China Issues New Exit-Entry Regulations: Strengthening Border Restrictions for Export Control and Anti-Sanctions

By David Pan | Sherry Wu | Poppy Bi

Executive Summary

The State Council of the People's Republic of China has officially promulgated the *Regulations on the Administration of Exit and Entry*. Notably, **Articles 4 and 5** of the new regulations explicitly tie **export control compliance**, **technology import/export administration**, and **anti-sanctions blacklists (such as the Unreliable Entities List)** directly with **border control measures (exit bans / entry denials)**. Multinational executives, technical personnel, and foreign entities listed on these control and sanction lists will face direct border enforcement risks.

1. PRC Citizens (Domestic Employees/Executives): Exit Bans for Export Control Violations

1.1 Rules (Article 4, Paragraph 3):

Where a Chinese citizen violates export control or technology import/export administration regulations, and such violation potentially endangers national industrial security or technological security, the competent authorities under the State Council (such as the Ministry of Commerce) may bar them from exiting the country.

1.2 Analysis

1) **Personal Liability Extension:** Historically, violations of the *Export Control Law* or the *Regulations on Technology Import/export Administration* primarily resulted in corporate administrative fines or criminal liabilities. Under the new rule, authorities can directly impose **exit bans on individual Chinese executives, key R&D personnel, or compliance officers** involved in the case.

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2) **Triggering Threshold:** The exit ban applies if the competent authorities determine that a violation "potentially endangers national industrial or technological security." This rings a serious alarm for multinational corporations (MNCs) operating in sensitive sectors like semiconductors, AI, and biotechnology.

2. Foreign Nationals (Overseas Executives/Representatives): Entry Denials for Sanctioned Individuals

2.1 **Rules (Article 5, Paragraph 3):** Where a foreign national is included in an anti-sanctions list, the Unreliable Entities List, a malicious entities list, or is subject to counter-measures and restrictive measures, and where measures such as the non-issuance of exit/entry documents or entry bans need to be taken in accordance with the law, the immigration administration and visa authorities shall implement such measures according to their respective duties.

2.2 Analysis

1) **Enforcement of Anti-Sanctions Tools:** This clause serves as the specific border enforcement mechanism for the *Anti-Foreign Sanctions Law* and the *Provisions on the Unreliable Entities List*.

2) **Targeted Strikes and Border Cut-offs:** If a foreign individual, their overseas parent company, or an affiliated entity is placed on these lists, Chinese immigration administration and visa authorities will **deny visa applications** or **refuse entry at ports of entry**. This move aims to strictly crack down on business travel, asset management, and face-to-face business expansion in China by sanctioned enterprises.

3. Compliance Tips

To mitigate enforcement risks arising from these new regulations, MNCs and cross-border enterprises should take the following actions:

3.1 Upgrade Export Control & Technology Transfer Compliance Programs

- Re-evaluate internal daily R&D, cross-border transmission, and employee access permissions involving China's restricted technologies (e.g. the *Catalogue of Technologies Prohibited or Restricted from Export by China*).

- Ensure all technology exports and cross-border data transfers obtain appropriate licenses from the competent commerce authorities to prevent administrative non-compliance from triggering personal exit bans.

3.2 Establish Border Tracking and Contingency Plans for Executives and Key Technical Personnel

- Implement internal vetting and reporting mechanisms for Chinese employees handling sensitive negotiations or core proprietary technologies prior to international travel.

- For sensitive industries, it is recommended to develop Business Continuity Plans (BCP) in case core personnel are suddenly placed under exit bans during regulatory investigations.

3.3 Enhance Dynamic Sanctions Screening

- Overseas enterprises should pay close attention to whether they or their partners are involved in China's Unreliable Entities List, Counter-measure List, Malicious Entities List, or other countermeasures and restrictive measures.

- Foreign executives planning business travel to China should assess whether their backgrounds or employment history pose entry denial risks.

3.4 Honesty Review for Visa and Port Declarations

- Given that Article 5, Paragraph 1 penalizes foreign nationals who make false statements or submit fraudulent materials with a **1-to-5-year entry ban**, foreign employees shall ensure the authenticity and accuracy of their materials when applying for a Chinese visa or making a business entry declaration, and should avoid relying on non-verified third-party visa agencies.

Conclusion

The latest revision to the exit-entry regulations marks the Chinese government's deep integration of business compliance, national security, and border entry/exit defense lines. Border restriction measures may significantly escalate the cost of non-compliance for violators.

If you have any questions regarding the aforementioned new provisions or require a customized risk assessment of your company's export control and anti-sanctions exposure, please contact Llinks Regulatory Compliance Team.

If you would like to know more information about the subjects covered in this publication, please contact:

David Pan
+86 21 3135 8701
david.pan@llinkslaw.com

SHANGHAI
19F, ONE LUJIAZUI
68 Yin Cheng Road Middle
Shanghai 200120 P.R.China
T: +86 21 3135 8666
F: +86 21 3135 8600

BEIJING
30F, Central Tower, China Overseas Plaza, 8 Guanghuadongli,
Chaoyang District
Beijing 100020 P.R.China
T: +86 10 5081 3888
F: +86 10 5081 3866

SHENZHEN
18F, China Resources Tower
2666 Keyuan South Road,
Nanshan District
Shenzhen 518063 P.R.China
T: +86 755 3391 7666
F: +86 755 3391 7668

HONG KONG
Room 3201, 32/F, Alexandra House
18 Chater Road
Central, Hong Kong
T: +852 2592 1978
F: +852 2868 0883

LONDON
1/F, 3 More London Riverside
London SE1 2RE
United Kingdom
T: +44 (0)20 3283 4337
D: +44 (0)20 3283 4323

www.llinkslaw.com

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