



Managing export compliance and sanctions in Asia-Pacific

9 Nov 2017

Agenda

- Overview of Export Controls in Asia- Pacific
- Key updates of Export Controls in Asia- Pacific
- Challenges in Managing Compliance in Asia- Pacific

Overview of Export Controls in Asia-Pacific

Key Framework

	China	Hong Kong	Singapore	Taiwan
Key Regulators	<p>Ministry of Commerce</p> <p>Chinese Customs Bureau</p>	<p>Trade and Industry Department</p> <p>Customs and Excise Department</p>	<p>Ministry of Trade and Industry</p> <p>Singapore Customs</p>	<p>Bureau of Foreign Trade</p>
Licensable Export Activities (Dual-Use & Military)	<p>Import, Export, Transit, Tranship (Dealing with military items is restricted to authorised entities)</p>	<p>Import, Export, Tranship, Transit</p>	<p>Export, Tranship, Transit, Intangible transfer, Brokering</p>	<p>Export, Tranship, Transit</p>
License Types	<p>Individual</p> <p>General</p>	<p>Individual</p> <p>AIP for Bulk Users</p> <p>US's HK rule</p>	<p>Individual/Bulk</p> <p>Brokering permit</p> <p>ITT permit</p>	<p>Individual</p> <p>Bulk</p>
Classification List	<p>Own system with multiple lists, only in Chinese</p>	<p>Munitions List</p> <p>Dual-Use Goods List (EU numbering system)</p>	<p>Military Goods and Dual-Use Goods List (EU numbering system)</p>	<p>EU lists</p>

Key updates of export controls in Asia-Pacific

China – Draft Export Control Law (June 2017)



China's first comprehensive export control law since 1997



Controls:

- Export
- Reexport / Extraterritorial jurisdiction (China's own De Minimis rule)
- Deemed export



Controls both tangible and intangible (technology, service)



Interim/temporary export control of items not listed



Embargoes, Sanctions and Black list



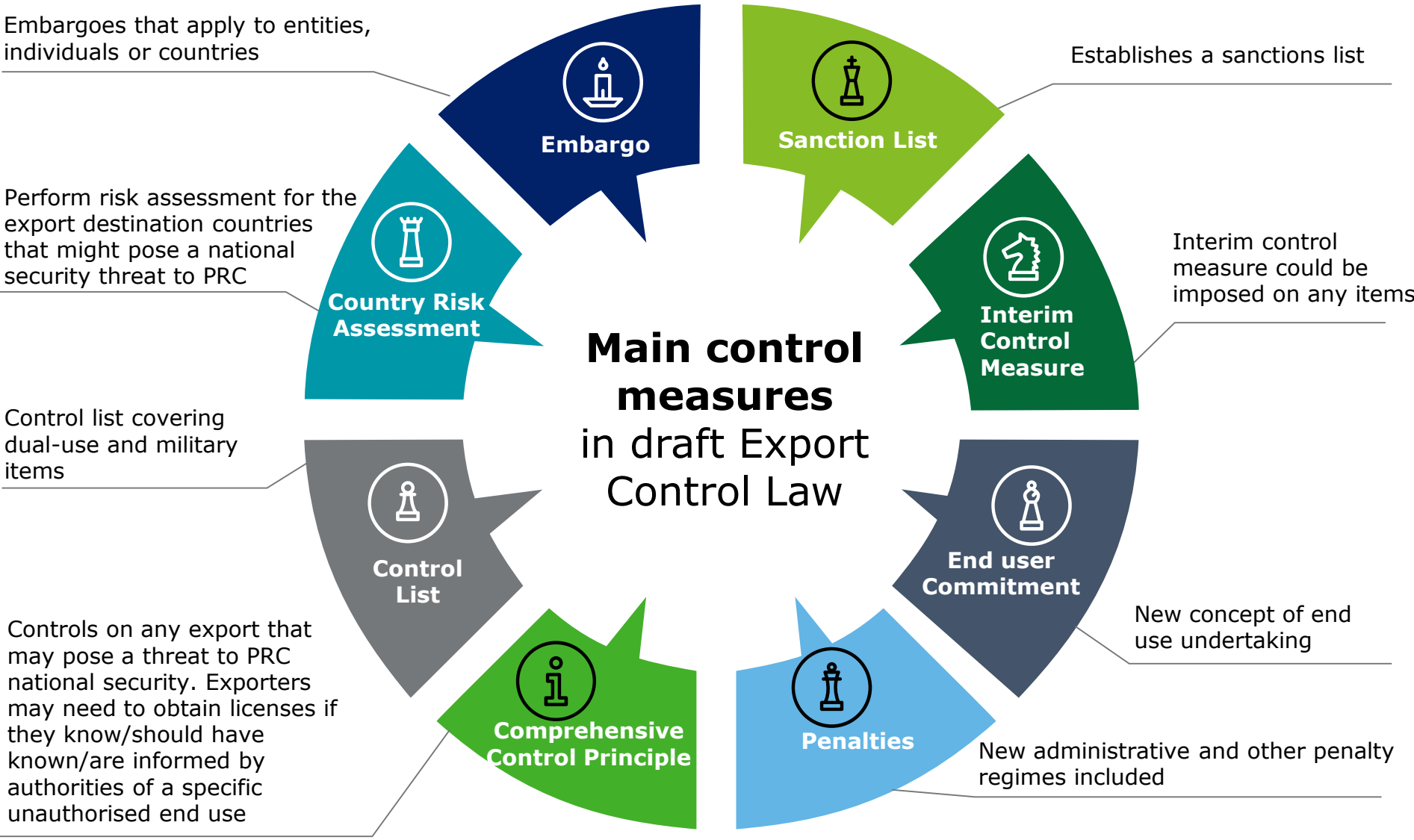
Encourages internal control programme



Introduces bulk license

Key updates of export controls in Asia-Pacific

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Open questions:



One control list?



Voluntary disclosure regimes?



The effectiveness of the previous laws and regulations



Responsible government authorities and administrative / enforcement processes

Challenges in managing compliance in Asia-Pacific



External

- Language barrier
- Inconsistent enforcement
- Different practice between different government authorities
- Lack of communication platform with government
- Lack of well established process



Internal

- Difficult to build local/ regional talent pool
- Culture difference



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