foreign aid as a sanction to the extent that its denial can be effected to force a recipient country to change its behavior. Still others contend that because China is now the world’s second largest economy, there is little justification to provide it with foreign aid.

<sup>10</sup> Department of State. *Congressional Budget Justification: Foreign Operations: Appendix 2. Fiscal Year 2017*. “China.” pp. 606-608.

Peace Corps has deployed volunteers to China, mostly to serve as English teachers in China's secondary schools and universities.<sup>11</sup>

Foreign operations and State Department appropriations for FY2016 provide that:<sup>12</sup>

- None of the funds provided for the State Department's Diplomatic and Consular Programs may be used to process licenses for the export of satellites of U.S. origin to China (including commercial satellites and satellite components) without prior notification to the Committees on Appropriations.
- The President, already required by foreign aid authorities to "adopt regulations and establish procedures to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects of any country that is a Communist country,"<sup>13</sup> is further required to apply such conditionality to projects or activities "by any entity that is owned or controlled by" China's People's Liberation Army (PLA). The Secretary of State, furthermore, is required to prohibit the use of funds appropriated or otherwise made available in the FY2016 foreign operations and State Department appropriations to "finance any grant, contract, or cooperative agreement with the PLA, or any entity that the Secretary of State has reason to believe is owned or controlled by, or an affiliate of, the PLA."
- Funds appropriated for public diplomacy are to be used "to counter the influence of" China.<sup>14</sup>
- Any foreign aid made available for a "business and human rights program" must be matched by sources other than the U.S. government.<sup>15</sup>

U.S. funds to the U.N. Population Fund (UNFPA) are prohibited for use in China. The UNFPA must keep U.S. contributions separate from its other funds, and must document its expenditures in China. The United States reduces its contribution to UNFPA by the amount the organization budgets for China.<sup>16</sup>

The Overseas Private Investment Corporation's China program was suspended in days following the Tiananmen crackdown and remains suspended. The purpose of OPIC is to "facilitate the participation of United States private capital and skills in the economic and social development of less developed countries and areas, and countries in transition from nonmarket to market economies"<sup>17</sup> by providing political risk insurance, project and investment funds financing, and

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<sup>11</sup> <https://www.peacecorps.gov/china/>.

<sup>12</sup> Section 7043(e), Department of State, Foreign Operations, and Related Programs appropriations Act, 2016 (P.L. 114-113; 129 Stat. 2786-2787).

<sup>13</sup> Section 620(h), Foreign Assistance Act of 1961 (22 U.S.C. 2370(h)).

<sup>14</sup> Continuing the strategy initiated at Sec. 7043(e)(3), Department of State, Foreign Operations, and Related Programs Appropriations Act, 2014 (P.L. 113-76; 128 Stat. 536).

<sup>15</sup> Continuing the requirement enacted at Sec. 7032(f) of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2015 (P.L. 113-235; 128 Stat. 2622).

<sup>16</sup> Section 7082, Department of State, Foreign Operations, and Related Programs Appropriations Act, 2016 (P.L. 114-113; 129 Stat. 2822). For further information on foreign aid restrictions related to coercive family planning and abortion, see CRS Report R41360, *Abortion and Family Planning-Related Provisions in U.S. Foreign Assistance Law and Policy*, by (name redacted) .

<sup>17</sup> Section 231(2), Foreign Assistance Act of 1961 (22 U.S.C. 2191), as amended.

other services.<sup>18</sup> China's economic development in the 25 years since Tiananmen Square nearly, but not quite, graduates the country out of the qualifying range for OPIC investment.<sup>19</sup>

The United States generally continues to abstain from or vote "No" in the international financial institutions when loans for projects in China are considered. In May 2016, the month on which the U.S. Department of the Treasury has most recently reported, the World Bank's International Finance Corporation and General Environmental Facility, and the Asian Development Bank considered eight requests for various projects in China (including one regional project and one no-cost project), totaling some \$209.4 million. Of these, the United States abstained from voting in six instances. The U.S. executive directors to the banks are required by law to vote "No" or abstain on human rights grounds, unless the project supports basic human needs. The United States also takes into account a range of other factors, including potential environmental degradation, worker rights, trade distortion, and conditions in Tibet.<sup>20</sup> Once a project is brought up for a vote, however, no one country holds singular power to block a loan or grant.

## Other Restrictions in Appropriations

In addition to the restrictions on appropriations related to foreign assistance and State Department programs,

- Section 1673, National Defense Authorization Act for Fiscal Year 2016 (P.L. 114-92; 129 Stat. 1130), prohibits the use of defense appropriations "to integrate a missile defense system of the People's Republic of China into any missile defense system of the United States."
- Section 515, Commerce, Justice, Science, and Related Agencies Appropriations Act, 2016 (division B, P.L. 114-113; 129 Stat. 2326), prohibits the use of appropriations for the Departments of Commerce and Justice, NASA, or the National Science Foundation to acquire a "high-impact or moderate-impact information system" unless that system meets a number of assessments related to supply chain risk, risk of cyber-espionage, or sabotage, "including any risk associated with such system being produced, manufactured, or assembled by one or more entities identified by the United States Government as posing a cyber threat, including but not limited to, those that may be owned, directed, or subsidized by the People's Republic of China."
- Section 531, Science Appropriations Act, 2016 (division B, title III, P.L. 114-113; 129 Stat. 2330) prohibits the use of appropriations for the National Aeronautics and Space Administration (NASA) or the Office of Science and Technology Policy (OSTP) "to develop, design, plan, promulgate, implement, or execute a bilateral policy, program, order, or contract of any kind to participate, collaborate,

<sup>18</sup> See CRS Report 98-567, *The Overseas Private Investment Corporation: Background and Legislative Issues*, by (name redacted).

<sup>19</sup> Section 231(2), Foreign Assistance Act of 1961, establishes the per capita income in 1986 dollars at \$4,269, or adjusted for inflation, \$8,429 in FY2015; the World Bank currently estimates China's per capita income at \$7,590.

<sup>20</sup> Department of the Treasury. "Key to Voting Record of the U.S. Executive Directors to the International Financial Institutions (January 1, 2006 through July 15, 2015)." <https://www.treasury.gov/resource-center/international/development-banks/Documents/Voting%20records.pdf>. Specific to Tibet, see Sec. 616, Tibetan Policy Act of 2002 (title VI, subtitle B, P.L. 107-228; 22 U.S.C. 6901 note), which requires the Secretary of the Treasury to instruct U.S. executive directors of international financial institution to support projects in Tibet if those projects meet certain cultural, environmental, and development standards.



- or coordinate bilaterally in any way with China or any Chinese-owned company unless such activities are specifically authorized by a law enacted after the date of enactment of this Act.” It further prohibits NASA from hosting official Chinese visitors unless specific conditions are met relating to national security, economic security, and human rights.
- Section 730, Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations, 2016 (division A, P.L. 114-113; 129 Stat. 2279), prohibits the use of appropriations to procure processed poultry products from China for use in various federal school meal programs.<sup>21</sup>

## Arms Sales and Arms Transfers

The U.S. government prohibits exporting defense articles and defense services to China under general authorities granted to the President and the Secretary of State to control the import and export of such goods and services in the context of U.S. foreign policy, as well as pursuant to the Tiananmen-era sanctions.<sup>22</sup>

The United States also prohibits the import of munitions and ammunition from China. President William J. Clinton announced the sanction on imports in May 1994, along with the announcement that he would renew Most-Favored-Nation (MFN) trade status (now referred to as “normal trade relations,” NTR) for another year.<sup>23</sup> Congress enhanced this prohibition in 2005, prohibiting the Secretary of Defense from procuring goods or services “through a contract or any subcontract (at any tier) under a contract, from any Communist Chinese company.”<sup>24</sup> Goods or services are defined as goods or services on the U.S. Munitions List (USML); exceptions are allowed for procurement in the course of a U.S. military vessel or aircraft visit to China, procurement related to testing purposes, or related to intelligence gathering. The Secretary is authorized to waive the prohibition if he finds it necessary for U.S. national security purposes and notifies the Armed Services Committees 15 days in advance.

<sup>21</sup> For more on the poultry disagreement, see CRS In Focus IF10148, *Chicken Imports from China*, by (name redacted)

<sup>22</sup> Sections 2, 38, 40, 42, and 71, Arms Export Control Act (P.L. 90-629; 22 U.S.C. 2752, 2778, 2780, 2791, and 2979). Restrictions are stated in the International Traffic in Arms Regulations, at 22 CFR Part 126.1.

<sup>23</sup> In 1993, President Clinton linked the annual renewal of Most-Favored-Nation trade status for China to improved human rights conditions there. One year later, he de-linked human rights from trade, but imposed the import restriction as an expression of continuing concerns over human rights. He also announced increased Radio Free Asia and Voice of America broadcasts to China, support for nongovernmental organizations working on human rights in China, and the “development with American business leaders of a voluntary set of principles for business activity in China.” “The President’s News Conference: May 26, 1994,” *Public Papers of the Presidents of the United States: William J. Clinton*, vol. I, p. 991. See munitions import restrictions stated at 27 CFR 447.52 (redesignated from 27 CFR 47.52 on January 24, 2003; 63 F.R. 3744), Bureau of Alcohol, Tobacco and Firearms, Department of Treasury; and arms embargo stated at 22 CFR 126.1, Department of State.

<sup>24</sup> Section 1211, National Defense Authorization Act for Fiscal Year 2006 (P.L. 109-163; 10 U.S.C. 2302 note), as amended.

## Trade<sup>25</sup>

**Generalized System of Preferences.** Imports from China do not qualify for duty-free treatment afforded to certain imports from developing countries under the U.S. Generalized System of Preferences (GSP). The Trade Act of 1974, which authorizes the GSP, requires a communist country to meet certain conditions before the President may designate it as a “beneficiary developing country” to become eligible for preferential trade treatment. Among the rationales for withholding GSP beneficiary status that are applicable to communist countries include ineligibility for MFN/NTR status and nonmembership in the World Trade Organization (WTO) and International Monetary Fund (IMF). China cleared these hurdles when it joined the WTO in 2001, the United States granted it permanent NTR (PNTR) status in 2002, and it joined the IMF in 1980. The third condition to be met by communist countries is that the country in question “is not dominated or controlled by international communism.” Conditions applicable to communist countries are not waivable. In addition, China may be denied for its political system or for a number of other reasons stated in the law, including intellectual property rights protection or workers’ rights.<sup>26</sup> Despite this, China is the United States’ largest source of imports (\$482 billion in 2015—up 382% from 2000 (pre-WTO accession)).<sup>27</sup>

**Export Controls Applied to U.S.-China Trade.** Export regulations implement U.S. law and various international control regimes to which the United States is a party (i.e., the Missile Technology Control Regime, the Nuclear Suppliers Group, or the Australia Group for chemical and biological weapons). They generally are not cast as economic sanctions because their goal is not to change the particular objectionable behavior of a targeted country but to meet U.S. legal and international obligations. The application of export controls, however, can have the same appearance and effect as an economic sanction imposed for foreign policy or national security objectives.

Several executive branch departments and two independent commissions have export control responsibilities.<sup>28</sup> The lion’s share, however, is assigned to the Department of Commerce’s Bureau of Industry and Security (BIS). BIS promulgates the Export Administration Regulations (EAR).<sup>29</sup> The EAR include the Commerce Control List (CCL), which categorizes all goods,

<sup>25</sup> The sanctions discussed here are applied for foreign policy or national security objectives but affect trade. Trade-related sanctions—including those imposed for intellectual property rights issues or unfair market practices, for example—draw from a different body of law and are not addressed in this memo. For trade related issues, see CRS Report RL33536, *China-U.S. Trade Issues* and CRS In Focus IF10030, *U.S.-China Trade Issues*, both by Wayne Morrison.

<sup>26</sup> Title V of the Trade Act of 1974 (P.L. 93-618; 19 U.S.C. 2461-2466), particularly Sec. 502(b), (c), and (d).

<sup>27</sup> Office of the U.S. Trade Representative. <https://ustr.gov/countries-regions/china-mongolia-taiwan/peoples-republic-china>

<sup>28</sup> As detailed in 15 CFR Part 730, Suppl. No. 3: the State Department oversees defense articles and defense services. Department of Justice handles most controlled drug issues, including related chemicals and precursor agents. Department of Health and Human Services (Food and Drug Administration) manages the export of other drugs, biologics, medical devices, and investigational drugs. Department of the Interior oversees fish and wildlife controls and endangered species. Department of the Treasury (Office of Foreign Assets Control) controls the flow of financial transactions and foreign access to assets in, or of, the United States. Department of Energy scrutinizes exports related to gas, electricity, and nuclear technology, technical data for nuclear weapons and special nuclear materials. Department of Transportation oversees the use of U.S.-flagged vessels. Two independent commissions, the Nuclear Regulatory Commission and the Federal Maritime Commission, keep track of nuclear materials and equipment, and ocean freight forwarders, respectively. In each department or commission, it is possible that punitive restrictions (i.e., sanctions) could be imposed on licensing to further national security or foreign policy goals.

<sup>29</sup> 15 CFR Subchapter C (Parts 730-799).

services, and technology for which export licenses are required for a range of national security and foreign policy reasons.

An export license is required for commercial goods, services, or technology intended for China for reasons of: chemical and biological weapons proliferation, nuclear proliferation, national security, missile technology, regional stability, and crime control.<sup>30</sup> This means that exporting most items on the CCL to China would require a license. For some goods and services, further guidance is provided in the form of license exceptions.

Computer equipment, assemblies and components, for example, are controlled for national security reasons, but trading partners are sorted into two groups or tiers. China is listed in the more restricted Tier 3, for which a computer may be sold and shipped if it is a slower processor, if the end-user is clearly identified, and if the end-use does not pertain to nuclear, chemical, biological, or missile activities.<sup>31</sup> Each license application is thus scrutinized by the Department of Commerce, and may also be reviewed by the Departments of State, Defense, or Energy.

The United States' trading partners are also sorted into four country groups.<sup>32</sup> Country Group A is reserved, mostly, for countries that are participants in the Nuclear Suppliers Group, the Australia Group, and the Missile Technology Control Regime. The most restrictive group, Country Group E, is reserved for those countries identified by the State Department as supporters of international terrorism. China is in Country Group D for national security reasons and for determinations related to proliferation of chemical and biological weapons and missile technology. A Country Group D listing further limits the likelihood of export licenses being granted for China for most CCL items, though for China the general policy is to approve licenses except in certain, very specific, instances. For example, it is general policy "to restrict the export and reexport of items that would make a significant contribution to the military potential of any other country or combination of countries that would prove detrimental to the national security of the United States."<sup>33</sup> In the case of China, however, according to Commerce Department regulations:

...there is a general policy of approval for license applications to export, reexport, or transfer items to civil end-uses. There is a presumption of denial for license applications to export, reexport, or transfer items that would make a direct and significant contribution to the PRC's military capabilities such as, but not limited to, the major weapons systems described in Supplement No. 7 to Part 742 of the EAR.<sup>34</sup>

**Military End-Use in China.** In addition to the presumption of denial of export licenses for some goods, on the grounds described above, beginning in mid-2007, the EAR has also generally

<sup>30</sup> Department of Commerce. Bureau of Industry and Security. "Commerce Country Chart," 15 CFR Part 738 Supplement 1. The suspension of export licenses for crime control and detection instruments and equipment was first imposed as a "Tiananmen Square sanction" under the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991, which cites Sec. 6(n) of the Export Administration Act of 1979 as authority. The Department of State's *International Religious Freedom Report 2014*, issued by the Bureau of Democracy, Human Rights, and Labor, however, states that "Since 1999, the Secretary of State has designated China as a CPC [Country of Particular Concern] under the IRFA [International Religious Freedom Act] for having engaged in or tolerated particularly severe violations of religious freedom. In August the Secretary redesignated the country as a CPC and extended existing sanctions under the IRFA related to restrictions on exports of crime control and detection instruments and equipment (Foreign Relations Authorization Act, Fiscal Years 1990 and 1991, P.L. 101-246). No other sanctions have been imposed, however, as a result of this designation. <http://www.state.gov/j/drl/rls/irf/religiousfreedom/index.htm?year=2014&dclid=238288#wrapper>

<sup>31</sup> Tiers are at 15 CFR Part 740.7.

<sup>32</sup> 15 CFR Part 740, Supplement 1.

<sup>33</sup> 15 CFR Part 742.4(a).

<sup>34</sup> 15 CFR Part 742.4(b)(7).

prohibited the export of goods that have a military end-use in China. The nine categories of prohibited goods range from depleted uranium, chemicals, toxins, machine tools and parts with particular application, high-performance computers, x-ray components, telecommunications equipment, sensors, lasers, navigation equipment, avionics, underwater equipment, and some aircraft.<sup>35</sup> Chinese entities for which this additional scrutiny of military end-use exports is required are listed in **Appendix A**.

**Satellites.** President George H.W. Bush suspended export licenses for satellites contracted to be launched in China after the Tiananmen Square crackdown in 1989, an action re-enforced by Congress a few months later when it enacted the Tiananmen Square sanctions in 1990. The restriction remains in law but was waived on a case-by-case basis by Presidents George H.W. Bush and Clinton, who each found it in the U.S. national interest to do so. Following several controversial issuances of export licenses for satellites during the Clinton Administration, the President has been required, since 1998, to provide a detailed description and justification of each waiver applicable to satellites or related items. The State Department suspended the processing of export licenses for satellites to China in February 2000. Each year since FY2002, Congress has enacted legislation to require 15-days advance notification of any licensing for export to China of satellites or satellite components.<sup>36</sup>

**Proliferation-Related Sanctions.** China is a party to the Nuclear Nonproliferation Treaty, a signatory to the Comprehensive Nuclear Test Ban Treaty (though it has not ratified this), the Chemical Weapons Convention, and the Biological Weapons Convention. It is a member of the Zangger Committee (pertaining to nuclear trade), and has issued export control regulations to demonstrate its commitment to follow the guidelines of the Missile Technology Control Regime. Nonetheless, entities and individuals in China have been found to be in violation of U.S. laws pertaining to proliferation of weapons of mass destruction. Over the years, Chinese entities and individuals have been linked to sales or transfers of controlled nuclear and missile technology to Iran, North Korea, Libya, Syria, and Pakistan. As a result of violating U.S. laws intended to staunch international proliferation of weapons of mass destruction, the charged Chinese entities have been denied

- U.S. government contracts relating to missile equipment or technology (unlikely to occur in any event);
- licenses to transfer controlled materials (also unlikely in any circumstance);
- the right to import any products into the United States;
- U.S. government sales or transfers of items controlled on the USML;
- access to U.S. foreign assistance<sup>7</sup>; and
- any U.S. (government or commercial) sales or transfers of dual-use items on the CCL (for which China is already heavily restricted).<sup>37</sup>

<sup>35</sup> 15 CFR Part 744.21 and Supplement 3 to Part 744. Though this regulation was finalized in mid-2007 (72 F.R. 33646), the Bureau of Industry and Security launched the policy as a proposed rule a year earlier, on July 6, 2006 (71 F.R. 38313). Russia and Venezuela were subsequently added to this restriction.

<sup>36</sup> Most recently, Sec. 7043(e), Department of State and Related Agency Appropriations Act, 2016 (division K of P.L. 114-113; 129 Stat. 2787).

<sup>37</sup> For U.S. Munitions List items: Sec. 38 of the Arms Export Control Act (AECA) (P.L. 90-629; 22 U.S.C. 2778); for missiles: Sec. 73 of the AECA (22 U.S.C. 2797b), and Sec. 11B of the Export Administration Act of 1979 (EAA) (P.L. 96-72; 50 U.S.C. app. 2410b). For chemical weapons: Sec. 81 of the AECA (22 U.S.C. 2798), Sec. 11C of the EAA (50 U.S.C. app. 2410c), and Sec. 3 of the Iran Nonproliferation Act of 2000 (P.L. 106-178; 50 U.S.C. 1701 note). For all manner of WMD proliferation: Executive Order 12938 (November 14, 1994; 50 U.S.C. 1701 note), wherein the (continued...)

Depending on the goods or services traded or transferred, sanctions are imposed for one year, two, or indefinitely. Chinese entities on which such sanctions have been imposed in the several years are listed in **Appendix B**.

### Other Sanctions Regimes Affecting Certain Chinese Entities and Individuals

A number of Chinese entities and individuals are designated by the Department of the Treasury's Office of Foreign Assets Control (OFAC) as Specially Designated Nationals (SDN) for purposes of sanctions regimes relating to weapons proliferation, international terrorism, and illicit narcotics trafficking. In addition, a few are designated as SDN and "Non-SDN" because of their activities that run counter to U.S. law relating to events in Belarus, Burma, Iran, Iraq, North Korea, Syria, and Ukraine. Each of these sanctions regimes has different parameters—thresholds of activity that trigger designation and resulting requirements for U.S. citizens, financial institutions, and businesses to curtail or prohibit transactions and financial engagement—that derive from the legislation that establishes the restrictions. Generally, however, one can begin with the assumption that the 47 Chinese or China-located individuals and entities designated as SDN (as of the date of this memorandum) do not have access to any of their assets that are held in the United States and are restricted, if not fully prohibited, from engaging in trade and transactions with persons under U.S. jurisdiction. The Chinese or China-located individuals and entities designated as SDN and Non-SDN are listed in **Appendix C**.

### Presidential Prerogative

Effective since October 1998, the President is authorized to freeze the assets of, prohibit any transactions with, and impose other restrictions (except those related to importation) afforded his office under the International Emergency Economic Powers Act on any Communist Chinese military company, or any company controlled by or affiliated with the People's Liberation Army (PLA), a Chinese government ministry, or an entity affiliated with the defense industrial base of China, that are operating directly or indirectly in the United States.<sup>38</sup> To trigger this, the Secretary of Defense is required to identify the company or entity and notify Congress, the Director of Central Intelligence, the Attorney General, and Secretaries of State, the Treasury, Commerce, and Energy.<sup>39</sup> There is no public information available as to whether this authority has ever been invoked.

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(...continued)

President has the authority to control any relevant item, deny procurement contracts, foreign aid, importation, support in the international financial institutions, credit in other fora, and landing rights to an entity or country.

<sup>38</sup> Around the same time, China's President Jiang Zemin ordered the PLA and the People's Armed Police (PAP) to divest of their commercial enterprises. In January 2015, President Xi Jinping ordered that senior military officers were prohibited from earning income other than their military pay. Nearly two decades of anti-corruption campaigns launched by the central government have significantly changed the role of the PLA in China's economy. (name red acted), "China —A Model People's Army: Two Years After the Chinese Military Was Ordered To Get Out of Business, It Seems to Have Largely Complied," *Far Eastern Economic Review*, July 13, 2000, p. 14; Michael Lelyveld, *China Bars Outside Income for Military*, GOVPUB, February 9, 2015.

<sup>39</sup> Sec. 1237 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (P.L. 105-261; 50 U.S.C. 1701 note), as amended. As enacted, the law required the Secretary of Defense to publish a list of Chinese companies in the *Federal Register* annually. The Secretary notified Congress that the task exceeded his office's intelligence capabilities. The law was amended the following year to require the Secretary to notify only the Committees on Armed Services and the above-noted administration officials. For complete statement of the President's authority under Sec. 203 of the International Emergency Economic Powers Act, see P.L. 95-223 (50 U.S.C. 1702).

## Appendix A. Chinese Entities Identified by the Department of Commerce’s Bureau of Industry and Security as Military End-Use Entities (15 CFR Part 744 Supplement 4) (as of August 3, 2016)

Supplement 4 to 15 CFR Part 744, compiled and administered by the Department of Commerce’s Bureau of Industry and Security, identifies certain entities subject to license requirements for specified items under parts 744 and 746 of the Export Administration Regulations (EAR). License requirements for these entities include exports, reexports, and transfers (in-country) unless otherwise stated. The BIS revises the list on a periodic basis by adding new or amended notifications and deleting notifications no longer in effect. Supplement 4, as it appears in the EAR, includes addresses of the designated entities; this appendix retains only the references to cities and provinces, where available. Aliases of the primary designee are also retained in the table.

**Table A-1. Commerce Department: Supplement 4 to 15 CFR Part 744**

Administered by the Bureau of Industry and Security (August 3, 2016)

Entity	License Requirement	License Review Policy	Citation
13 Institute, China Academy of Launch Vehicle Technology (CALT), a.k.a., the following six aliases: —13 <sup>th</sup> Institute China Aerospace Times Electronics Corp (CATEC); —713 Institute of Beijing; —Institute of Control Devices (BICD); —Beijing Institute of Aerospace Control Devices (BIACD); —Beijing Aerospace Control Instruments Institute; and —Design and Manufacture Center of Navigation and Control Device	For all items subject to the EAR	15 CFR §744.3(d)	66 FR 24265, 5/14/01  75 FR 78877, 12/17/10
33 Institute, a.k.a., the following three aliases: —Beijing Automation Control Equipment Institute (BACEI); —Beijing Institute of Automatic Control Equipment, China Haiying Electromechanical Technology Academy; and —No. 33 Research Institute of the Third Academy of China. Aerospace Science and Industry Corp (CASIC).  Yungang, Fengtai District, Beijing	For all items subject to the EAR having a classification other than EAR99 or a classification where the third through fifth digits of the ECCN are “999”, e.g., XX999.	15 CFR §744.3(d)	66 FR 24266, 5/14/01  75 FR 78883, 12/17/10  77 FR 58006, 9/19/12

Entity	License Requirement	License Review Policy	Citation
<p>35 Institute, a.k.a., the following four aliases:  —Beijing Hangxing Machine Building Corporation;  —Beijing Huahang Radio Measurements Research Institute, China Haiying Electronic Mechanical Technical Research Academy;  —Huahang Institute of Radio Measurement; and  —No. 35 Research Institute of the Third Academy of China Aerospace Science and Industry Corp (CASIC).</p>	<p>For all items subject to the EAR having a classification other than EAR99 or a classification where the third through fifth digits of the ECCN are “999”, e.g., XX999.</p>	<p>15 CFR §744.3(d)</p>	<p>66 FR 24266, 5/14/01   75 FR 78883, 12/17/10   77 FR 58006, 9/19/12</p>
<p>54<sup>th</sup> Research Institute of China, a.k.a., the following three aliases:  —China Electronics Technology Group Corp. (CETC) 54th Research Institute;  —Communication, Telemetry and Telecontrol Research Institute (CTI); and  —Shijiazhuang Communication Observation and Control Technology Institute.</p>	<p>For all items subject to the EAR having a classification other than EAR99 or a classification where the third through fifth digits of the ECCN are “999”, e.g., XX999.</p>	<p>15 CFR §744.3(d)</p>	<p>66 FR 24266, 5/14/01   75 FR 78883, 12/17/10   77 FR 58006, 9/19/12</p>
<p>A.C. International   Guangzhou Province</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>73 FR 54503, 9/22/08</p>
<p>Alpha Lam   Shenzhen, Guangdong (See alternate address under Hong Kong)</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>79 FR 32445, 6/5/14.</p>
<p>Asia International Trading Company   Guangzhou</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>73 FR 54503, 9/22/08</p>
<p>Baotou Guanghua Chemical Industrial Corporation (Parent Organization: China National Nuclear Group Corporation (CNNC)), a.k.a., the following five aliases:  —202 Plant, Baotou Nuclear Energy Facility;  —Baotou Guanghua Chemical Industrial Corporation;  —Baotou Guanghua Chemical Industry Company;  —Baotou Nuclear Fuel Element Plant; and  —China Nuclear Baotou Guanghua Chemical Industry Company   Inner Mongolia</p>	<p>For all items subject to the EAR having a classification other than EAR99</p>	<p>15 CFR §744.2(d)  [sic: should probably refer to §744.3(d)]</p>	<p>66 FR 24266, 5/14/01   75 FR 78883, 12/17/10</p>

Entity	License Requirement	License Review Policy	Citation
<p>Beijing Aeronautical Manufacturing Technology Research Institute, a.k.a., the following two aliases:  —BAMTRI; and  —Aviation Industry Corporation of China’s (AVIC) Institute 625.</p> <p>Chaoyang and Haidian Districts, Beijing</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of approval for EAR99; case-by-case review for all items on the CCL</p>	<p>79 FR 24566, 5/1/14</p>
<p>Beijing Aeronautics Yangpu Technology Investment Company (BAYTIC), a.k.a., the following three aliases:  —Beijing Aerospace Yangpu Technology Investment Company; and  —Tian Hang Yang Pu Technology Investment Limited Company; and  —Bei Jing Tian Hang Yang Pu Technology Investment Limited Company.</p> <p>Chaoyang and Haidian Districts, Beijing</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>79 FR 44683, 8/1/14</p>
<p>Beijing Aerospace Automatic Control Institute (BICD), a.k.a., the following four aliases:  —12th Research Institute China Academy of Launch Vehicle Technology (CALT);  —Beijing Institute of Space Automatic Control;  —Beijing Spaceflight Autocontrol Research Institute; and  —China Aerospace Science and Technology Corp First Academy 12th Research Institute.</p> <p>Beijing</p>	<p>For all items subject to the EAR having a classification other than EAR99.</p>	<p>15 CFR §744.3</p>	<p>64 FR 28909, 5/28/99   75 FR 78883, 12/17/10   77 FR 58006, 9/19/12</p>
<p>Beijing FJR Optoelectronic Technology Company Ltd, a.k.a, the following three aliases:  —FJR Optoelectronic Technology Company Ltd.;  —Beijing Fu Jerry; and  —Fu Jirui</p> <p>Chaoyang and Shunyi Districts, Beijing</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>80 FR 44849, 7/28/15</p>
<p>Beijing Institute of Structure and Environmental Engineering (BISE), a.k.a., the following two aliases:  —702nd Research Institute, China Academy of Launch Vehicle Technology (CALT); and  —Beijing Institute of Strength and Environmental Engineering</p> <p>Beijing</p>	<p>For all items subject to the EAR having a classification other than EAR99</p>	<p>15 CFR §744.3</p>	<p>64 FR 28909, 5/28/99   75 FR 78877, 12/17/10</p>
<p>Beijing Lion Heart International Trading Company, a.k.a., the following one alias:  —Wei Lai Xi Tong Ltd.</p> <p>Chaoyang District, Beijing (See also address under Hong Kong)</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>79 FR 56003, 9/18/14</p>



Entity	License Requirement	License Review Policy	Citation
<p>Beijing Opto-Electronics Technology Company, a.k.a., the following one alias: —BOET</p> <p>Chaoyang District, Beijing</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>80 FR 44849, 7/28/15</p>
<p>Beijing Power Machinery Institute, a.k.a., the following three aliases: —31st Research Institute of China Aerospace Science and Industry Corp (CASIC) or China Haiying Electromechanical Technology Academy (a.k.a., China Haiying Science &amp; Technology Corporation); —Beijing Power Generating Machinery Institute; and —Beijing Power Machinery Research Laboratory</p>	<p>For all items subject to the EAR</p>	<p>15 CFR §744.3</p>	<p>66 FR 24266, 5/14/01</p> <p>75 FR 78877, 12/17/10</p>
<p>Beijing Tianhua, a.k.a., the following seventeen aliases: Beijing Tianhua International Co., Ltd.; Beijing BUAA Tianhua Technology Company; Beijing BUAA Tianhua Technology Co., Ltd.; Beijing Aerospace Technology Limited Liability Company; Beihang Tenfine Industry Group; Beijing Beihang Assets Management Co., Ltd.; Beijing Beihang Science &amp; Technology Co., Ltd.; Beijing Aerospace Technology LLC; Beijing North China Aerospace Science &amp; Technology Ltd., Co.; Beijing North Space Technology Co., Ltd.; Beijing the Tianhua Easytouch International Trade Co., Ltd.; North and Astronautics, Beijing China Times Technology Co., Ltd.; Beijing Beihang Haier Software Co., Ltd.; Red Technology; TRW Navigation Communication Technology Co., Ltd.; Beijing North Aerospace Co-Technology Co., Ltd.; and Beijing Full Three Dimensional Power Engineering Co., Ltd.</p> <p>Beijing and Haidian District, Beijing</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>78 FR 75463, 12/12/13</p>
<p>Beijing University of Aeronautics and Astronautics (BUAA), a.k.a., the following alias: —Beihang University.</p> <p>Haidian District, Beijing</p>	<p>For all items subject to the EAR</p>	<p>15 CFR §744.3(d)</p>	<p>66 FR 24266, 5/14/01</p> <p>70 FR 54629, 9/16/05</p> <p>75 FR 78877, 12/17/10</p>
<p>BOP Opto-Electronics Technology Company, a.k.a., the following one alias: —Beijing BOP Electro-Optics.</p> <p>Chaoyang District, Beijing</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>80 FR 44849, 7/28/15</p>

Entity	License Requirement	License Review Policy	Citation
BVI Electronics  Gangzhou (See alternate address under Hong Kong)	For all items subject to the EAR. (See also §744.11)	Presumption of denial	79 FR 32445, 6/5/14
Chengdu GaStone Technology Co., Ltd. (CGTC)  Chengdu, Sichuan	For all items subject to the EAR. (See also §744.11)	Presumption of denial	79 FR 44683, 8/1/14
Chengdu Latest Electronics Technology Company  Chengdu, Sichuan; Xi'an, Shaanxi; Nanjing, Jiangsu; and Haidian District, Beijing	For all items subject to the EAR. (See also §744.11)	Presumption of denial	79 FR 24565, 5/1/14
Chen Qu, a.k.a., the following one alias: —Chen Choo.  Yantai, Shandong	For all items subject to the EAR. (See also §744.11)	Presumption of denial	81 FR 14953, 3/21/16
China Aerodynamics Research and Development Center (CARD C)  Sichuan	For all items subject to the EAR having a classification other than EAR99	15 CFR §744.3	64 FR 28910, 5/28/99
China Electronic Technology Group Corporation No. 11 Research Institute, a.k.a., the following three aliases, including the named subordinate institutions: —North China Research Institute of Electro-Optics (NCRIO); —China North Research Institute of Electro-Optics; and —CETC 11th Research Institute (CETC 11th RI). Subordinate institution Beijing Laiyin Company Ltd, a.k.a., the following one alias, —Beijing North China Lai Yin Opto-Electronics Technology Company. Subordinate Institution: China Electronics Technology Corporation (CETC) Infrared Engineering and Technology Company, a.k.a., the following one alias: —CETC Infrared or CETC IR.  Chaoyang District, Beijing, and Beijing	For all items subject to the EAR. (See also §744.11)	Presumption of denial	80 FR 44849, 7/28/15

Entity	License Requirement	License Review Policy	Citation
<p>China Electronics Technology Group Corporation 29 (CETC 29) Research Institute, a.k.a., the following ten aliases:  —CETC 29th Research Institute;  —China Southwest Electronic Equipment Research Institute (SWIEE);  —29 (SIWEI Co) Institute;  —SIWI Electronics Corporation;  —Chengdu SIWI Electronics Inc.;  —Chengdu SIWEI Electronics Company;  —Chengdu 29 Institute;  —Si Wei Company 29th Institute;  —SIWI Group; and  —Southwest China Institute of Electronics</p> <p>Chengdu, Sichuan</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>79 FR 44680, 8/1/14</p> <p>80 FR 69856, 11/12/15</p>
<p>China National Commercial New Tone Trading Company Ltd,</p> <p>Beijing, and Xicheng District, Beijing</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>80 FR 44849, 7/28/15</p>
<p>China Xinshidai Company, a.k.a., the following one alias: -China New Era Group</p> <p>Beijing</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>79 FR 36202, 6/26/14</p>
<p>Chinese Academy of Engineering Physics, a.k.a., the following seventeen aliases:  —Ninth Academy;  —Southwest Computing Center;  —Southwest Institute of Applied Electronics;  —Southwest Institute of Chemical Materials;  —Southwest Institute of Electronic Engineering;  —Southwest Institute of Environmental Testing;  —Southwest Institute of Explosives and Chemical Engineering;  —Southwest Institute of Fluid Physics;  —Southwest Institute of General Designing and Assembly;  —Southwest Institute of Machining Technology;  —Southwest Institute of Materials;  —Southwest Institute of Nuclear Physics and Chemistry (a.k.a., China Academy of Engineering Physics (CAEP)'s 902 Institute);  —Southwest Institute of Research and Applications of Special Materials Factory;  —Southwest Institute of Structural Mechanics;  (all of preceding located in or near Mianyang, Sichuan)  —The High Power Laser Laboratory (Shanghai);  —The Institute of Applied Physics and Computational Mathematics (Beijing); and  —901 Institute (Chengdu, Sichuan)</p>	<p>For all items subject to the EAR</p>	<p>Case-by-case basis</p>	<p>62 FR 35334, 6/30/97</p> <p>66 FR 24266, 5/14/01</p> <p>75 FR 78883, 12/17/10</p> <p>76 FR 21628, 4/18/11</p> <p>76 FR 50407, 8/15/11</p> <p>77 FR 58006, 9/19/12</p>

Entity	License Requirement	License Review Policy	Citation
Chitron Electronics Company Ltd, a.k.a., Chi-Chuang Electronics Company Ltd  Shenzhen, Guangdong; Mianyang and Chengdu, Sichuan; Haidian District, Beijing; Xi'an, Shaanxi; and Hongkou District, Shanghai (See alternate address under Hong Kong)	For all items subject to the EAR. (See also §744.11)	Presumption of denial	75 FR 1701, 1/13/10
Comsum Technologies (Group) Ltd.  Beijing (See alternate address under Hong Kong)	For all items subject to the EAR. (See also §744.11)	Presumption of denial	78 FR 75463, 12/12/13
Corezing International, (a.k.a., CoreZing Electronics, Corezing International Group Company, Corezing International Pte Ltd, Corezing Technology Pte Ltd and Core Zing)  Shenzhen and Dongguan, Guangdong (additional addresses in Hong Kong and Singapore)	For all items subject to the EAR. (See also §744.11)	Presumption of denial	76 FR 67062, 10/31/11
Dalian Ligong Safety Equipment Company Ltd  Dalian, Liaoning	For all items subject to the EAR. (See also §744.11)	Presumption of denial	79 FR 24565, 5/1/14
Edward Fan  Yantai, Shandong	For all items subject to the EAR. (See also §744.11)	Presumption of denial	81 FR 14953, 3/21/16
Fang Yu  Xi'an, Shaanxi	For all items subject to the EAR. (See also §744.11)	Presumption of denial	75 FR 36519, 6/28/10
First Department, Chinese Academy of Launch Vehicle Technology (CALT), a.k.a., the following three aliases: —1st General Design Department (a.k.a., Planning Department No 1) of the China Aerospace Science & Technology Corporation's First Academy (CALT); —Beijing Institute of Astronautic Systems Engineering; and —Beijing Institute of Space System Engineering.  Fengtai District, Beijing	For all items subject to the EAR.	15 CFR §744.3(d)	66 FR 24266, 5/14/01  75 FR 78883, 12/17/10  77 FR 58006, 9/19/12
Foang Tech Inc., a.k.a., the following one alias: —Ofogh Electronics Co.  Shenzhen (additional address in Hong Kong)	For all items subject to the EAR. (See also §744.11)	Presumption of denial	81 FR 40174, 6/21/16
Fushun Jinly Petrochemical Carbon Co., Ltd.,  Xinfu and Dongzhou Districts, Fushun, Liaoning	For all items subject to the EAR. (See also §744.11)	Presumption of denial	79 FR 24565, 5/1/14

Entity	License Requirement	License Review Policy	Citation
Fuyuan Huang Beijing, and Chaoyang District, Beijing	For all items subject to the EAR. (See also §744.11)	Presumption of denial	80 FR 44849, 7/28/15
Gala Wang Jinan, Shandong	For all items subject to the EAR. (See also §744.11)	Presumption of denial	81 FR 14953, 3/21/16
HWA Create Beijing (additional addresses in Hong Kong)	For all items subject to the EAR. (See also §744.11)	Presumption of denial	79 FR 36202, 6/26/14
Jadeshine Chaoyang District, Beijing	For all items subject to the EAR. (See also §744.11)	Presumption of denial	78 FR 18811, 3/28/13
Jadeshine Engineering HK Co. Shanghai; and Langfang, Hebei (additional address in Hong Kong)	For all items subject to the EAR. (See also §744.11)	Presumption of denial	78 FR 18811, 3/28/13
Jereh International Yantai Shandong	For all items subject to the EAR. (See also §744.11)	Presumption of denial	81 FR 14953, 3/21/16
Jiangsu Leidian Technology Company (JLTC) Jiangsu	For all items subject to the EAR. (See also §744.11)	Presumption of denial	79 FR 44683, 8/1/14
Jinan Tongbaolai Oilfield Equipment Jinan, Shandong	For all items subject to the EAR. (See also §744.11)	Presumption of denial	81 FR 14953, 3/21/16
Kinglead Electronics Co., Ltd., a.k.a., the following two aliases: —Kinglead International Trading, and —Kinglead Trading. Shenzhen, Guangdong (additional address in Hong Kong)	For all items subject to the EAR. (See also §744.11)	Presumption of denial	79 FR 32445, 6/5/14
Liaoyang Carbon Co., Ltd. Liaoyang, Liaoning	For all items subject to the EAR. (See also §744.11)	Presumption of denial	79 FR 24565, 5/1/14
Lim Yong Nam, (a.k.a. Lin Rongnan, Steven Lim and Yong Nam Lim) Shenzhen, Guangdong (additional addresses in Singapore)	For all items subject to the EAR. (See also §744.11)	Presumption of denial	76 FR 67062, 10/31/11

Entity	License Requirement	License Review Policy	Citation
<p>Longtek Company, Ltd., a.k.a., the following alias: —Beijing Landuyt Feng Technology Co., Ltd.</p> <p>Haidian District, Beijing</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>78 FR 75463, 12/12/13</p>
<p>Luo Jie, (a.k.a. Cherry, Ivy Luo and Jie Luo)</p> <p>Shenzhen and Dongguan, Guangdong (additional addresses in Hong Kong)</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>76 FR 67062, 10/31/11</p>
<p>National Supercomputing Center Changsha (NSCC-CS)</p> <p>Changsha, Hunan</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Case-by-case basis</p>	<p>80 FR 8527, 2/18/15</p>
<p>National Supercomputing Center Guangzhou (NSCC-GZ),</p> <p>Sun Yat-Sen University, Guangzhou</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Case-by-case basis</p>	<p>80 FR 8527, 2/18/15</p>
<p>National Supercomputing Center Tianjin (NSCC-TJ)</p> <p>Tianjin</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Case-by-case basis</p>	<p>80 FR 8527, 2/18/15</p>
<p>National University of Defense Technology (NUDT)</p> <p>Changsha, Kaifu District, Hunan</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Case-by-case basis</p>	<p>80 FR 8527, 2/18/15</p>
<p>NEL Electronics, (a.k.a., NEL Electronics Pte Ltd)</p> <p>Shenzhen, Guangdong (additional address in Singapore)</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>76 FR 67062, 10/31/11</p>
<p>Ninehead Bird Semi-conductor,</p> <p>Shenzhen, Guangdong</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>81 FR 40174, 6/21/16</p>
<p>Northwest Institute of Nuclear Technology in the Science Research (NINTF)</p> <p>Xi'an, Shaanxi</p>	<p>For all items subject to the EAR.</p>	<p>15 CFR §744.2</p>	<p>64 FR 28909,5/28/99</p> <p>75 FR 78883, 12/17/10</p> <p>77 FR 58006, 9/19/12</p>

Entity	License Requirement	License Review Policy	Citation
<p>Northwestern Polytechnical University, a.k.a., the following three aliases:  —Northwestern Polytechnic University;  —Northwest Polytechnic University; and  —Northwest Polytechnical University.</p> <p>Xi'an, Shaanxi</p>	<p>For all items subject to the EAR having a classification other than EAR99 or a classification where the third through fifth digits of the ECCN are "999", e.g., XX999.</p>	<p>15 CFR §744.3(d)</p>	<p>66 FR 24266, 5/14/01</p> <p>75 FR 78883, 12/17/10</p> <p>77 FR 58006, 9/19/12</p>
<p>Panda International Information Technology Company, Ltd.</p> <p>Haidian District, Beijing</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>79 FR 36202, 6/26/14</p>
<p>Poly Technologies Inc.</p> <p>Haidian District, Beijing</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>79 FR 36202, 6/26/14</p>
<p>PRC Lode Technology Company, and the following four aliases:  —Lode Technology Company;  —Beijing Lode Technology Company, Ltd.;  —Beijing Nuodian Keji Youxian Gongs; and  —Beijing Nuodian Technology.</p> <p>Chaoyang District, Beijing (additional addresses in Hong Kong)</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>79 FR 44683, 8/1/14</p> <p>81 FR 14953, 3/21/16</p>
<p>Qing'an International Trading Group, a.k.a., the following three aliases:  —Qing'an International Trading Group Company; and  —Qing'an Company Shenzhen Station; and  —China Qing'an International Trading Group.</p> <p>Chaoyang District, Beijing</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>79 FR 44683, 8/1/14</p>
<p>Shandong Sheenrun Optics &amp; Electronics Co., Ltd., a.k.a., the following two aliases:  —China Sheenrun Optics and Electronics Co. Ltd.; and  —Jinan Sheenrun Electronics Company Ltd.</p> <p>Jinan, Shandong</p>	<p>For all items subject to the EAR. (See also §744.11)</p>	<p>Presumption of denial</p>	<p>80 FR 22640, 4/23/15</p>

Entity	License Requirement	License Review Policy	Citation
Shanghai Academy of Spaceflight Technology (SAST), a.k.a., the following four aliases: —8th Research Academy of China Aerospace; —Shanghai Astronautics Industry Bureau; —Shanghai Bureau of Astronautics (SHBOA); and —Shanghai Bureau of Space  Shanghai	For all items subject to the EAR having a classification other than EAR99	15 CFR §744.3	64 FR 28909, 5/28/99  75 FR 78877, 12/17/10
Shanghai Institute of Space Power Sources, a.k.a., the following three aliases: —811th Research Institute, 8th Academy, China Aerospace Science and Technology Corp. (CASC); —Shanghai Space Energy Research Institute; and —Shanghai Space Power Supply Research Institute.  Shanghai	For all items subject to the EAR having a classification other than EAR99	15 CFR §744.3	64 FR 28909, 5/28/99  75 FR 78883, 12/17/10 77 FR 58006, 7/19/12
Sichuan University  Chengdu, Sichuan	For all items subject to the EAR.	Case-by-case basis	77 FR 58006, 9/19/12
Sky Rise Technology Ltd., a.k.a., the following one alias: —Sky Rise Tech  Beijing (additional addresses in Hong Kong)	For all items subject to the EAR. (See also §744.11)	Presumption of denial	80 FR 69856, 11/12/15
Southwest Research Institute of Electronics Technology, a.k.a., the following three aliases: —10th Research Institute of China Electronic Technology Group Corp (CETC); —CETC 10th Research Institute; and —Southwest Institute of Electronic Technology (SWIET)  Chengdu, Sichuan	For all items subject to the EAR having a classification other than EAR99 or a classification where the third through fifth digits of the ECCN are “999”, e.g., XX999.	15 CFR §744.3(d)	66 FR 24267, 5/14/01  75 FR 78883, 12/17/10  77 FR 58006, 9/19/12
Su Bin, a.k.a., the following two aliases: —Stephen Subin; and —Steve Su.  Chaoyang District, Beijing (additional addresses in under Hong Kong)	For all items subject to the EAR. (See also §744.11)	Presumption of denial	79 FR 44683, 8/1/14
TanWei, a.k.a., the following one alias: —Terry Tan.  Yantai, Shandong	For all items subject to the EAR. (See also §744.11)	Presumption of denial	81 FR 14953, 3/21/16



Entity	License Requirement	License Review Policy	Citation
Tenfine Ltd., a.k.a., the following two aliases: —Beijing Beihang Assets Management Co. Ltd.; and —Tenfine Limited Company.  Haidian District, Beijing	For all items subject to the EAR. (See also §744.11)	Presumption of denial	78 FR 75463, 12/12/13
TiMi Technologies Co., Ltd., a.k.a., the following two aliases: —TiMi Technology Co. Ltd —TiMi Tech  Haidian District, Beijing; and Shenzhen (additional addresses in Hong Kong)	For all items subject to the EAR. (See also §744.11)	Presumption of denial	80 FR 69856, 11/12/15
Toptics, Inc.,  Hangzhou, Zhejiang	For all items subject to the EAR. (See also §744.11)	Presumption of denial	75 FR 36519, 6/28/10
University of Electronic Science and Technology of China  Chengdu, Sichuan	For all items subject to the EAR	Case-by-case basis	77 FR 58006, 9/19/12
Wang Wei, a.k.a., the following one alias: —Jack Wang  Dongcheng and Haidian Districts, Beijing (additional addresses in Hong Kong)	For all items subject to the EAR. (See also §744.11)	Presumption of denial	80 FR 69856, 11/12/15
Wong Yung Fai, a.k.a., Tonny Wong  Shenzhen, Guangdong	For all items subject to the EAR. (See also §744.11)	Presumption of denial	75 FR 1701, 1/13/10
Xi'an Research Institute of Navigation Technology, a.k.a., the following two aliases: —20th Research Institute of China Electronic Technology Group Corp (CETC); and —CETC 20th Research Institute.  Xi'an, Shaanxi	For all items subject to the EAR having a classification other than EAR99.	15 CFR §744.3(d)	66 FR 24267, 5/14/01  75 FR 78883, 12/17/10  77 FR 58006, 9/19/12
Xi'an Xiangyu Aviation Technology Group, a.k.a., Xi'an Xiangyu Aviation Technology Company  Xi'an, Shaanxi	For all items subject to the EAR. (See also §744.11)	Presumption of denial	75 FR 36519, 6/28/10

Entity	License Requirement	License Review Policy	Citation
Xi'an Semi Electronic Co., Ltd., a.k.a., the following three aliases: —Semi Electronics Co.; —Semi Electronics International Co. Limited; and —Exodus Microelectronics Co., Ltd.  Shenzhen, Guangdong; Xi'an, Shaanxi (additional address in Hong Kong)	For all items subject to the EAR. (See also §744.11)	Presumption of denial	76 FR 71869, 11/21/11
Xiangdong Machinery Factory, within the China Aerospace Science and Industry Corp's (CASIC) Third Academy, a.k.a., the following two aliases: —China Haiying Electromechanical Technology Academy; and —China Haiying Science & Technology Corporation (a.k.a., the following four aliases: 239 Factory; Beijing Xinghang Electromechanical Equipment Factory; Beijing Hangxing Machinery Manufacturing Corporation; and Hangxing Machine Building Company)	For all items subject to the EAR.	15 CFR §744.3(d)	66 FR 24267, 5/14/01  75 FR 78883, 12/17/10  77 FR 58006, 9/19/12
Xinghe Xingyong Carbon Co., Ltd.  Chengguan, Xinghe, Inner Mongolia	For all items subject to the EAR. (See also §744.11)	Presumption of denial	79 FR 24565, 5/11/14
Yantai Jereh Oilfield Services Group Co., Ltd.  Yantai, Shandong	For all items subject to the EAR. (See also §744.11)	Presumption of denial	81 FR 14953, 3/21/16
Yin Zhao  Beijing and Chaoyang District, Beijing	For all items subject to the EAR. (See also §744.11)	Presumption of denial	80 FR 44849, 7/28/15
Yiwu Tianying Optical Instrument Company  Yiwu, Zhejiang	For all items subject to the EAR. (See also §744.11)	Presumption of denial	80 FR 44849, 7/28/15
Zhou Zhenyong, (a.k.a., Benny Zhou and Zhenyong Zhou)  Dongguan, Guangdong (additional addresses in Hong Kong)	For all items subject to the EAR. (See also §744.11)	Presumption of denial	76 FR 67062, 10/31/11
Zhu Kuibao  Haidian District, Beijing	For all items subject to the EAR. (See also §744.11)	Presumption of denial	79 FR 24565, 5/11/14
ZTE Kangxun Telecommunications Ltd.  Shenzhen	For all items subject to the EAR. (See also §744.11)	Presumption of denial	81 FR 12004, 3/8/16

**Source:** Code of Federal Regulations.

**Notes:** 15 CFR 744.2 relates to certain nuclear end-use; 15 CFR 744.3 relates to restrictions on export of certain rocket systems, including ballistic missile systems, space launch vehicles, sounding rockets, unmanned air vehicles, cruise missiles, and drones; and 15 CFR 744.11 relates to license restrictions on entities “acting contrary to the national security or foreign policy interests of the United States.”

## Appendix B. Chinese Entities Identified Under U.S. Law Relating to Illicit Trade in Goods and Services Controlled for Nonproliferation Reasons (as of August 3, 2016)

The President has delegated to the Secretary of State, who has in turn delegated to the State Department's Bureau of International Security and Nonproliferation, the authority to identify persons and entities engaged in illicit trade in goods and services controlled in furtherance of nonproliferation goals and obligations. Depending on the authority invoked (the second column in the table, below (key to abbreviations in note to table)), the entity may be denied access to U.S. government procurement contracts, foreign aid, and import and export licenses.

**Table B-1. State Department Designations of Foreign Persons and Entities Engaged in Illicit Trade in Goods and Services Controlled for Nonproliferation Reasons**

Administered by the Bureau of International Security and Nonproliferation (August 3, 2016)

Entity	Statute	Date Imposed	Date Removed/Waived
Chinese Ministry of Aerospace Industry, including China Precision Machinery Import/Export Corporation (CPMIEC)	Missile technology: §73(a)(2), AECA, §11B(b)(1), EAA	11/1/94 (59 FR 214)	
Asian Ways Ltd. WorldCo Ltd. Mainway International	Chemical weapons: §§81, 82, AECA §11C(a), (b), EAA §305, CBWCWEA EO 12851	2/18/95 (60 FR 13201)	
Liao Minglong (individual) Tian Yi (individual) Chen Qingchang (individual) Pan Yongming (individual) Shao Xingsheng (individual) Nanjing Chemical Industries Group (NCI) Jiangsu Yongli Chemical Engineering and Technology Import/Export Corp. Cheong Yee Ltd (Hong Kong)	Chemical weapons: §81, AECA §11C(a), EAA EO 12851	5/21/97 (62 FR 28304)	2/24/15 (80 FR 9846) waived (important to national security interests) for: —Nanjing Chemical Industries Group (NCI) —Jiangsu Yongli Chemical Engineering and Technology Import/Export Corp.
Jiangsu Yongli Chemical Engineering and Technology Import/Export Corp.	Trade with Iran: §§2, 3, INA	6/14/01 (66 FR 33988)	

Entity	Statute	Date Imposed	Date Removed/Waived
China Metallurgical Equipment Corporation (CMEC)	Missile technology: §73(a)(1), AECA §11B(b)(1), EAA	9/1/01 (66 FR 47256)	
Liyang Chemical Equipment Q.C. Chen China Machinery and Electric Equipment Import/Export	Trade with Iran: §§2, 3, INA	1/16/02 (67 FR 3528)	
Liyang Yunlong (aka Liyang Chemical Equipment) Zibo Chemical Equipment Plant (aka Chemet Global) China National Machinery and Electric Equipment Import/Export Wha Cheong Tai Co., Ltd. China Shipbuilding Trading Co. China Precision Machinery Import/Export Corp. China National Aero-Technology Import/Export Corp. Q.C. Chen	Trade with Iran: §§2, 3, INA	5/9/02 (67 FR 34983) for NORINCO: 5/23/03 (68 FR 40729)	
Taian Foreign Trade General Corp. Zibo Chemical Equipment Plant (aka Chemet Global) Liyang Yunlong Chemical Equipment Group Co. China North Industries Corp (NORINCO) China Precision Machinery Import/Export Corp.	Trade with Iran: §§2, 3, INA	6/26/03 (67 FR 40011)	
China Machinery and Equipment Import/Export Corp. China National Machinery and Equipment Import/Export Corp. CMEC Machinery and Electric Equipment Import/Export Co. Ltd. China Machinery and Electric Equipment Import/Export Co.	Missile technology, chemical weapons: IIANA §81, AECA	7/9/02 (67 FR 48696)	Lifted 6/27/13 (78 FR 38782)

Entity	Statute	Date Imposed	Date Removed/Waived
Q.C. Chen Wha Cheong Tai Co., Ltd. China Shipbuilding Trading Co.	Missile technology, chemical weapons: IIANA §81, AECA	7/9/02 (67 FR 48696)	
North China Industries Corp. (NORINCO)	Missile technology: EO 12938	5/9/03 (68 FR 28314)	
China Precision Machinery Import/Export Corp (CPMIEC)	Missile technology: EO 12938	7/30/03 (68 FR 44832)	
China North Industries Corp. (NORINCO)	Missile technology: §73(a)(1), AECA, §11B(b)(1), EAA	9/19/03 (68 FR 54930)	9/19/03 (68 FR 54930) waived as it applies to relevant activities of the Chinese government—essential to U.S. national security interests 9/8/04 (69 FR 56261), waiver extended 6 months 3/18/05 (70 FR 14491), waiver extended 6 months 9/18/05 (70 FR 56205), waiver extended 6 months 3/18/06 (71 FR 14049) waiver extended 6 months 9/13/06 (71 FR 55543) waiver extended 6 months 3/12/07 (72 FR 13550) waiver extended 6 months
Beijing Institute of Opto-electronic Technology (BIOET) China North Industries Corp (NORINCO) China Precision Machinery Import/Export Corp (CPMIEC) Oriental Scientific Instruments Corp (OSIC) Zibo Chemical Equipment Plant (Chemet Global)	Trade with Iran: §§2, 3, INA	4/1/04 (69 FR 18415)	
Xinshidai	Missile technology: EO 12938	9/20/04 (69 FR 56260)	

Entity	Statute	Date Imposed	Date Removed/Waived
Beijing Institute of Aerodynamics Beijing Institute of Opto-Electronic Technology (BIOET) China Great Wall Industry Corp. China North Industries Corp. (NORINCO) LIMMT Economic/Trade Co. Ltd. Oriental Scientific Instruments Corp. (OSIC) South Industries Science/Technology Trading Co. Ltd.	Trade with Iran: §§2, 3, INA	9/23/04 (69 FR 58212)	
Liaoning Jiayi Metals/Minerals Co. Ltd. Q.C. Chen Wha Cheong Tai Co. Ltd. Shanghai Triple International Ltd.	Trade with Iran: §§2, 3, INA	11/24/04 (69 FR 69989)	
Beijing Alite Technologies Co. Ltd. China Aero-Technologies Co. Ltd. (CATIC) China Great Wall Industry Corp. China North Industries Corp. (NORINCO) Q.C. Chen Wha Cheong Tai Co. Ltd. Zibo Chemical Equipment Plant (Chemet Global)	Trade with Iran: §§2, 3, INA	12/27/04 (70 FR 133)	
China Aero-Technology Import/Export Corp. (CATIC) China North Industries Corp. (NORINCO) Hongdu Aviation Industry Group (HAIG) LIMMT Metallurgy and Minerals Co., Ltd. Ounion (Asia) International Economic and Technological Corp. Ltd. Zibo Chemet Equipment Co.	Trade with Iran: §§2, 3, INA	12/23/05 (70 FR 77441)	

Entity	Statute	Date Imposed	Date Removed/Waived
China National Electronic Import-Export Co. (CEIEC) China National Aero-Technology Import/Export Co. (CATIC) Zibo Chemet Equipment Co.	Trade with Iran or Syria: §§2, 3, INSA	12/28/06 (72 FR 606)	
China National Precision Machinery Import/Export Corp. (CPMIEC) Shanghai Non-Ferrous Metals Pudong Development Trade Co., Ltd. Zibo Chemet Equipment Co.	Trade with Iran or Syria: §§2, 3, INSA	4/17/07 (72 FR 20158)	
China Xinshidai Co. China Shipbuilding/Offshore International Corp. Ltd. Huazhong CNC	Trade with Iran, North Korea, or Syria: §§2, 3, INKSA	10/23/08 (73 FR 63226)	
Dalian Sunny Industries (aka LIMMIT Econ/Trade Co. Ltd.) Bellamax	Missile technology: §73(a)(1), AECA, §11B(b)(1), EAA	2/2/09 (74 FR 5882)	2/2/09 (74 FR 5882) waived as it applies to relevant activities of the Chinese government—essential to U.S. national security interests
Dalian Sunny Industries (LIMMIT) Bellamax	Missile technology: EO 12938	2/2/09 (74 FR 5883)	
Karl Lee (individual) Dalian Sunny Industries (aka LIMMIT Econ/Trade Co. Ltd.) Shanghai Technical By-Products International (STBPI) Zibo Chemet Equipment Co.	Trade with Iran, North Korea, or Syria: §§2, 3, INKSA	7/14/10 (75 FR 40862)	
Dalian Sunny Industries (aka LIMMIT Econ/Trade Co. Ltd.) Dalian Zhongbang Chemical Industries Co. Karl Lee (aka Li Fang) (individual) Xi'an Junyun Electronic	Trade with Iran, North Korea, or Syria: §§2, 3, INKSA	5/23/11 (76 FR 30986)	



Entity	Statute	Date Imposed	Date Removed/Waived
Dalian Sunny Industries (aka LIMMIT Econ/Trade Co. Ltd.) Karl Lee (aka Li Fangwei) (individual) Zibo Chemet Equipment Co.	Trade with Iran, North Korea, or Syria: §§2, 3, INKSA	12/20/11 (76 FR 81004)	
Dalian Sunny Industries (aka LIMMIT Econ/Trade Co. Ltd.) Karl Lee (aka Li Fangwei) (individual)	Missile technology: §73(a)(1), AECA, §11B(b)(1), EAA	2/11/13 (78 FR 9768)	
Dalian Sunny Industries (aka LIMMIT Econ/Trade Co. Ltd.) Karl Lee (aka Li Fangwei) (individual)	Trade with Iran, North Korea, or Syria: §§2, 3, INKSA	2/11/13 (78 FR 9768)	
BST Technology and Trade Co. China Precision Machinery Import/Export Corp. (CPMIEC) Dalian Sunny Industries (aka LIMMIT Econ/Trade Co. Ltd.) Karl Lee (aka Li Fangwei) (individual) Poly Technologies Inc.	Trade with Iran, North Korea, or Syria: §§2, 3, INKSA	2/5/13 (78 FR 9768)	
Dalian Sunny Industries (aka LIMMIT Econ/Trade Co. Ltd.) Karl Lee (aka Li Fangwei) (individual)	Missile technology: EO 12938	2/11/13 (78 FR 9769)	
Dalian Sunny Industries (aka LIMMIT) Karl Lee (aka Li Fangwei) (individual) Wah Cheong Tai Co.	Trade with Iran, North Korea, or Syria: §§2, 3, INKSA	12/19/14 (79 FR 78548)	
BST Technologies/Trade Co. Dalian Sunny Industries (aka LIMMIT) Li Fangwei (aka Karl Lee) (individual) Tianjin Flourish Chemical Co. Polestar Trading Co. Ltd. (DPRK entity in China)	Trade with Iran, North Korea, or Syria: §§2, 3, INKSA	9/2/15 (80 FR 53222)	

Entity	Statute	Date Imposed	Date Removed/Waived
Composite International Cosailing Business Trading Co. Do Best Industry Co. Ltd. Global Holding Group Co. Jack Qin (individual) Li Fangwei (aka Karl Lee) (individual) Ningbo Jiahe Trading Co. Ltd Richard Yue (individual) Sinotech Carbon/Graphite Corp. Shanghai Electric International Economic/Trading Co. (SEIC) Xi'an Jiatae Titanium Industry Co.	Trade with Iran, North Korea, or Syria: §§2, 3, INKSA	6/28/16 (81 FR 43694)	

**Source:** *Federal Register*, various issues/years.

**Notes:** Abbreviations: AECA = Arms Export Control Act (P.L. 90-629); DPRK = North Korea; EAA = Export Administration Act of 1979 (P.L. 96-72); EO = Executive Order; CBWCWEA = Chemical and Biological Weapons Control and Warfare Elimination Act of 1991 (P.L. 102-182); FR = *Federal Register*; IIANA = Iran-Iraq Arms Nonproliferation Act (P.L. 102-484); INA = Iran Nonproliferation Act of 2000 (P.L. 106-178); INSA = Iran and Syria Nonproliferation Act of 2000 (P.L. 106-178, as amended); INKSA = Iran, North Korea, and Syria Nonproliferation Act of 2000 (P.L. 106-178, as amended).

This list should not be considered comprehensive; infrequently, the State Department reports that it has made a determination related to weapons proliferation but publication of findings is contrary to U.S. national security interests.

## Appendix C. Chinese and China-Located Specially Designated Nationals (as of August 12, 2016)

The Department of the Treasury’s Office of Foreign Assets Control (OFAC) is tasked with designating Specially Designated Nationals (SDN) for a wide range of economic sanctions regimes—restricting transactions and in some instances access to assets held in the United States. This table shows the Chinese and China-located persons and entities subject to such restrictions for purposes relating to weapons proliferation, international terrorism, and illicit narcotics trafficking. In addition, Chinese and China-located persons and entities are designated as SDN and “Non-SDN” because of activities that run counter to U.S. law relating to events in Belarus, Burma, Iran, Iraq, North Korea, Syria, and Ukraine. Each of these sanctions regimes has different parameters—thresholds of activity that trigger designation and resulting requirements for U.S. citizens, financial institutions, and businesses to curtail or prohibit transactions and financial engagement—that derive from the legislation that establishes the restrictions. Generally, however, one can begin with the assumption that the 47 Chinese or China-located individuals and entities designated as SDN do not have access to their assets in the United States and are restricted, if not fully prohibited, from engaging in trade and transactions with persons under U.S. jurisdiction.

**Table C-1. Treasury Department: Chinese and China-Located Specially Designated Nationals**

Administered by Office of Foreign Assets Control (August 12, 2016)

Name	Location	Entity/Individual	Sanctions Program
Bank Tejarat	Beijing	Entity (non-SDN)	Iran
MSP Kala Naft Co. Tehran	Beijing	Entity (non-SDN)	Iran
Bank of Kunlun Co. Ltd.	Daqing, Beijing, Xinjiang, Urumqi	Entity (non-SDN)	Ukraine
VEB Asia Ltd.	Hong Kong	Entity (non-SDN)	Ukraine/Russia
Iran Petrochemical Commercial Co.	Beijing	Entity (non-SDN)	Iran
CPMIEC Shanghai Pudong Co.	Shanghai	Entity	Iran, weapons proliferation
KaiKai Technology Co. Ltd.	Nanjing, Yangzhou	Entity	illicit drug trafficking
Aero Skyone Co. Ltd.	Guangzhou	Entity	terrorism
CHERRI, Adel Mohammad	Shenzhen	Individual	terrorism
Le-Hua Electronic Field Co. Ltd.	Shenzhen	Entity	terrorism
T-Rubber Co. Ltd	Shenyang	Entity	Syria
LANG, Jonha	Shenyang	Individual	Syria
RA, Kyong-Su	Beijing	Individual	weapons proliferation
KIM, Kwang-Il	Dalian	Individual	weapons proliferation
YO’N, Cho’ng-Nam	Dalian	Individual	weapons proliferation
KO, Ch’o’l-Chae	Dalian	Individual	weapons proliferation
DCB Finance Ltd.	Dalian	Entity	weapons proliferation
CEC Ltd.	Shanghai	Entity	illicit drug trafficking
Success Move Ltd.	Dalian	Entity	Iran, weapons proliferation

Name	Location	Entity/Individual	Sanctions Program
Dalian Zhongchuang Char-White Co. Ltd.	Dalian	Entity	Iran, weapons proliferation
Tereal Industry/Trade Ltd.	Dalian	Entity	Iran, weapons proliferation
Dalian Zhenghua Maoyi Youxian Gongsi	Dalian	Entity	Iran, weapons proliferation
Karat Industry Co. Ltd.	Dalian	Entity	Iran, weapons proliferation
MTTO Industry/Trade Ltd.	Dalian	Entity	Iran, weapons proliferation
Sinotech Industry Co. Ltd.	Dalian	Entity	Iran, weapons proliferation
Sinotech Dalian Carbon/Graphite Mfg Corp.	Dalian	Entity	Iran, weapons proliferation
Boyle Chemical Co. Ltd.	Shanghai	Entity	illicit drug trafficking
ZEAITER, Ali	Guangzhou	Individual	terrorism
Stars International Ltd.	Guangzhou	Entity	terrorism
Ocean Maritime Mgmt Co. Ltd.	Dalian, Hong Kong, Shenzhen	Entity	North Korea
Global Relief Foundation Inc.	(none listed)	Entity	terrorism
Benevolence International Foundation	Gansu	Entity	terrorism
MOHAMMED, Abdul Kader Ibrahim	Beijing	Individual	Iraq
WONG, Moon Chi	Hong Kong	Individual	illicit drug trafficking
Korea Mining Development Trading Corp.	Beijing	Entity	North Korea, weapons proliferation
LIMMT Economic/Trade Co. Ltd.	Dalian	Entity	Iran, weapons proliferation
Beijing Alite Technologies Co. Ltd.	Beijing	Entity	Iran, weapons proliferation
China National Precision Machinery Import/Export Corp.	Beijing	Entity	Iran, weapons proliferation
BELNEFTEKHIM	Beijing	Entity	Belarus
Golden Aaron Pte. Ltd.	Beijing	Entity	Burma
SAMSAENG, Suthep	Yunnan	Individual	illicit drug trafficking
AKIRAPHOKIN, Thit	Yunnan	Individual	illicit drug trafficking
PRAPATWORA, Atchara	Yunnan	Individual	illicit drug trafficking
WEI, Hsueh Lung	Yunnan	Individual	illicit drug trafficking
Hong Kong Gems/Jewelry Co. Ltd.	Hong Kong, Beijing, Kunming, Shamcheng	Entity	illicit drug trafficking
Dehong Thailong Hotel Co. Ltd.	Yunnan	Entity	illicit drug trafficking
LI, Fangwei	Dalian	Individual	Iran, weapons proliferation

**Source:** Department of the Treasury, Office of Foreign Assets Control. Specially Designated Nationals on-line data base as of August 12, 2016.

**Notes:** Presented in order of appearance in data base (probably in order of determination). The term “non-SDN” refers designations based on authorities other than those that establish SDN classification but have a similar requirement to freeze assets or block transactions.

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