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## China: U.S. Economic Sanctions

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## **ABSTRACT**

This paper presents a history of U.S. economic sanctions imposed against the People's Republic of China for foreign policy reasons since 1949. It highlights sanctions that are currently active and details occasions on which those restrictions have been modified, waived or permanently lifted. The paper provides citations for Presidential authority in current law and the Administration's issuance of regulations and administrative orders.

# China: U.S. Economic Sanctions

## Summary

The use of sanctions as a foreign policy tool to bring states into conformity with certain international norms, whether on human rights, nonproliferation, aggression, or a number of other issues, plays a central and controversial part in current U.S. foreign policy debates. Much of the authority to impose, waive, or lift sanctions rests with the President. In the case of the People's Republic of China, however, Congress has played an active part in constructing the U.S. sanction regime and, given current tensions, will probably examine the issue of U.S.-China relations in the coming months. To provide a context for such debate, this paper presents a post-World War II history of U.S. economic sanctions imposed against the People's Republic of China. It highlights sanctions currently active and lists occasions on which those restrictions have been waived.

After more than 20 years of nearly nonexistent U.S.-China relations, the process of normalization began in 1971 when trade and travel restrictions were eased. Full diplomatic relations were established in 1979, and a trade agreement was reached the same year. The following decade was one of increasing, but cautious, cooperation and trade.

Relations deteriorated rapidly in 1989, however, when the Chinese government aggressively suppressed a fledgling pro-democracy movement. In June, when Chinese authorities cracked down on students in Beijing holding peaceful demonstrations in Tiananmen Square, the United States began to recraft its policies toward China and to consider imposing new sanctions. In the wake of the Tiananmen crackdown, the United States suspended arms trade, military exchanges, support in international financial institutions, Overseas Private Investment Corporation and Trade and Development Agency funding, and export licenses for satellites, U.S. Munitions List items and crime control items.

Since 1989, U.S.-China relations have seesawed between cooperation and confrontation. Human rights, arms proliferation, the status of Taiwan and Tibet, and the use of prison labor for export goods, all have given cause to continue sanctions. As well, trade issues--intellectual property rights and Chinese markets closed by tariffs and other restrictions--raise the specter of trade sanctions.

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Portions of this report have been printed in earlier CRS Reports:  
*Economic Sanctions Imposed by the United States Against Specific Countries: 1979 Through 1992*, by Erin Day. CRS Report No. 92-631F, August 10, 1992. 654 p.;  
*U.S. Economic Sanctions Imposed by the United States Against Specific Countries: 1979 Through the Present*, by Theodor Galdi and Robert Shuey. CRS Report No. 88-612F, September 9, 1988. 275 p.; and *U.S. Economic Sanctions Imposed by the United States Against Specific Countries; 1979 Through the Present*, by Theodor Galdi and Robert Shuey. CRS Report No. 87-949F, December 1, 1987. 246 p.

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<sup>1</sup> Endnotes are used in this paper due to technical considerations.

## China: U.S. Economic Sanctions

### *CURRENT SANCTIONS*

- **Export licenses restricted. Currently in Group D.** (See January 1, 1965, and March 25, 1996.)
- **Generalized System of Preferences status withheld.** (See January 1, 1976.)
- **Nuclear trade and cooperation suspended.** (See December 16, 1985.)
- **Arms trade and military exchanges suspended.** (See June 5, 1989.)
- **Support for new MDB loans suspended unless meeting basic human needs.** (See June 20, 1989.)
- **Overseas Private Investment Corporation and Trade and Development Agency activities suspended.** (See February 16, 1990.)
- **Export of items on the Munitions Control List and U.S. satellites prohibited.** (See February 16, 1990.)
- **Export licenses for crime control and detection equipment prohibited.** (See February 16, 1990.)
- **Prohibition on certain imports produced by prison labor.** (See March 23, 1992, August 19, 1992, June 16, 1993, and April 29, 1996.)
- **Importation of Chinese munitions and ammunition prohibited.** (See May 28, 1994.)
- **U.S. payments to UNFPA prohibited from being made available to programs in China. Payments to UNFPA capped in connection with expenditures in China.** (See August 23, 1994.)
- **Procurement contracts with, importation from certain Chinese individuals and companies prohibited.** (See May 21, 1997.)

## Background

Following its interruption by World War II, when both sides fought the Japanese, the Chinese civil war continued until the communists were victorious in the fall of 1949. While the United States strongly supported the Nationalist government of Chiang Kai-Shek in the immediate post-World War II period, this support was considerably lessened by the time of the communist victory. The United States did not extend diplomatic recognition to the new government of the People's Republic of China. In June 1950, the North Korean army invaded South Korea; and in October 1950, large numbers of Chinese "volunteers" entered the Korean war to fight alongside the North Koreans.

U.S. relations with the People's Republic of China remained extremely hostile until July 1969, when the Nixon Administration began a gradual process of improvement.<sup>1</sup> In May 1973, a U.S. liaison office was established in Beijing.<sup>2</sup> On January 1, 1979, full-scale diplomatic relations were established with the People's Republic of China. Further improvements in U.S.-China relations followed in 1979 with a settlement on May 11 of financial claims and an agreement on trade relations on July 7.<sup>3</sup>

The next decade of U.S.-China relations was marked by increasing cooperation and trade. Political and economic reforms implemented by Deng Xiaoping were welcomed and supported by the United States.

In April 1989, students in Beijing held peaceful demonstrations in Tiananmen Square calling for political liberalization and a dialogue with the leadership. By early May, the demonstrations had spread to other cities and the numbers enlarged by popular support. Having declared martial law on May 1, 1989, President Yang Shangkun ordered troops to Beijing to restore order and on June 3, People's Liberation Army troops were deployed in the Square under orders to regain the capital. In the course of the crackdown that ensued, hundreds, and perhaps thousands, of people were killed or wounded. Massive arrests, executions, and the summary imprisonment of demonstrators and sympathizers followed.

The lead-up to the events in Tiananmen Square and the violent aftermath of the peaceful demonstrations were given extensive coverage by the international press. Calls for U.S. sanctions against the hardline regime in Beijing and a review of U.S. policy were immediate. To express U.S. condemnation of the crackdown, President Bush suspended all arms trade, military exchanges, high-level government exchanges, and sought postponement of multilateral development bank loans. Congress followed that action with legislation restricting export licenses to China for satellites, conditionally withholding International Development Association funding, and conditionally prohibiting Export-Import Bank support of projects in China. In February 1990, Congress passed and the President signed into law extensive restrictions on U.S. aid and export licenses to China in the biennial Foreign Relations Authorization Act. In the years since, however, these restrictions have been substantially modified and weakened.

Since the incidents at Tiananmen Square, two issues in particular--the transfer of nuclear material and missile proliferation--have attracted U.S. attention and, in some cases, have led to the imposition of sanctions. In the 1980s and early 1990s, China supplied nuclear material, equipment, technology, and the design for an atomic bomb to Pakistan, and also provided nuclear assistance to Iran, Iraq, Algeria, Syria, and Russia.<sup>4</sup> After years of U.S. encouragement and increasing economic pressures, China acceded to the Nuclear Non-Proliferation Treaty (NPT) on March 9, 1992. The Central Intelligence Agency reportedly discovered in late 1995, however, that China had recently exported ring magnets to Pakistan for use in uranium enrichment. Such an export apparently violates the NPT.<sup>5</sup>

In the early 1990s, nonproliferation became the paramount issue in U.S.-China relations. In June 1991, the United States accused corporations run by the government of China of exporting M-11 missile technology to Pakistan, and imposed mandatory sanctions. In November 1991, the Chinese Foreign Minister verbally agreed to abide by the Missile Technology Control Regime (MTCR), and in February 1992, he sent the United States a letter reportedly confirming China's intent to abide by the export constraints of the sanctions were subsequently lifted on March 23, 1992.

Concern remained, however, about the transparency of China's arms and technology export programs. The list of missiles covered by the MTCR was expanded in January 1993 to include all those capable of delivering weapons of mass destruction, changes China has not explicitly endorsed. On August 24, 1993, the United States again found China to have shipped M-11 missile equipment to Pakistan and again imposed sanctions. Those sanctions were lifted on October 4, 1994, after the Chinese Foreign Minister signed a pledge not to export particular missiles. New intelligence reports surfaced in June 1996 that Pakistan has M-11 nuclear-capable missiles that are operational, due to China's shipments.<sup>6</sup>

Reports of Chinese missile technology cooperation and transfers to Iran emerged in the mid-1980s and did not recede. Other reports have China making transfers prohibited by MTCR guidelines to Iran throughout the 1990s, and indicate that shipments may have included ingredients for chemical weapons and SCUD missile fuel. Still other reports state that China may have transferred prohibited technology and goods to North Korea.

Since 1989, U.S.-China relations have seesawed between cooperation and confrontation. Human rights, arms proliferation, the status of Taiwan and Tibet, and the use of prison labor for export goods, all have given cause to continue sanctions. As well, trade issues--intellectual property rights and markets closed by tariffs and other restrictions--raise the specter of trade sanctions.<sup>7</sup>

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## Sanctions

### **EARLY 1949 -- SANCTION:                    RESTRICTED TRADE**

**Status:** Superseded

Early in 1949, as the Chinese communists began what was to become their final civil war offensive, President Truman, using the authority of the newly enacted Export Control Act, began to impose selective controls on trade with China. By March 1950, exports to China were as strictly controlled as those to the Soviet Union and Eastern Europe. In the immediate aftermath of the outbreak of the Korean War, the controls were made even stricter.<sup>8</sup>

Authority: Export Control Act of 1949, 63 Stat. 7.

See January 1, 1965, for new export administration regulations.

### **DECEMBER 1950 -- SANCTION:            TRADE EMBARGO; TRAVEL PROHIBITED**

**Status:** Lifted

In early December 1950, after China's entry into the Korean War, the Commerce Department issued export control regulations effectively embargoing all trade with China. In mid-December 1950, the Treasury Department, using the authority of section 5(b) of the Trading With the Enemy Act, issued Foreign Assets Control Regulations which effectively forbade any financial transactions involving, or on behalf of, North Korea and China, including transactions related to travel. The regulations also blocked the assets of residents of North Korea and the People's Republic of China that were subject to U.S. jurisdiction. The total embargo on economic transactions with China continued until July 1969, when a long-term gradual loosening of controls over Chinese trade began.<sup>9</sup>

Authority: Sec. 5(b) of the Trading With the Enemy Act [P.L. 65-91; 50 U.S.C. App. 5].

See May 7, 1971, for modification; and June 10, 1971, June 11, 1971, and January 31, 1980, for lifting of sanction.

### **SEPTEMBER 1, 1951 -- SANCTION:        SUSPENDED MFN**

**Status:** Lifted

The Trade Agreements Extension Act of 1951 required the suspension of most favored nation (MFN) trade status for all communist countries, except Yugoslavia.



Authority: Sec. 5 of the Trade Agreements Extension Act of 1951 [65 Stat. 73]; implemented by Presidential Proclamation 2935 [16 F.R. 7635]; Trade Agreement Letter of August 1, 1951 [16 F.R. 7637].

See January 3, 1975, for new legislation of sanction and February 1, 1980, for suspension of sanction.

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**JULY 14, 1952 -- SANCTION:                      SUSPENDED MFN FOR TIBET**

**Status:** Lifted

After China's occupation of Tibet in 1952, MFN for Tibet was suspended, eliminating the possibility that China could take advantage of the favorable trade status.

Authority: Sec. 5 of the Trade Agreements Extension Act of 1951 [65 Stat. 73]; implemented by Presidential Proclamation 2935 [16 F.R. 7635]; Trade Agreement Letter [17 F.R. 5413].

See January 3, 1975, for new legislation on sanction and February 1, 1980, for suspension of sanction.

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**AUGUST 26, 1955 -- SANCTION:                      BANNED COMMERCIAL ARMS TRADE**

**Status:** Lifted

The Office of Munitions Control (now the Office of Defense Trade Controls) in the Department of State was responsible for drafting and implementing International Traffic in Arms Regulations (ITAR), which govern the export of defense articles and services. Effective August 26, 1955, the ITAR stated that it was United States policy to ban exports of defense articles and services to, and imports from, certain countries and areas. The People's Republic of China was one of the countries originally listed, but is no longer.<sup>10</sup>

Authority: Sec. 414 of the Mutual Security Act of 1954, (68 Stat. 848), 20 F.R. 6250.

See March 1980 for modification and June 16, 1981, for lifting of sanction.

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**AUGUST 1, 1962 -- SANCTION:                      PROHIBITED AID**

**Status:** Waived

The Foreign Assistance Act of 1961 was amended in 1962 to prohibit aid to communist countries unless the President certified that it was vital to the national security of the United States. The People's Republic of China (and Tibet) was one of the countries identified as a communist state.

Authority: Sec. 620(f) of the Foreign Assistance Act of 1961 [P.L. 87-195], as amended by Sec. 301(d)(3) of the Foreign Assistance Act of 1962 [P.L. 87-565].

See December 11, 1985, for modification and waiver of sanction.

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**JANUARY 6, 1964 -- SANCTION:            PROHIBITED EXPORT-IMPORT  
BANK PROGRAMS**

**Status:** Superseded

The Foreign Assistance Appropriation Act of 1964 prohibited the Export-Import Bank from engaging in financing transactions with those communist countries listed in section 620(f) of the Foreign Assistance Act of 1961, as amended (including China and Tibet), unless the President determined that it was in the national interest and reported so to Congress. The prohibition was reenacted annually in subsequent foreign aid appropriation legislation.

In 1968, the Export-Import Bank Act of 1945 was amended to make the ban and Presidential waiver authority permanent law. A special waiver is required for any transaction of \$50 million or more.

In October 1986, section 2(b)(2) of the Export-Import Bank Act of 1945 was amended and restated to prohibit Export-Import Bank guarantees, insurance, or credits for any purchase by Marxist-Leninist countries. The People's Republic of China was on the list of countries identified as being Marxist-Leninist. In addition, Tibet, occupied by Chinese troops since 1952, was on the list.

Authority: Title III of the Foreign Assistance Appropriation Act of 1964 [P.L. 88-258]; Title III of the Foreign Assistance and Related Agencies Appropriation Act, 1965 [P.L. 88-634]; Title III of the Foreign Assistance and Related Agencies Appropriation Act, 1966 [P.L. 89-273]; Title III of the Foreign Assistance and Related Agencies Appropriation Act, 1967 [P.L. 89-691]; Sec. 2(b)(2) of the Export-Import Bank Act of 1945 [P.L. 79-173; 12 U.S.C. 635(b)(2)]; as amended and restated by Sec. 8 of the Export-Import Bank Act Amendments of 1986 [P.L. 99-472].

See April 2, 1980, for waiver of sanction.

See October 15, 1986, for continuation of sanction.

See September 4, 1981, March 7, 1988, September 29, 1988, September 30, 1994, April 21, 1995, and April 21, 1995, for one-time waivers, where amount exceeds \$50 million.

See February 28, 1996, for modification of sanction.

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**JANUARY 1, 1965 -- SANCTION: EXPORTS RESTRICTED**

**Status:** Modified

A completely revised system of export control regulations established country groups at various levels of restrictiveness. China was placed in the most severely restricted Country Group Z.

Authority: originally at 15 CFR Part 370; Country Groups are currently at 15 CFR Part 785.

See February 15, 1972, and November 23, 1983, for modification of sanction.

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**OCTOBER 22, 1968 -- SANCTION: PROHIBITED GOVERNMENT-  
TO-GOVERNMENT ARMS  
SALES AND TRANSFERS**

**Status:** Lifted

Section 3 of the Arms Export Control Act, signed into law on October 22, 1968, required that, for a country to become eligible for receiving U.S. defense articles or services, the President must certify that to provide such articles or services will strengthen U.S. security, promote world peace, the recipient country will be transparent about the end-use, the recipient country will guarantee that certain security conditions will be maintained, and that the country is otherwise eligible.

Authority: Sec. 3 of the Arms Export Control Act [P.L. 90-629; 22 U.S.C. 2753].

See June 12, 1984, for lifting of sanction.

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**MAY 7, 1971 -- MODIFIED: TRAVEL PROHIBITION LIFTED**

On April 14, 1971, President Nixon announced changes in trade and travel restrictions with China. Effective May 7, 1971, foreign assets control regulations prohibiting currency transactions with China, including those related to travel, were lifted. Other changes included expedited visa processing for individuals and groups travelling to the United States.<sup>11</sup> On September 18, 1971, travel restrictions on U.S.-resident aliens were also lifted.

Authority: 31 CFR Part 500 (36 F.R. 8584); 22 CFR 46.3 (36 F.R. 18643).

See December 1950 for original sanction.

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**JUNE 10, 1971 -- MODIFIED:                      TRANSACTIONS RELATED TO  
TRADE**

On June 10, 1971, foreign assets regulations were revised to license all transactions relating to Chinese merchandise. The new regulations continued to prohibit transactions involving merchandise where the country of origin was North Korea or North Vietnam.

Authority: 31 CFR 500.204, 500.544, 500.547 (36 F.R. 11441).

See December 1950 for original sanction.

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**JUNE 11, 1971 -- LIFTED:                      TRADE EMBARGO**

Effective June 11, 1971, nonstrategic products and wheat were allowed to be exported to China under general license and, for the first time, commercial imports from China were allowed.<sup>12</sup>

Authority: 31 CFR Parts 371 and 376 (36 F.R. 11808).

See December 1950 for original sanction.

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**FEBRUARY 15, 1972 -- SANCTION:              EXPORTS RESTRICTED**

**Status:** Modified

Just before President Nixon's trip, China was placed in export Country Group Y.<sup>13</sup>

Authority: Originally at 15 CFR Part 370; Country Groups are currently at 15 CFR Part 785.

See January 1, 1965, for original sanction.

See April 25, 1980, November 23, 1983, December 9, 1993, and March 31, 1994, for further modifications of sanction.

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**JAN. 3, 1975 -- CONTINUED:                      RESTRICTED TRADE RELATIONS**

**Status:** Suspended

Passage of the Trade Act of 1974 continued the denial of MFN status to China, but provided a means of conditionally restoring the favorable trade status. Trade relations with nonmarket economies now required that a condition of freedom of emigration be met for access to any U.S. government credits, credit and investment guaranties, and commercial agreements. The President is required to determine that a country does not deny its citizens the right to emigrate and does not impede the process of emigration through the imposition of high taxes or fees. Section 402 ties



**JANUARY 31, 1980 -- LIFTED: FOREIGN ASSETS CONTROL**

Effective January 31, 1980, Chinese assets were unblocked under foreign assets control regulations.<sup>15</sup>

Authority: 31 CFR Part 500 (45 F.R. 7224).

See December 1950 for original sanction.

**FEBRUARY 1, 1980 -- SUSPENDED: RESTRICTION ON TRADE RELATIONS**

On October 23, 1979, the President sent to Congress a trade agreement signed by both countries on July 7, 1979, an accompanying proclamation and an executive order waiving the application of Jackson-Vanik requirements to China.<sup>16</sup> On February 1, 1980, the trade agreement and MFN status entered into force.

Trade agreements with nonmarket economy countries must be renewed every three years. The agreement with China has been renewed on the required schedule; the most recent renewal to extend the agreement was issued by the President on June 21, 1996.

MFN status granted to nonmarket economy countries must be renewed annually. The waiver for China has been renewed annually since 1980. The President sent the most recent recommendation for continuation to Congress on May 29, 1997.

Authority: Sec. 402(c), (d), and Sec. 405(b)(1)(B) of the Trade Act of 1974 [P.L. 93-618; 19 U.S.C. 2432(c), (d), and 2435(b)(1)(B)]; Executive Order 12167, October 23, 1979 (44 F.R. 61167).

Trade agreement, authority: Presidential Memorandum of December 23, 1982 (47 F.R. 57653); Memorandum from the President, June 3, 1985;<sup>17</sup> Presidential Proclamation 5718 of October 2, 1987 (52 F.R. 37275); Presidential Memorandum of December 19, 1988 (53 F.R. 51217); Presidential Determination 92-12, January 31, 1992 (57 F.R. 19077); Presidential Determination 96-33, June 21, 1996 (61 F.R. 32631).

MFN extension, authority: Presidential Determination 81-8, June 2, 1981 (46 F.R. 30797); Presidential Determination 82-17, June 2, 1982 (48 F.R. 3711); Presidential Determination 83-7, June 3, 1983 (48 F.R. 26585); Presidential Determination 84-9, May 31, 1984 (49 F.R. 24107); Memorandum from the President, June 3, 1985; Presidential Determination 86-10, June 3, 1986 (51 F.R. 22057); Presidential Determination 87-14, June 2, 1987 (52 F.R. 22431); Presidential Determination 88-18, June 3, 1988 (53 F.R. 21407); Presidential Determination 89-14, May 31, 1989 (54 F.R. 26943); Presidential Determination 90-21, May 24, 1990 (55 F.R. 23183); Presidential Determination 91-36, May 29, 1991 (56 F.R. 26757); Presidential Determination 92-29, June 2, 1992 (57 F.R. 24539); Executive Order 12850, May 28, 1993 (58 F.R. 31327); Presidential Determination 93-23, May 28, 1993 (58 F.R. 31329); Presidential Determination 94-26, June 2, 1994 (59 F.R. 31103); Presidential

Determination 95-23, June 2, 1995 (60 F.R. 31047); Presidential Determination 96-29, May 31, 1996 (61 F.R. 29455); Presidential Determination 97-25, May 29, 1997 (unpublished as of May 30, 1997).

See September 1, 1951, for original sanction.

See January 3, 1975, for modification of sanction.

See also May 28, 1993, and May 28, 1994, related to MFN status.

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**MARCH 1980 -- MODIFIED:**

**ARMS TRADE BAN**

In March 1980, it was announced that exports to China of nonlethal items with military support uses would be licensed on a case-by-case basis. The change in policy applied to items such as radar, helicopters, communications and training equipment, and trucks.<sup>18</sup>

See August 26, 1955, for original sanction, and June 16, 1981, for lifting of sanction.

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**APRIL 2, 1980 -- WAIVED:**

**PROHIBITION ON EXPORT-IMPORT BANK PROGRAMS**

President Carter determined it was in the national interest for the Export-Import Bank to guarantee, insure, extend credit, and participate in the extension of credit in connection with the purchase or lease of any product or service by, for use in, or for sale or lease to, the People's Republic of China.

Authority: Sec. 2(b)(2) of the Export-Import Bank Act of 1945, as amended [P.L. 79-173; 12 U.S.C. 635(b)(2)]; Presidential Determination 80-15, April 2, 1980 (45 F.R. 26017).

See January 6, 1964, for original sanction.

See October 15, 1986, for continuation of sanction.

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**APRIL 25, 1980 -- MODIFIED:**

**RESTRICTIONS ON EXPORTS**

On April 25, 1980, China was reassigned from export country Group Y, with other Warsaw Pact countries, to its own group P, with reduced restrictions on dual use exports.<sup>19</sup>

See January 1, 1965, for original sanction.

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**AUG. 8, 1980 -- MODIFIED:           OPIC TRANSACTIONS ALLOWED**

The Overseas Private Investment Corporation is permitted to operate in the People's Republic of China if the President determines that such activity is important to the U.S. national interest. President Carter made such a determination.

Authority: Sec. 239(g) (redesignated as subsec. (f) in 1981) of the Foreign Assistance Act of 1961 [P.L. 87-195; 22 U.S.C. 2199(f)]; as amended by Public Law 96-327 [August 8, 1980; 94 Stat. 1026]; Presidential Determination No. 80-25, August 8, 1980 (45 F.R. 54299).

**JUNE 16, 1981 -- LIFTED:           BAN ON COMMERCIAL ARMS TRADE**

At the end of a visit to China, Secretary of State Alexander M. Haig, Jr., announced that munitions control restrictions against China would be lifted, allowing the sale and export of lethal weapons.<sup>20</sup>

See August 26, 1955, for original sanction.

**SEPTEMBER 4, 1981 -- WAIVED:       PROHIBITION ON EXPORT-IMPORT BANK PROJECTS**

On September 4, 1981, President Reagan determined that it was in the national interest for the Export-Import Bank to extend two credits for \$57 million to China in connection with purchasing turbine generator components, boiler components, air preheaters, and related technology. Section 2(b)(2)(D)(ii) of the Export-Import Bank Act of 1945 requires the President to issue a separate determination when loans equal or exceed \$50 million.

Authority: Sec. 2(b)(2) of the Export-Import Bank Act of 1945, as amended [P.L. 79-173; 12 U.S.C. 635(b)(2)]; Presidential Determination 81-12, September 4, 1981 (46 F.R. 45927).

See January 6, 1964, for original sanction.

See October 15, 1986, for continuation of sanction.

**NOVEMBER 23, 1983 -- MODIFIED:   RESTRICTIONS ON EXPORTS**

On November 23, 1983, China was reassigned to export Country Group V. Controls on some exports to China still remain more stringent than to other group V countries. As it currently stands, there are "certain commodities, data, and end-uses that may require extended review or denial. Of particular concern are exports that would make a direct and significant contribution to nuclear weapons and their delivery systems, electronic and anti-submarine warfare, intelligence gathering, power projection, and air superiority. Licenses may be approved even when the end-user or end-use [is]



military. Commodities or data may be approved for export even though they may contribute to Chinese military development."<sup>21</sup>

Authority: Originally at 15 CFR Part 385.4 [48 F.R. 53064]; Country Groups are currently at 15 CFR Part 785.

See January 1, 1965, for original sanction.

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**JUNE 12, 1984 -- LIFTED:                      GOVERNMENT-TO-GOVERNMENT  
ARMS SALES PERMITTED**

The President determined that China was eligible for government-to-government arms sales.

Authority: Sec. 3(a)(1) of the Arms Export Control Act [P.L. 90-629; 22 U.S.C. 2753].

See October 22, 1968, for original sanction.

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**DECEMBER 11, 1985 -- WAIVED: PROHIBITION ON AID**

Legislation was proposed, but did not become law, in 1982, 1983, and 1984, to allow the President to waive the prohibition on aid to the list of communist countries in section 620(f) of the Foreign Assistance Act.

Section 1202 of the International Security and Development Cooperation Act of 1985 amended section 620(f) to allow the temporary removal of a country from the prohibitions of that section if the President "finds and promptly reports to Congress that: (A) such assistance is vital to the security of the United States; (B) the recipient country is not controlled by the international Communist conspiracy; and (C) such assistance will further promote the independence of the recipient country from international communism."

On December 11, 1985, Secretary of State George Shultz determined that the removal of China and Tibet from the application of section 620(f) was important to the national interest.

Authority: Sec. 620(f) of the Foreign Assistance Act of 1961 [P.L. 87-195], as amended by the Sec. 1202 of the International Security and Development Cooperation Act of 1985 [P.L. 99-83] [22 U.S.C. 2370]; Department of State Public Notice 953 (51 F.R. 1890).

See August 1, 1962, for original sanction.

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**DECEMBER 16, 1985 -- SANCTION: PROHIBITED EXPORTS OF  
NUCLEAR MATERIALS,  
FACILITIES OR COMPONENTS**

**Status:** Active

On July 23, 1985, China and the United States signed a bilateral Agreement for Cooperation Between the Government of the United States of America and the Government of the People's Republic of China Concerning Peaceful Use of Nuclear Energy. When Congress took up the matter, it enacted an approval resolution that conditioned nuclear cooperation under the agreement on presidential certification of certain conditions. No export licenses (including for end-user, transfer, or retransfer) would be issued for nuclear material, facilities, or components covered by the agreement until the President certified that: (1) reciprocal arrangements ensured all goods in question were for peaceful purposes; (2) China had provided additional information regarding its nuclear nonproliferation policies and from such information it could be concluded that China was not in violation of section 129 of the Atomic Energy Act of 1954; and (3) certain terms of the agreement would not prejudice U.S. licensing procedures.<sup>22</sup>

Authority: Public Law 99-183 (99 Stat. 1174).

See February 16, 1990, for further sanctions relating to nuclear cooperation.

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**OCTOBER 15, 1986 -- SANCTION: PROHIBITED EXPORT-IMPORT  
BANK PROGRAMS**

**Status:** Waived

Section 8 of the 1986 Export-Import Bank Act amended section 2(b)(2) of the Export-Import Bank Act of 1945 to prohibit Export-Import Bank guarantees, insurance, or credits for any purchases by Marxist-Leninist countries. In cases determined by the President to be in the national interest, the prohibition could be waived. The People's Republic of China was on the list of countries identified as being Marxist-Leninist. In addition, Tibet, occupied by Chinese troops since 1952, was also on the list.

Authority: Sec. 2(b)(2) of the Export-Import Bank Act of 1945 [P.L. 79-173], as amended and restated by Sec. 8 of the Export-Import Bank Act Amendments of 1986 [P.L. 99-472] [12 U.S.C. 635(b)(2)].

See January 6, 1964, for original sanction.

See December 19, 1989, for waiver of sanction.

See March 7, 1988, September 29, 1988, September 30, 1994, April 21, 1995, and April 21, 1995, for one-time waivers where amount exceeds \$50 million.

See February 28, 1996, for modification of sanction.

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**OCTOBER 22, 1987 -- SANCTION:      SUSPENDED      HIGH-TECH  
EXPORTS**

**Status:** Lifted

Stating that the move was a proportional response to Chinese sales of Silkworm anti-ship missiles to Iran, on October 22, 1987, the Reagan Administration suspended the process of gradual liberalization of the sophistication of high-technology items that were permitted to be sold to China.<sup>23</sup>

See March 9, 1988 for lifting of sanction.

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**MARCH 7, 1988 -- WAIVED:              PROHIBITION ON EXPORT-  
IMPORT BANK PROGRAMS**

President Reagan determined that it was in the national interest for the Export-Import Bank to extend a \$151 million credit to China to allow the purchase of equipment and services to build the Shidongkou coal-fired power plant. Section 2(b)(2)(D)(ii) of the Export-Import Bank Act of 1945 requires the President to issue a separate determination when loans equal or exceed \$50 million.

Authority: Sec. 2(b)(2) of the Export-Import Bank Act of 1945, as amended [P.L. 79-173; 12 U.S.C. 635(b)(2)]; Presidential Determination 88-11, March 7, 1988 (53 F.R. 9423).

See January 6, 1964, for original sanction.  
See October 15, 1986, for continuation of sanction.

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**MARCH 9, 1988 -- LIFTED:              SUSPENSION ON HIGH-TECH  
EXPORTS**

In conjunction with the visit to Washington of Chinese Foreign Minister Wu Xueqian, on March 9, 1988, a representative of the State Department announced that the Reagan Administration was lifting the suspension of liberalization of rules on sales of increasingly sophisticated high-technology items because it was satisfied that China was not selling Silkworm missiles to Iran.<sup>24</sup>

See March 22, 1987, for original sanction.

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**SEPTEMBER 29, 1988 -- WAIVED:            PROHIBITION ON EXPORT-IMPORT BANK PROGRAMS**

President Reagan determined it was in the national interest for the Export-Import Bank to extend an \$80 million credit to China to allow the purchase of equipment and services to manufacture color television picture tube glass. Section 2(b)(2)(D)(ii) of the Export-Import Bank Act of 1945 requires the President to issue a separate determination when loans equal or exceed \$50 million.

Authority: Sec. 2(b)(2) of the Export-Import Bank Act of 1945, as amended [P.L. 79-173; 12 U.S.C. 635(b)(2)]; Presidential Determination 88-25, September 29, 1988 (53 F.R. 40013).

See January 6, 1964, for original sanction.  
See October 15, 1986, for continuation of sanction.

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**JUNE 5, 1989 -- SANCTION:                    SUSPENDED ALL ARMS TRADE AND MILITARY EXCHANGES**

**Status:** Modified

Following the violent attacks on pro-democracy demonstrators in Tiananmen Square by Chinese military and security forces, killing and wounding upwards of a thousand, President Bush suspended all government-to-government and commercial arms sales and military exchanges to express U.S. condemnation of China's actions.<sup>25</sup>

Authority: Sec. 38 and Sec. 42 of the Arms Export Control Act [P.L. 90-629; 22 U.S.C. 2778, 2791]; 22 CFR 126.7.

See July 7, 1989, October 1989, and December 22, 1992, for modifications of sanction.

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**JUNE 20, 1989 -- SANCTION:                    SUSPENDED            HIGH-LEVEL GOVERNMENT EXCHANGES**

**Status:** Lifted

President Bush suspended all high-level exchanges between the U.S. government and China. The U.S. action was taken in response to the violent reprisals by Chinese authorities against supporters of the pro-democracy movement.<sup>26</sup>

See January 1990 for modification and November 30, 1990, for lifting of sanction.

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**JUNE 20, 1989 -- SANCTION:                      POSTPONEMENT OF LOANS  
FROM MDBS**

**Status:** Active

President Bush also indicated the United States would seek a postponement on new loans to China from multilateral development banks (MDB).<sup>27</sup>

See January 1990 for modification of sanction.

See Table I (p. 38) for one-time events related to this sanction.

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**JULY 7, 1989 -- MODIFIED:                      SUSPENSION ON ARMS SALES**

The State Department waived the suspension on government and commercial arms sales when it authorized the sale of four Boeing 757-200 commercial jets with navigation systems capable of being converted for military uses.<sup>28</sup>

Authority: Sec. 38 and Sec. 42 of the Arms Export Control Act [P.L. 90-629; 22 U.S.C. 2778, 2791].

See June 5, 1989, for original sanction

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**OCTOBER 1989 -- MODIFIED:                      SUSPENSION ON MILITARY  
EXCHANGES**

The Bush Administration authorized the return to work of Chinese military officers at two U.S. facilities where they were upgrading China's F-8 fighter with U.S. avionics.<sup>29</sup>

See June 5, 1989, for original sanction.

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**OCTOBER 1, 1989 -- SANCTION:                      SALE OF DEFENSE ARTICLES  
TO THIRD COUNTRIES  
RESTRICTED**

**Status:** Expired

The National Defense Authorization Act, FY1989, prohibited defense articles subject to sec. 36(b) of the Arms Export Control Act from being sold to any country that had acquired intermediate-range ballistic missiles from China. The legislation provided broad waiver authority to the President and was applicable only for FY1989.

Authority: Sec. 1307 of the National Defense Authorization Act, FY 1989 [Public Law 100-456].

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**NOVEMBER 21, 1989 -- SANCTION: WITHHELD FUNDS FOR MDB**

**Status:** Lifted

In the foreign aid appropriations act for FY1990, Congress stipulated that \$115 million of the total obligations for the International Development Association (IDA) be withheld until January 1, 1990, and released after that date only if the President certified to Congress that China had not received any new loans from IDA since June 27, 1989, or that the loans would support political reforms. A similar provision was enacted in the FY1991 appropriations bill (see November 5, 1990).

Authority: Title I of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990 [P.L. 101-167].

See January 3, 1990, for lifting of sanction.

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**NOVEMBER 21, 1989 -- SANCTION: PROHIBITED EXPORT LICENSES**

**Status:** Waived

Sec. 610 of the State Department Appropriations Act, 1990, prohibited the use of funds appropriated for the Departments of Commerce, Justice, State, and the Judiciary to be used to reinstate or approve export licenses for the launch of U.S.-built satellites on Soviet- or Chinese-built vehicles. The prohibition on export licenses could be terminated if the President certified to Congress that China had made progress on political reforms or if the President determined the issuance of licenses was in the national interest.

Authority: Sec. 610 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1990 [P.L. 101-162; 103 Stat. 1038].

See December 19, 1989, for waiver of sanction.

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**DECEMBER 19, 1989 -- SANCTION: PROHIBITED EXPORT-IMPORT BANK FINANCING**

**Status:** Waived

Notwithstanding other prohibitions on Export-Import Bank programs with China, Congress stipulated that unless certain conditions were met, the Export-Import Bank could not provide financing, credit, guarantees, insurance, or reinsurance for any trade with China. The sanctions could be waived if the President reported to Congress that China had implemented political reforms, including in Tibet, or the President determined it was in the national interest.

Authority: Sec. 103 of the International Development and Finance Act of 1989 [P.L. 101-240; 12 U.S.C. 635 note].

See December 19, 1989, for waiver of sanction.

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**DECEMBER 19, 1989 -- WAIVED: PROHIBITION ON EXPORT-IMPORT BANK FINANCING**

On the same day the President signed the International Development and Finance Act of 1989, he waived the sanctions against China contained in the Act concerning the Export-Import Bank.<sup>30</sup>

Authority: Sec. 103(c)(2) of the International Development and Finance Act of 1989 [P.L. 101-240; 12 U.S.C. 635 note].

See December 19, 1989, for original sanction.

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**DECEMBER 19, 1989 -- WAIVED: PROHIBITION ON EXPORT LICENSES**

President Bush determined it was in the national interest to issue three export licenses to enable the launch of the U.S.-built AUSSAT and AsiaSat satellites on Chinese launch vehicles, amounting to about \$300 million in business for U.S. firms.<sup>31</sup>

Authority: Sec. 610 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1990 [P.L. 101-162; 103 Stat. 1038].

See November 21, 1989, for original sanction.

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**JANUARY 1990 -- MODIFIED: SUSPENSION ON MDB LOANS**

President Bush reported to Congress that in "January 1990, the Administration modified its position for humanitarian reasons and decided that the United States would support a limited number of World Bank loans to China that [met] basic human needs." The United States supported a \$30 million IDA credit for earthquake reconstruction in February, and supported additional credit from IDA for agricultural development in February and for education in March.<sup>32</sup> On May 29, 1990, the World Bank approved a \$300 million IDA loan for China. The new loan was for planting trees and fell within the category of addressing basic human needs, a condition attached after the June 1989 deferment on new loans. Two other IDA loans for agricultural development projects, totalling \$214 million, were made that summer with U.S. support.<sup>33</sup>

In subsequent years, the United States has supported numerous MDB loans to China, considering them as meeting basic human needs. In 1992, the United States supported \$377 million in World Bank loans and \$103.6 million in Asian

Development Bank/Asian Development Fund (ADB/ADF) loans to China. In 1993, the United States supported \$805 million in World Bank loans and \$140 million in ADB/ADF loans. In 1994, the United States supported \$1.62 billion in World Bank loans and \$318.45 million in ADB/ADF loans. In the first three quarters of 1995, the United States supported \$274.5 million in World Bank loans and \$167 million in ADB/ADF loans to China.<sup>34</sup>

See June 20, 1989, for original sanction.

See Table I (p. 38), for record of U.S. abstentions or "no" votes on MDB loans to China.

**JANUARY 3, 1990 -- LIFTED:**

**HOLD ON FUNDS FOR MDB**

President Bush certified to Congress that the International Development Association (IDA) had not provided any new loans to China since June 27, 1989. Until 1989, China had received large amounts of IDA credits. The President's certification permitted the United States to pay its contribution of \$115 million to IDA in November 1990.

Authority: Presidential Determination 90-6, January 3, 1990 (55 F.R. 595).

See November 21, 1989, for original sanction.

**FEBRUARY 16, 1990 -- SANCTION:**

**SUSPENDED CERTAIN  
PROGRAMS AND ACTIVITIES**

**Status:** Modified

Sec. 902 of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991, codified some steps the President had already taken against China and required the imposition of additional sanctions to express U.S. condemnation of the Chinese government's actions against pro-democracy demonstrators. The Act required: 1) the continued suspension of Overseas Private Investment Corporation insurance, reinsurance, financing or guarantees; 2) the suspension of obligated funds for new projects by the Trade and Development Agency in China; 3) the continued suspension of exports of any defense article on the U.S. Munitions List (USML), except for systems and components for civil products not destined for the Chinese military or security forces; 4) the prohibition of export licenses for crime control and detection equipment; 5) the continued suspension of U.S. satellite exports; 6) the suspension of nuclear trade and cooperation with China; and 7) the suspension of and opposition to the liberalization of export controls by the Coordinating Committee for Multilateral Export Controls (COCOM).

These sanctions could be terminated in part or wholly if the President reported to Congress that China had made progress on implementing political reforms, including in Tibet. The President was also given the authority to terminate the sanctions if it was determined to be in the national interest.



Authority: Sec. 902 of the Foreign Relations Authorization Act, FY1990 and FY1991, as amended [P.L. 101-246; 22 U.S.C. 2151 note].

See December 16, 1985, for sanction relating to nuclear cooperation.

See April 30, 1991, and June 23, 1996, for one-time termination or waiver of sanction. See May 27, 1991, for modification of sanction as it relates to satellite technology. See November 1991, and March 31, 1994, relating to COCOM. See June 22, 1995, for modification of sanction as it relates to cryptographic items.

**NOVEMBER 5, 1990 -- SANCTION:      WITHHELD FUNDS FOR MDB**

**Status:** Modified

In the appropriations act for FY1991, Congress stipulated that any U.S. contributions to the International Development Association (IDA) would be reduced proportionate to IDA loans deemed to be for non-basic human needs purposes made to China since January 1, 1990. The withheld funds could only be released after the President had reported to Congress it was in the national interest to do so. A similar provision was contained in the FY1990 appropriations bill (see November 21, 1989).

The Foreign Operations Appropriations for FY1993 continued similar language and added the restriction to U.S. contributions to the Asian Development Bank.

Authority: Title I of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 [P.L. 101-513; 104 Stat. 1979]; Title I as continued by the Further Continuing Appropriations, FY1992, as amended [P.L. 102-145; 105 Stat. 968]; Title I of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1993 [P.L. 102-391; 106 Stat. 1634].

See January 5, 1993, for modification of sanction.

**NOVEMBER 30, 1990 -- LIFTED:      SUSPENSION ON HIGH-LEVEL  
GOVERNMENT EXCHANGES**

President Bush and Secretary of State James Baker met in Washington with Chinese Foreign Minister Qian Qichen. According to press reports, the invitation to Qian was in appreciation for China's decision not to vote against resolutions on Iraq in the U.N. Security Council.<sup>35</sup>

It was revealed in December 1989 that President Bush had sent National Security Advisor Brent Scowcroft and Deputy Secretary of State Lawrence Eagleburger to Beijing to confer with Chinese government officials in early July and again on December 9, 1989. The Administration maintained, however, that these visits did not constitute an end to the suspension on high-level government exchanges.<sup>36</sup>

See June 20, 1989, for original sanction.



**SEPTEMBER 1, 1991 -- MODIFIED:      DECONTROL OF CERTAIN  
EXPORT LICENSES**

In its efforts to deregulate export procedures for civilian-use and dual-use goods and technologies, COCOM reduced the control list, eliminating licensing requirements for low-level items exported to China. The Department of Commerce revised Export Administration Regulations to relax some national security controls imposed against China, the Soviet Union, and Warsaw Pact countries since the Cold War. In early 1994, a controversial shipment of gas turbine engines, requiring only a general export license and worth as much as \$2 billion, made its way to China.<sup>39</sup>

Authority: 15 CFR Part 799 (56 F.R. 42824); amended at 56 F.R. 66559 (December 24, 1991); 57 F.R. 4572 (February 6, 1992); 58 F.R. 33510 (June 18, 1993); 59 F.R. 30686 (June 15, 1994).

See January 1, 1965, for original sanction.

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**MARCH 23, 1992 -- WAIVED:              PROHIBITION ON EXPORT OF  
ITEMS ON MTCR AND U.S.  
GOVERNMENT CONTRACTS**

The Bush Administration announced on February 21, 1992, that sanctions, arising from a finding that China had engaged in missile proliferation activities, would be waived for national security reasons. The decision to waive the sanctions came on March 23, 1992, after the Bush Administration received written assurances on February 1 that China would comply with the Missile Technology Control Regime (MTCR) guidelines.<sup>40</sup>

Authority: Sec. 73(e) of the Arms Export Control Act, as amended [P.L. 90-629; 22 U.S.C. 2797b(e)]; Sec. 11B(b)(5) of the Export Administration Act of 1979, as amended [P.L. 96-72; 50 U.S.C. App. 2410b(b)(5)]; Department of State Public Notice 1596 (57 F.R. 11768).

See May 27, 1991, for original sanction.

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**MARCH 23, 1992 -- SANCTION:            PROHIBITION ON CERTAIN  
IMPORTS PRODUCED BY  
PRISON LABOR**

**Status:** Active

On January 27, 1992, U.S. Customs Service determined that certain diesel engines manufactured by the Golden Horse ("JINMA") Diesel Engine Factory in China were being manufactured with the use of convict, forced, and/or indentured labor, and could therefore be prohibited from importation into the United States, or seized by Customs officials on importation. The prohibition on importation took effect on March 23, 1992.



Authority: Sec. 307 of the Tariff Act of 1930 [P.L. 71-361; 19 U.S.C. 1307]; Customs Service T.D. 92-78 (57 F.R. 36688).

**OCTOBER 6, 1992 -- WAIVED:**

**PROHIBITED INDIRECT AID**

Since 1987, Congress has continued a provision in foreign aid appropriations banning indirect aid to specific countries. The People's Republic of China was added to the list of countries for the first time in the Foreign Operations Appropriations Act for FY1993. The provision prohibited the use of any funds appropriated under the Act for indirect assistance to China and other countries unless the President certified that the withholding of funds was contrary to the national interest.

Each subsequent foreign aid appropriations act has continued this prohibition; in each year the President has exercised the waiver authority (see November 4, 1992, for waiver). A waiver for FY 1997 was issued on December 6, 1996.

Authority: Sec. 543 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1993 [P.L. 102-391; 106 Stat. 1672]; Sec. 523 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1994 [P.L. 103-87; 107 Stat. 952]; Sec. 523 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1995 [P.L. 103-306; 108 Stat. 1632]; Sec. 523 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996 [P.L. 104-107; 110 Stat. 704]; Sec. 523 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997 [sec. 101(c) of title I of P.L. 104-208; 110 Stat. 3009].

See November 4, 1992, for waiver of sanction.

**NOVEMBER 4, 1992 -- WAIVED:**

**PROHIBITION ON INDIRECT AID**

Each year since FY1990, the President has determined it is contrary to the national interest to withhold funds from international financial institutions and other international organizations and programs for providing indirect assistance to certain proscribed countries. Waivers have been issued for each of the fiscal years that China has been listed.

Authority: Sec. 543 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1993 [P.L. 102-391; 106 Stat. 1672]; Presidential Determination 93-4, November 4, 1992 (57 F.R. 55437); Sec. 523 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1994 [P.L. 103-87; 107 Stat. 952]; Presidential Determination 94-4, November 19, 1993 (58 F.R. 63519); Sec. 523 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1995 [P.L. 103-306; 108 Stat. 1632]; Presidential Determination 95-2, November 1, 1994 (59 F.R. 55979); Sec. 523 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996 [P.L. 104-107; 110 Stat. 704]; Presidential Determination 96-19, March 19, 1996 (61 F.R. 14235); Presidential Determination 97-11A, December 6, 1996 (62 F.R. 299).

See October 6, 1992, for original sanction.

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**DECEMBER 4, 1992 -- MODIFIED:                      PROHIBITION        ON  
COMPUTER EXPORTS**

It was reported that the Bush Administration was considering approving a license for the export of a supercomputer to China. According to the reports, the Department of Defense and Arms Control and Disarmament Agency opposed the sale on the grounds that the Cray Y-MP2 computer had military applications.<sup>41</sup> The computer was ultimately licensed for export.

See May 27, 1991, for original sanction.  
See December 9, 1993, for lifting of sanction.

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**DECEMBER 22, 1992 -- MODIFIED:        SUSPENSION ON ARMS SALES**

The State Department announced it was transferring military articles paid for by China prior to the attacks on demonstrators in Tiananmen Square. According to news reports, the articles involved Foreign Military Sales (FMS) of avionics for F-8 aircraft, equipment for munitions production, four antisubmarine torpedoes, and two radars.<sup>42</sup>

Authority: Sec. 38 of the Arms Export Control Act, as amended [P.L. 90-629; 22 U.S.C. 2778].

See June 5, 1989, for original sanction.

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**JANUARY 5, 1993 -- MODIFIED:                WITHHOLDING OF FUNDS FOR  
MDB**

President Bush determined it was in the national interest of the United States to obligate funds appropriated for the U.S. contribution to the International Development Association during FY1992, which had been withheld because of restrictive provisions concerning China.

Authority: Title I of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 [P.L. 101-513; 104 Stat. 1979]; Title I as continued by Sec. 119 of the Further Continuing Appropriations, FY1992, as amended [P.L. 102-145; 105 Stat. 968]; Presidential Determination 93-7, January 5, 1993 (58 F.R.4059).

See November 5, 1990, for original sanction.

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**APRIL 15, 1993 -- WAIVED:                      PROHIBITION ON EXPORT-  
IMPORT BANK PROGRAMS**

President Clinton determined that it was in the national interest for the Export-Import Bank to extend a loan of \$78 million to China in connection with the purchase of U.S.

equipment and services for Qidashan Iron Ore Mine and Benefaction Plant in Liaoning Province. Section 2(b)(2)(D)(ii) of the Export-Import Bank Act of 1945 requires the President to issue a separate determination when loans equal or exceed \$50 million.

Authority: Sec. 2(b)(2) of the Export-Import Bank Act of 1945, as amended [P.L. 79-173; 12 U.S.C. 635(b)(2)]; Presidential Determination 93-19, April 15, 1993 (58 F.R. 21889).

See January 6, 1964, for original sanction.

See October 15, 1986, for continuation of sanction.

**MAY 28, 1993 -- WAIVED:**

**TRADE RESTRICTED**

President Clinton extended the waiver authority to renew MFN status for China on May 28, 1993. At the same time, he issued an executive order requesting the Secretary of State to assess whether renewal in 1994 would substantially promote freedom of emigration in China, and whether China was complying with a U.S.-China agreement signed in 1992 concerning the use of prison labor. The President further linked the 1994 renewal of MFN for China to Beijing's adherence to the Universal Declaration of Human Rights, release of those detained in connection with the Democracy Wall and Tiananmen Square actions of 1989, general prisoner treatment, protection of Tibet's religious and cultural heritage, and admission into China of international radio and television broadcasts.

One year later, in the course of considering and extending China's MFN into 1995, the President delinked the issue of human rights from trade.<sup>43</sup>

Authority: Executive Order 12850, May 28, 1993 (58 F.R. 31327).

See September 1, 1951, for original sanction; February 1, 1980, for current sanction, and May 28, 1994, for continued waiver of sanction.

**JUNE 16, 1993 -- SANCTION:**

**PROHIBITION ON CERTAIN  
IMPORTS PRODUCED BY  
PRISON LABOR**

**Status:** Active

On December 30, 1992, the U.S. Customs Service determined that certain sheepskin and leather produced by the Qinghai Hide and Garment Factory in Qinghai Province were being manufactured with the use of convict, forced, and/or indentured labor, and could therefore be prohibited from importation into the United States, or seized by Customs officials on importation. The prohibition on importation took effect on June 16, 1993.

Authority: Sec. 307 of the Tariff Act of 1930 [P.L. 71-361; 19 U.S.C. 1307]; Customs Service T.D. 93-41 (58 F.R. 32746).

**AUGUST 24, 1993 -- SANCTION:            PROHIBITED EXPORT OF  
MTCR ITEMS AND U.S.  
GOVERNMENT CONTRACTS**

**Status:** Waived

The Under Secretary of State for International Security Affairs determined that China's Ministry of Aerospace Industry and Pakistan's Ministry of Defense had engaged in missile technology proliferation activities. The finding required the imposition of sanctions against the two entities and all their subsidiaries, divisions, subunits, or successors, denying export licenses for items covered by the Missile Technology Control Regime (MTCR) Annex for two years and the denial of U.S. government contracts relating to these same items. The finding further imposed such sanctions against Chinese government organizations involved in development or production of electronics, space systems or equipment, and military aircraft.

Authority: Sec. 73(a)(2)(A) of the Arms Export Control Act, as amended [P.L. 90-629; 22 U.S.C. 2797(b)(2)(A)]; Sec. 11B(b)(1)(B)(i) of the Export Administration Act of 1979, as amended [P.L. 96-72; 50 U.S.C. App. 2410b(b)(1)(B)(i)]; Department of State Public Notice 1857 (58 F.R. 45408).

See November 1, 1994, for waiver of sanction.

**DECEMBER 9, 1993 -- MODIFIED:            RELAXATION OF LICENSE  
REQUIREMENTS            FOR  
COMPUTERS**

The Department of Commerce issued revised Export Administration Regulations to allow for the export to China and other controlled destinations, without a validated license, of computers with a data processing speed of up to 67 million theoretical operations per second (MTOPS).<sup>44</sup>

Authority: 15 CFR Parts 771 and 799 (58 F.R. 64674).

See May 27, 1991, for original sanction.

**DECEMBER 18, 1993 -- LIFTED:            PROHIBITION LIFTED ON  
CERTAIN IMPORTS PRODUCED  
BY PRISON LABOR**

On November 15, 1993, U.S. Customs Service determined that apparel manufactured by the Qinghe Hosiery Factory in Beijing manufactured with the use of convict, forced, and/or indentured labor, was no longer likely to be imported into the United States, and that the earlier restriction was no longer necessary. The new determination took effect on December 18, 1993.

Authority: Sec. 307 of the Tariff Act of 1930 [P.L. 71-361; 19 U.S.C. 1307]; Customs Service T.D. 93-94 (58 F.R. 65235).



See July 13, 1992, for original sanction.

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**JANUARY 1994 -- MODIFIED:                   RELAXATION OF LICENSE  
REQUIREMENTS FOR  
FIBER OPTICS,  
TELECOMMUNICATIONS**

COCOM participants reached an agreement to ease licensing requirements on advanced telecommunications equipment and fiber optics to China and the former Soviet Union.<sup>45</sup>

See February 15, 1972, for original sanction.

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**MARCH 31, 1994 -- MODIFIED:               TERMINATION OF COCOM**

The Coordinating Committee for Multilateral Export Controls (COCOM) agreed to cease to exist on March 31, 1994. Member nations agreed to retain current control lists until a successor organization is established. The Department of Commerce, Bureau of Export Administration, established a new general license, GLX, for exporters to Country Groups QWY and the People's Republic of China. Clinton Administration officials said the new license would not apply to telecommunications equipment or lower-level computers.<sup>46</sup>

On December 19, 1995, the United States and 27 other countries, including NATO participants and Russia, agreed to establish a new multilateral export control arrangement. The Wassenaar Arrangement for Export Controls for Conventional Arms and Dual-Use Goods and Technologies ("Wassenaar Arrangement") is expected to be operational sometime in 1996.<sup>47</sup>

Authority: 15 CFR Parts 771 and 774.

See February 15, 1972, for original sanction.

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**MAY 28, 1994 -- SANCTION:                   IMPORTATION OF MUNITIONS  
AND AMMUNITION  
PROHIBITED**

**Status:** Active

On May 26, 1994, the President announced that he would renew MFN status for China, but delinked the extension from human rights conditions imposed a year earlier. He also announced that, effective May 28, importation of munitions and ammunition from China would be prohibited. Department of Treasury and Department of State regulations provide that "it is the policy of the United States to deny licenses and other approvals with respect to defense articles and defense services originating in certain countries.... This policy applies to countries or areas with respect to which the United States maintains an arms embargo..."<sup>48</sup>

Authority: Secs. 2, 38, 40, 42, and 71 of the Arms Export Control Act [P.L. 90-629]; 22 CFR Part 126.1 (59 F.R. 39312; 59 F.R. 15625; 59 F.R. 42158); 27 CFR Part 47.52 (50 F.R. 14382; 50 F.R. 42162; 54 F.R. 13681; 57 F.R. 24189; 58 F.R. 47831).

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**AUGUST 23, 1994 -- SANCTION:                    PROHIBITED U.S. PAYMENTS  
TO UNFPA FROM BEING MADE  
AVAILABLE TO PROGRAMS IN  
CHINA**

**Status:** Active

The Foreign Operations Appropriations Act for FY1995 prohibited U.S. contributions to the United Nations Population Fund (UNFPA) from being made available for programs in China. If it was reported that UNFPA spent in excess of \$7 million in China in 1995, U.S. payments to the UNFPA would be reduced by the amount over \$7 million. This restriction was enacted again in the FY1996 Foreign Operations Appropriations Act. For FY1997, the Foreign Operations Appropriations Act required that: 1) no funds are allocated for UNFPA be made available for activities in China; 2) FY1997 for UNFPA are limited to \$25 million; and 3) U.S. payments to UNFPA are reduced by the amount that that organization expends in China.

Authority: Title I of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1995 [P.L. 103-306; 108 Stat. 1610]; Title IV of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996 [P.L. 104-107; 110 Stat. 704]; Title IV of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997 [sec. 101(c) of title I of Public Law 104-208; 110 Stat. 3009].

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**SEPTEMBER 30, 1994 -- WAIVED:                PROHIBITION ON EXPORT-  
IMPORT BANK PROGRAMS**

President Clinton determined that it was in the national interest for the Export-Import Bank to extend \$134 million in credit to China to allow the purchase of U.S. equipment and services for the expansion of the Ligang power station in Jiangsu Province. Section 2(b)(2)(D)(ii) of the Export-Import Bank Act of 1945 requires the President to issue a separate determination when loans equal or exceed \$50 million.

Authority: Sec. 2(b)(2) of the Export-Import Bank Act of 1945, as amended [P.L. 79-173; 12 U.S.C. 635(b)(2)]; Presidential Determination 94-53, March 7, 1988 (59 F.R. 51483).

See January 6, 1964, for original sanction.

See October 15, 1986, for continuation of sanction.

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**OCTOBER 5, 1994 -- LIFTED:                    PROHIBITION LIFTED ON  
CERTAIN IMPORTS PRODUCED  
BY PRISON LABOR**

On September 9, 1994, U.S. Customs Service determined that tea marketed by the Red Star Tea Farm in China produced with the use of convict, forced, and/or indentured labor, was no longer likely to be imported into the United States, and that the earlier restriction was no longer necessary. The new determination took effect on October 5, 1994.

Authority: Sec. 307 of the Tariff Act of 1930 [P.L. 71-361; 19 U.S.C. 1307]; Customs Service T.D. 94-76 (59 F.R. 50038).

See July 13, 1992, for original sanction.

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**NOVEMBER 1, 1994 -- WAIVED:                PROHIBITED EXPORT OF  
MTCR ITEMS AND U.S.  
GOVERNMENT CONTRACTS**

The State Department issued a public notice on November 1, 1994, determining that it was essential to the national security of the United States to waive the 2-year sanctions imposed on August 24, 1993, against the Chinese Ministry of Aerospace Industry and all its subsidiaries. Sanctions against the Pakistani Ministry of Defense, leveled at the same time, remained in place.

Authority: Sec. 73(e) of the Arms Export Control Act, as amended [P.L. 90-629; 22 U.S.C. 2797b(e)]; Sec. 11B(b)(5) of the Export Administration Act of 1979, as amended [P.L. 96-72; 50 U.S.C. App. 2410b(b)(5)]; Department of State Public Notice 2111, November 1, 1994 (59 F.R. 55522).

See August 24, 1993, for original sanction.

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**APRIL 21, 1995 -- WAIVED:                    PROHIBITION ON EXPORT-  
IMPORT BANK PROGRAMS**

President Clinton determined that it was in the national interest for the Export-Import Bank to extend a loan of \$237 million to China in connection with the purchase of U.S. equipment and services for the expansion of a power plant in Dalian, in Liaoning Province. Section 2(b)(2)(D)(ii) of the Export-Import Bank Act of 1945 requires the President to issue a separate determination when loans equal or exceed \$50 million.

Authority: Sec. 2(b)(2) of the Export-Import Bank Act of 1945, as amended [P.L. 79-173; 12 U.S.C. 635(b)(2)]; Presidential Determination 95-18, April 21, 1995 (60 F.R. 22447).

See January 6, 1964, for original sanction.  
 See October 15, 1986, for continuation of sanction.

**APRIL 21, 1995 -- WAIVED:                      PROHIBITION ON EXPORT-IMPORT BANK PROGRAMS**

President Clinton determined that it was in the national interest for the Export-Import Bank to extend a loan of \$278 million to China in connection with the purchase of U.S. equipment and services for the construction of a power plant in Dandong, in Liaoning Province. Section 2(b)(2)(D)(ii) of the Export-Import Bank Act of 1945 requires the President to issue a separate determination when loans equal or exceed \$50 million.

Authority: Sec. 2(b)(2) of the Export-Import Bank Act of 1945, as amended [P.L. 79-173; 12 U.S.C. 635(b)(2)]; Presidential Determination 95-19, April 21, 1995 (60 F.R. 22449).

See January 6, 1964, for original sanction.  
 See October 15, 1986, for continuation of sanction.

**JUNE 22, 1995 -- MODIFIED:                      RESTRICTIONS ON CERTAIN CRYPTOGRAPHIC ITEMS LIFTED**

President Clinton informed Congress on June 22, 1995, that it was in the national interest of the United States to terminate the suspension of license issuance for export to China with respect to certain cryptographic items covered by category XIII on the USML. Licenses are required and applications are reviewed on a case-by-case basis by the Departments of State and Defense.<sup>49</sup>

Authority: Sec. 902(b)(2) of the Foreign Relations Authorization Act, FY1990 and FY1991 [P.L. 101-246; 22 U.S.C. 2151 note].

See February 16, 1990, for original sanction.

**JANUARY 22, 1996 -- MODIFIED:                      RELAXATION OF LICENSE REQUIREMENTS FOR COMPUTERS**

**Status: Phasing out (see March 25, 1996).**

On October 6, 1995, President Clinton announced a liberalization of export controls on most computers. For China, the former Soviet Union, and certain other countries, export controls would focus on computers intended for military and proliferation end-use, but would otherwise ease controls on exports for computers to civilian end-use. On January 22, 1996, the Department of Commerce issued interim Export Administration Regulations (EAR). The new EAR removed the term

"supercomputer" from regulations, streamlined the licensing process, and attempted to anticipate the technological developments in computers for the next two years. Under the new EAR, a new 4-tier system of licensing is established. China, Vietnam, Pakistan, countries of Middle East, Maghreb, the former Soviet Union, and several Eastern European countries are in Tier 3. Exports to Tier 3 countries are authorized under General License G-DEST for computers less than or equal to 2,000 MTOPS. Exports of computers greater than 2,000 but less than 7,000 MTOPS are authorized under General License G-CTP. Where concerns arise if end-use is military, nuclear, chemical, biological or missile related, licenses will be reviewed on a case-by-case basis.

Hong Kong and Taiwan, in Tier 2, are eligible for computers of less than 10,000 MTOPS without a validated license.

Authority: 15 CFR Parts 770-776, 785, 787, 799 (61 F.R. 2099).

See May 27, 1991, for original sanction.

**FEBRUARY 6, 1996 -- WAIVED:                    PROHIBITION ON U.S.  
SATELLITE EXPORTS**

President Clinton reported to Congress his intention to waive the prohibition on export licenses for U.S.-origin satellites for China for three projects: COSAT, MABUHAY, and CHINASAT.<sup>50</sup>

Authority: Sec. 902(b)(2) of the Foreign Relations Authorization Act, FY1990 and FY1991, as amended [P.L. 101-246; 22 U.S.C. 2151 note].

See November 21, 1989, for original sanction.

**FEBRUARY 28, 1996 -- SANCTION:            EXPORT-IMPORT BANK  
FINANCING POSTPONED**

**Status:** Expired

Amidst reports that China had shipped ring magnets to Pakistan in 1995, and was otherwise supporting Pakistan's nuclear weapons program, the Clinton Administration asked the Export-Import Bank to postpone any financing for U.S. companies planning to export to China until March 23, 1996.<sup>51</sup>

The month-long postponement expired, and the Export-Import Bank was not expected to take up any China financing in the month of April.

Other sanctions are being considered, and U.S.-China negotiations are underway regarding future Chinese technology exports.

Authority: Sec. 2(b)(2) of the Export-Import Bank Act of 1945 [P.L. 79-173; 12 U.S.C. 635(b)(2)].

See April 24, 1996, for reinstatement of sanction.  
See May 10, 1996, for lifting of sanction.

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**MARCH 25, 1996 -- MODIFIED:                   EXPORT    ADMINISTRATION  
  REGULATIONS REWRITTEN**

The Bureau of Export Administration, Department of Commerce, issued new interim Export Administration Regulations (EAR) on March 25, 1996, which reorganized the licensing process and categories of restricted licenses for exportation. The interim regulations go into effect on April 24, 1996, and compliance with the new EAR is required no later than November 1, 1996. In the meantime, current licensing procedures are reclassified at 15 CFR 770A-799A.

The new EAR are not intended to change policy, but only to streamline the licensing process. In the new EAR, generally, China:

- is ranked in Tier 3 for computer exports, making it eligible for License Exception CTP for computers with a Composite Theoretical Performance (CTP) greater than 2,000 MTOPS but less than or equal to 7,000 MTOPS (Hong Kong and Taiwan, in Tier 2, are eligible for computers of less than 10,000 MTOPS with a License Exception CTP). License Exception CTP does not authorize export for military end-users and end-uses, and nuclear, chemical, biological, or missile end-users and end-uses. Such exports require a license and are considered on a case-by-case basis.
- is placed on the Country Group D list, specifically restricting exports under national security controls (D:1 subgroup), chemical and biological controls (D:3 subgroup), and missile technology controls (D:4 subgroup).
- separate from the country group list, is subject to licensing, restricted, and in some cases prohibited, for export in the following categories: chemical and biological, nuclear nonproliferation, national security, missile technology, regional stability, and crime control.

Authority: 15 CFR 738, 740, 742, 744, 774 (61 F.R. 12714-13041).

See May 27, 1991, for original sanction. See also January 22, 1996.

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**APRIL 24, 1996 -- SANCTION      EXPORT-IMPORT      BANK  
FINANCING POSTPONED**

**Status:** Lifted

Amidst reports that China had shipped ring magnets to Pakistan in 1995, and was otherwise supporting Pakistan's nuclear weapons program, the Secretary of State, for a second time in as many months, asked the Export-Import Bank to postpone any financing for U.S. companies planning to export to China until further notice.<sup>52</sup>

Authority: Sec. 2(b)(2) of the Export-Import Bank Act of 1945 [P.L. 79-173; 12 U.S.C. 635(b)(2)].

See February 28, 1996, for earlier sanction.

See May 10, 1996, for lifting of sanction.

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**APRIL 29, 1996 -- SANCTION:      PROHIBITION      ON      CERTAIN  
IMPORTS PRODUCED BY PRISON  
LABOR**

**Status:** Active

On March 20, 1996, U.S. Customs Service determined that certain iron pipe fittings manufactured by the Tianjin Malleable Iron Factory in Tianjin Municipality were being manufactured with the use of convict, forced, and/or indentured labor, and could therefore be prohibited from importation into the United States, or seized by Customs officials on importation. The prohibition on importation took effect on or before April 29, 1996.

Authority: Sec. 307 of the Tariff Act of 1930 [P.L. 71-361; 19 U.S.C. 1307]; Customs Service T.D. 96-34 (61 F.R. 17956).

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**MAY 10, 1996 -- LIFTED:                      EXPORT-IMPORT      BANK  
FINANCING POSTPONED**

In a letter to the President of the Export-Import Bank of the United States, The Secretary of State revoked his determination that prohibited ExIm financing for U.S. companies planning to export to China, effective immediately.<sup>53</sup>

Authority: Sec. 2(b)(2) of the Export-Import Bank Act of 1945 [P.L. 79-173; 12 U.S.C. 635(b)(2)].

See April 24, 1996, for original sanction.

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**JUNE 23, 1996 --WAIVED: PROHIBITION ON U.S. SATELLITE EXPORTS**

President Clinton reported to Congress that it was in the national interest to terminate the terms prohibiting defense article and satellite exports to China insofar as such prohibitions were applicable to the Hughes Asia Pacific Mobile Telecommunications project. Export licenses were still required and would be considered on a case-by-case basis.<sup>54</sup>

Authority: Sec. 902(a) and (b)(2) of the Foreign Relations Authorization Act, FY1990 and FY1991 [P.L. 101-246; 22 U.S.C. 2151 note].

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**NOVEMBER 11, 1996 -- WAIVED: PROHIBITION ON EXPORT-IMPORT BANK PROGRAMS**

President Clinton determined that it was in the national interest for the Export-Import Bank to extend a loan of about \$383 million to China in connection with the purchase of the nonnuclear balance of plant equipment and services from the United States for the Qinshan III nuclear power plant in Zhejiang Province. Section 2(b)(2)(D)(ii) of the Export-Import Bank Act of 1945 requires the President to issue a separate determination when loans equal or exceed \$50 million. Authority: Sec. 2(b)(2) of the Export-Import Bank Act of 1945, as amended [P.L. 79-173; 12 U.S.C. 635(b)(2)]; Presidential Determination 97-2, November 11, 1996 (61 F.R. 59805).

See January 6, 1964, for original sanction.

See October 15, 1986, for continuation of sanction.

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**NOVEMBER 11, 1996 -- WAIVED: PROHIBITION ON EXPORT-IMPORT BANK PROGRAMS**

President Clinton determined that it was in the national interest for the Export-Import Bank to extend a loan of about \$409 million to China in connection with the purchase of U.S. equipment and services for the Yangcheng coal-fired power plant in Shanxi Province. Section 2(b)(2)(D)(ii) of the Export-Import Bank Act of 1945 requires the President to issue a separate determination when loans equal or exceed \$50 million.

Authority: Sec. 2(b)(2) of the Export-Import Bank Act of 1945, as amended [P.L. 79-173; 12 U.S.C. 635(b)(2)]; Presidential Determination 97-3, November 11, 1996 (61 F.R. 59807).

See January 6, 1964, for original sanction.

See October 15, 1986, for continuation of sanction.

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**MAY 21, 1997 -- SANCTION:**

**PROCUREMENT CONTRACTS  
WITH, IMPORTATION FROM  
CERTAIN INDIVIDUALS AND  
COMPANIES PROHIBITED**

**Status: Active**

The State Department issued a public notice on May 21, 1997, determining that eight entities and persons had engaged in chemical weapons proliferation activities that required the imposition of sanctions. For one year or more, the U.S. Government is prohibited from entering into procurement contracts and importation is prohibited from the following Chinese individuals: 1) Liao Minglong, 2) Tian Yi, 3) Chen Qingchang, 4) Pan Yongming, and 5) Shao Xingsheng. The same prohibitions apply to the following Chinese companies: 1) Nanjing Chemical Industries Group, or NCI; 2) Jiangsu Yongli Chemical Engineering and Technology Import/Export Corporation; and 3) Cheong Yee Limited (of Hong Kong).

Authority: Sec. 81(a) of the Arms Export Control Act, as amended [P.L. 90-629; 22 U.S.C. 2798(a)]; Sec. 11C(a) of the Export Administration Act of 1979, as amended [P.L. 96-72; 50 U.S.C. App. 2410c(a)]; Department of State Public Notice 2551, May 21, 1997 (62 F.R. 28304).

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**TABLE I****MULTILATERAL DEVELOPMENT BANK LOANS TO PEOPLE'S REPUBLIC OF CHINA  
ON WHICH THE UNITED STATES ABSTAINED, OBJECTED, OR VOTED "NO"**

<i>Date of Final Action</i>	<i>Bank</i>	<i>Project</i>	<i>\$ Millions</i>	<i>U.S. Vote</i>	<i>Reason</i>	<i>Final Disposition</i>
11/90	ADB	Agric. Bank of China	50.0	Abstained	HR	Approved
12/90	IBRD	Rural Industrial Tech.	50.0	Abstained	HR	Approved
12/90	IDA	Rural Industrial Tech.	64.3	Abstained	HR	Approved
1/91	IBRD	Shanghai Industrial Dev.	150.0	Abstained	HR	Approved
1/91	IBRD	Medium Sized Cities	79.4	Abstained	HR	Approved
1/91	IDA	Medium Sized Cities	89.0	Abstained	HR	Approved
2/91	IDA	Key Studies Dev.	131.2	Abstained	HR	Approved
3/91	IDA	Liaoning Urban Infrast.	70.0	Abstained	HR	Approved
4/91	IBRD	Jiangsu Prov. Transport	100.0	Abstained	HR	Approved
4/91	IDA	Jiangsu Prov. Transport	53.6	Abstained	HR	Approved
5/91	ADB	Shanghai-Nanpu Bridge	67.5	Abstained	HR	Approved
5/91	ADB	Econ. Reform Planning (TA)	0.8	Abstained	HR	Approved
5/91	ADB	Toll Bridge Operations (TA)	1.0	Abstained	HR	Approved
6/91	ADB	Yaogu-Maoming Railway	67.8	Abstained	HR	Approved
6/91	ADB	Sanmao Railway (TA)	1.0	Abstained	HR	Approved
7/91	ADB	Xiamen Intl Bank (Eq)	10.3	Abstained	HR	Approved
7/91	ADB	Shanxi Liulin Thermal Power	65.0	Abstained	HR	Approved
7/91	ADB	Inst. Dev. Power (TA)	0.5	Abstained	HR	Approved
7/91	IBRD	Ertan Hydropower	380.0	Abstained	HR	Approved
7/91	IFC	Guangzhou Peugeot Auto	1.4	Objected	HR	Approved
8/91	IDA	Shanghai Metro. Transport	60.0	Abstained	HR	Approved

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Abbreviations and Acronyms:

ADB--Asian Development Bank GEF--Global Environmental Facility IBRD--International Bank for Reconstruction and Development  
IDA--International Development Association IFC--International Finance Corporation ADF--Asian Development Foundation JSF--  
Japanese Special Fund (of the ADB) TA--Technical Assistance Eq--Equity HR--Human Rights Env--Environment Econ--Economic  
policy considerations

<i>Date of Final Action</i>	<i>Bank</i>	<i>Project</i>	<i>\$ Millions</i>	<i>U.S. Vote</i>	<i>Reason</i>	<i>Final Disposition</i>
9/91	ADB	Shanghai Nanpu Bridge	48.0	"No"	HR	Approved
9/91	ADB	China Assets (Eq)	4.0	Abstained	HR	Approved
9/91	IBRD	Railways	330.0	Abstained	HR	Approved
10/91	IBRD	Daguangba-Hainan	30.0	Abstained	HR	Approved
10/91	ADB/ ADF	Industrial & Commercial Bank of China (loan and TA)	100.8	Abstained	HR	Approved
10/91	IDA	Daguangba-Hainan	37.0	Abstained	HR	Approved
11/91	ADB/ ADF	Anging Acrylic Fiber (loan & TA)	105.5	Abstained	HR	Approved
11/91	IDA	Guandong Ag. Dev.	162.0	Abstained	HR	Approved
12/91	ADB/ ADF	Ports Development (loan & TA)	90.0	Abstained	HR	Approved
1/91	IBRD	Yanshi Thermal Power	180.0	Abstained	HR	Approved
2/92	IBRD/ IDA	Rural Water Supply & Sanitation	110.0	Abstained	Env	Approved
3/92	IBRD	Regional Cement	82.7	"No"	HR/Env/ Econ	Approved
3/92	ADB	Laiwu Iron & Steel Mill Modern./Expan.	133.0	"No"	HR/Econ	Approved
3/92	ADB	Laiwu Iron & Steel Mill restruct.	0.7	"No"	HR/Econ	Approved
4/92	IBRD	Zouxian Thermal Power	310.0	Abstained	HR	Approved
5/92	IBRD	Zhejiang Provincial Hwy	220.0	Abstained	HR	Approved
6/92	IDA	Ship Waste Disposal	15.0	Abstained	HR	Approved
6/92	ADB	Guang-Meishan Rail	200.0	Abstained	HR	Approved
6/92	ADB	Guang-Meishan Rail (TA)	0.3	Abstained	HR	Approved
6/92	ADB	Guangdong Planning Cmsn (TA)	0.3	Abstained	HR	Approved
6/92	IFC	Shenzen Bicycle Co.	15.0	Abstained	HR	Approved
7/92	ADB	Shenyang-Benxi Hwy	50.0	Abstained	HR	Approved
7/92	ADB	Hwy operation, management improvement	0.5	Abstained	HR	Approved
7/92	ADB	Jilin Province Hwy	0.6	Abstained	HR	Approved
8/92	ADB	Guangdong Tropical Crops	55.0	Abstained	HR/Econ	Approved
8/92	ADB	Ministry of Ag.	0.8	Abstained	HR/Econ	Approved

<i>Date of Final Action</i>	<i>Bank</i>	<i>Project</i>	<i>\$ Millions</i>	<i>U.S. Vote</i>	<i>Reason</i>	<i>Final Disposition</i>
9/92	IBRD	Shuikou Hydroelectric	100.0	Abstained	HR	Approved
9/92	ADB	Laiwu Iron & Steel Mill modern.	25.0	"No"	HR/Econ	Approved
9/92	ADB	Guangzhou Pearl River Power	50.0	Abstained	HR/Econ Env/Pro- curement	Approved
9/92	ADB	Industrial Energy	107.0	Abstained	HR	Approved
9/92	ADB	Energy Mgmt	0.6	Abstained	HR	Approved
9/92	IDA	Financial Sector (TA)	60.0	Abstained	HR	Approved
10/92	IFC	Shenzhen Tai-Yang PCCP Co. (Eq)	1.0	Abstained	HR	Approved
10/92	IFC	Shenzhen Tai-Yang PCCP Co.	4.0	Abstained	HR	Approved
11/92	IBRD	Henan Hwy	120.0	Abstained	HR	Approved
11/92	IBRD	Guangdong Prov. Hwy	240.0	Abstained	HR	Approved
11/92	ADB	Shanghai Yangpu Bridge	85.0	Abstained	HR	Approved
12/92	ADB	Indust. Tech. Finance	120.0	Abstained	HR	Approved
12/92	IDA	misc.	50.0	Abstained	HR	Approved
12/92	IBRD	Shanghai Port Dev.	150.0	Abstained	HR	Approved
12/92	ADB	Haihe Basin study	1.2	Abstained	HR	Approved
1/93	ADB	Shanghai Yangpu Bridge	54.0	"No"	HR	Approved
1/93	IFC	Joint Venture Comm. Bank (Eq)	3.8	Abstained	HR	Approved
2/93	IBRD	Taihu Bason Flood Control	200.0	Abstained	Econ	Approved
3/93	IBRD	Tainjin Ind. Dev.	150.0	Abstained	HR	Approved
3/93	IBRD	Sixth Railway	420.0	Abstained	HR	Approved
3/93	ADB	Hefei-Jiujiang Railway (TA)	0.6	Abstained	HR	Approved
3/93	ADB	Hefei-Jiujiang Railway	112.0	Abstained	HR	Approved
4/93	IFC	Yantai Mitsubishi Cement (Eq)	2.0	Abstained	HR	Approved
4/93	IFC	Yantai Mitsubishi Cement	28.7	Abstained	HR	Approved
5/93	IBRD	Tianhuangping Hydro.	300.0	Abstained	HR	Approved
6/93	IDA	Grain Dist./ Marketing	165.0	"No"	HR	Approved
6/93	IBRD	Grain Dist./ Marketing	325.0	"No"	HR	Approved
6/93	IDA	Environ. (TA)	50.0	Abstained	HR	Approved
6/93	IFC	Double Happiness Tire	1.1	Abstained	HR	approved
6/93	IFC	Hangzhou Zhongce Rubber Co.	2.2	Abstained	HR	Approved
8/93	ADB	Guangzhou Pumped Storage	200.0	Abstained	HR	Approved

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<i>Date of Final Action</i>	<i>Bank</i>	<i>Project</i>	<i>\$ Millions</i>	<i>U.S. Vote</i>	<i>Reason</i>	<i>Final Disposition</i>
8/93	ADB	Telecomm.	100.0	Abstained	HR	approved
8/93	ADB	Telecomm. (TA)	0.6	Abstained	HR	approved
8/93	ADB	Fertilizer Ind. Restruct.	250.0	Abstained	HR	Approved
10/93	IBRD	Second shanghai Metro Transport.	150.0	Abstained	HR	approved
11/93	IFC	China Walden Inv. (Eq)	7.5	Abstained	HR	Approved
11/93	ADB	Hunan & Jilin Xways	200.0	Abstained	HR	Approved
11/93	ADB	Road Sector Support (TA)	1.2	Abstained	HR	Approved
11/93	ADB	EIA	0.9	Abstained	HR	Approved
12/93	ADB	Agribusiness Dev.	50.0	Abstained	HR	Approved
12/93	IBRD	Fujian Hwy	140.0	Abstained	HR	Approved
12/93	IBRD	Telecomm.	250.0	Abstained	HR	Approved
12/93	IFC	Dalian Float Glass (Loan/Eq)	32.9	Abstained	HR	Approved
3/94	IBRD	Sichuan Gas Dev. & Conserv.	255.0	Abstained	HR	Approved
3/94	IBRD	Yangzhou Thermal Power	350.0	Abstained	HR	Approved
3/94	IBRD	Yangzhou Thermal Power	120.0	Abstained	HR	Approved
4/94	ADB	Anging Acrylic Fiber	15.0	"No"	HR	Approved
4/94	ADB	Guangzhou Pumped Storage	63.0	"No"	HR	Approved
4/94	IBRD	Xiaolangdi Multipurpose	460.0	Abstained	HR	Approved
6/94	IBRD	Hebei/Henan Natl. Hwy	380.0	Abstained	HR	Approved
6/94	IFC	China Dynamic Growth (Eq)	20.0	Abstained	HR	Approved
6/94	ADB	Forest Ecosys Plan & Agro-Ind. Pollution Control	0.6	Abstained	HR	Approved
6/94	ADB	Yunnan Yun-Jing Forestry & Pulpmill	0.4	Abstained	HR	Approved
6/94	ADB	Yunnan-Simao Forestry	77.0	Abstained	HR	Approved
6/94	IFC	Plantation Timber (Loan/Eq)	12.0	Abstained	HR	Approved
7/94	ADB	Jing-Jui Rail	200.0	Abstained	HR	Approved
7/94	ADB	Min. of Hwy (TA)	0.6	Abstained	HR	Approved
8/94	IBRD	Xinjiang Hwy	150.0	Abstained	HR	Approved
9/94	IBRD	Shenyang Ind. Reform	175.0	"No"	HR/Econ	Approved
9/94	ADB	Hunan Lingjintan Hydropower	116.0	Abstained	HR	Approved
9/94	ADB	Shanghai Waigaogiao	0.6	Abstained	HR	Approved
9/94	ADB	Hunan Electric (TA)	0.4	Abstained	HR	Approved

<i>Date of Final Action</i>	<i>Bank</i>	<i>Project</i>	<i>\$ Millions</i>	<i>U.S. Vote</i>	<i>Reason</i>	<i>Final Disposition</i>
9/94	ADB	Heilongjiang Hwy	142.0	Abstained	HR	Approved
9/94	ADB	Provincial Hwy Plan.	0.6	Abstained	HR	Approved
9/94	ADB	Road Safety	0.6	Abstained	HR	Approved
9/94	ADB	Yunnan Express	150.0	Abstained	HR	Approved
10/94	IFC	Newbridge Invest. (Eq)	10.0	Abstained	HR	Approved
10/94	IDA	Economic Law Reform	10.0	Abstained	HR	Approved
10/94	ADB	Qitaihe Thermal Energy	165.0	Abstained	HR	Approved
12/94	IFC	Nantong Wanfu Special Aquatic	7.0	Abstained	HR	Approved
12/94	IFC	Nantong Wanfu Special Aquatic	3.0	Abstained	HR	Approved
2/95	IFC	Suzhou PVC (Loan/Eq)	16.6	Abstained	HR	Approved
2/95	IBRD	Sichuan Power	270.0	Abstained	HR/Econ	Approved
2/95	IBRD	Tech. Devl. Project	200.0	"No"	HR/Econ	Approved
2/95	IBRD	Zhejiang Power	400.0	Abstained	HR/Env	Approved
2/95	IBRD	Zhejiang Power (guar.)	150.0	Abstained	HR/Env	Approved
4/95	IBRD	Fiscal Tech. Assist. Project	25.0	Abstained	HR/Econ	Approved
4/95	IBRD	Yangtze Basin Water Resources	100.0	Abstained	HR/Econ	Approved
4/95	IDA	Fiscal Tech. Assist. Project	25.0	Abstained	HR/Econ	Approved
4/95	IDA	Yangtze Basin Water Resources	110.0	Abstained	HR/Econ	Approved
4/95	IFC	Plantation Timber	20.0	Abstained	HR	Approved
5/95	IFC	Dupont Suzhou (Loan/Eq)	35.1	Abstained	HR	Approved
6/95	IBRD	Seventh Railway	400.0	Abstained	HR	Approved
6/95	IBRD	Inland Waterways	210.0	Abstained	HR	Approved
6/95	IFC	Piaggio Lyman Foshan (Loan/Eq/ Standby)	32.5	Abstained	HR	Approved
8/95	IBRD	Shanghai-Zhejiang Hwy	260.0	Abstained	HR	Approved
8/95	IBRD	Ertan Hydroelectric	400.0	Abstained	HR	Approved
8/95	IBRD	Ertan Hydroelectric (guaranty)	150.0	Abstained	HR	Approved
9/95	IFC	Nanjing Kumbo Tire (Loan/Eq)	29.8	Abstained	HR	Approved
9/95	ADB	Hainan Ag. & Natural Resource Dev.	53.0	"No"	HR/Econ	Approved

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<i>Date of Final Action</i>	<i>Bank</i>	<i>Project</i>	<i>\$ Millions</i>	<i>U.S. Vote</i>	<i>Reason</i>	<i>Final Disposition</i>
9/95	ADB	Jiangengling Park Mgmt & Biodivers.	0.6	"No"	HR/Econ	Approved
9/95	ADB	Corporate Mgmt, Marketing, Trading	0.5	"No"	HR/Econ	Approved
9/95	IFC	Weihai Weidongri Foodstuff (Loan/Eq)	12.0	Abstained	HR	Approved
9/95	ADB	Second Telecomm	100.0	Abstained	HR	Approved
9/95	ADB	Provinc. Telecomm	0.6	Abstained	HR	Approved
9/95	ADB	Hebei & Liaoning Expressways	320.0	Abstained	HR	Approved
9/95	ADB	Hebei Hwy Mgmt	0.7	Abstained	HR	Approved
9/95	IFC	Beijing Hormel Foods (Loan/Eq)	5.5	Abstained	HR	Approved
11/95	ADB	Henan Thermal Power Project	200.0	Abstained	HR	Approved
11/95	JSF	Integrated Resource Planning	0.4	Abstained	HR	Approved
12/95	ADB	Second Yantai Port Project	63.0	Abstained	HR	Approved
12/95	JSF	Port Authorities Management	0.5	Abstained	HR	Approved
12/95	ADB	Fujian Mianhuatan Hydropower	170.0	Abstained	HR	Approved
12/95	ADB	Fujian Elect. Power	0.3	Abstained	HR	Approved
12/95	IBRD	Hubei Urban Environment	125.0	"No"	HR	Approved
12/95	IDA	Hubei Urban Environment	25.0	"No"	HR	Approved
12/95	ADB	Ping Hu Oil & Gas Development	130.0	"No"	HR/Econ	Approved
12/95	JSF	Safety & Env: Offshore Oil & Gas	0.6	"No"	HR/Econ	Approved
12/95	JSF	Mgmt Systems for SMPC	0.3	"No"	HR/Econ	Approved
12/95	JSF	Power Sector	0.8	Abstained	HR	Approved
12/95	JSF	Provincial Power	0.7	Abstained	HR	Approved
12/95	JSF	Zhejiang-Shanxi Water Conserv.	1.0	Abstained	HR	Approved
1/96	ADB	Fangcheng Port Project	52.0	Abstained	HR	Approved
2/96	IBRD	Henan (Qinbei) Thermal Power	440.0	Abstained	HR	Approved
3/96	IFC	Jingyang Cement Co., Ltd.	40.0	Abstained	HR	Approved
3/96	IBRD	Second Shaanxi Provinc. Hwy.	210.0	Abstained	HR	Approved
4/96	IBRD	Animal Feed Project	150.0	Abstained	HR	Approved
4/96	IFC	Tianjin Kumho Tire (Loan/Eq)	26.5	"No"	HR/Econ	Approved
5/96	IFC	Jingyang Cement Co. Ltd. (Loan/Guar.)	44.0	Abstained	HR	Approved

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<i>Date of Final Action</i>	<i>Bank</i>	<i>Project</i>	<i>\$ Millions</i>	<i>U.S. Vote</i>	<i>Reason</i>	<i>Final Disposition</i>
5/96	IFC	Friesland Tianjin Dairy Foods	9.1	Abstained	HR	Approved
5/96	IBRD	Second Henan Provinc. Hwy.	210.0	Abstained	HR	Approved
5/96	ADB	Indust. Energy Effic. & Env. Improvement II	178.0	"No"	HR/Econ	Approved
6/96	ADB	Daxian-Wanxian Railway	100.0	Abstained	HR	Approved
6/96	IBRD	Chongqing Indust. Pollution	170.0	Abstained	HR/Econ	Approved
6/96	IBRD	Seed Sector Commercialization	20.0	Abstained	HR/Econ	Approved
6/96	IBRD	Seed Sector Commercialization	80.0	Abstained	HR/Econ	Approved
6/96	IFC	Fairyong Ports (Eq)	4.0	Abstained	HR	Approved
6/96	IFC	Fairyong Ports/Nanjung Huining Wharfs	4.0	Abstained	HR	Approved
6/96	IFC	Fairyong Ports/Xiamen Xian Yu Quay	10.0	Abstained	HR	Approved
6/96	IFC	Shandong Sand Food Dev. Co.	17.0	Abstained	HR	Approved
6/96	IFC	Caltex Ocean Gas & Energy	31.33	Abstained	HR	Approved
7/96	IDA	Voc. Ed. Reform Project	20.0	Abstained	HR	Approved
7/96	IBRD	Voc. Ed. Reform Project	10.0	Abstained	HR	Approved
7/96	IBRD	Shuikou Hydroelectric II	.0	"No"	HR	Approved
8/96	IFC	Ningbo Taihang Ag. Products (Quasi-eq)	.89	Abstained	HR	Approved
9/96	IBRD	Telecommunications Amd	.0	Abstained	HR	Approved
9/96	ADB	Anhui Fuyand Eng. TA	2.0	Abstained	HR	Approved
9/96	ADB	Hwy Sector Technical Assist.	1.10	Abstained	HR	Approved
10/96	IBRD	Second Xinjiang Hwy. Project	300.0	Abstained	HR	Approved
11/96	ADB	Everbright Bank of China Project	60.0	Abstained	HR	Approved
11/96	ADB	Capacity Bldg, Everbright Bank	0.60	Abstained	HR	Approved
11/96	ADB	Shenyang-Jinzhou Expressway	200.0	Abstained	HR	Approved
11/96	ADB	Jiangxi Expressway Project	150.0	Abstained	HR	Approved
11/96	ADB	Anhui Env. Improvement: Municipal Wastewater Treatment	112.0	"No"	HR/Econ	Approved
11/96	ADB	Anhui Env. Improvement: Ind. Pollution Abatement	28.0	"No"	HR/Econ	Approved
11/96	ADB	Integrated Env. Mgmt., Chao Lake	0.8	"No"	HR/Econ	Approved



## CRS-45

<i>Date of Final Action</i>	<i>Bank</i>	<i>Project</i>	<i>\$ Millions</i>	<i>U.S. Vote</i>	<i>Reason</i>	<i>Final Disposition</i>
12/96	ADB	Basin No. China Marine Culture & Coastal Resource Mgmt.	70.0	Abstained	HR	Approved
12/96	ADB	Coastal Resource Conservation & Env. Mgmt.	0.81	Abstained	HR	Approved
12/96	IBRD	Second Natl. Hwy. Project	400.0	Abstained	HR	Approved
12/96	GEF	Efficient Indust. Boilers (GEF grant)	32.8	Abstained	HR	Approved
12/96	ADB	Capacity Bldg., Natural Resources	0.80	Abstained	HR	Approved
3/97	IFC	Orient Finance Company	10.0	Abstained	HR	Approved
3/97	IFC	Der Kwei China Expansion (Loan/Eq)	30.0	Abstained	HR	Approved

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 Authority: Votes based on human rights criteria: Sec. 701(f) of the International Financial Institutions Act of 1977 [P.L. 95-118; 22 U.S.C. 262d(f)]. Votes based on environmental criteria: Title XIII of the International Financial Institutions Act of 1977, particularly Sec. 1307 [P.L. 95-118; 22 U.S.C. 262m. Sec. 1307 at 22 U.S.C. 262m-7]. Votes based on economic and procurement criteria: general authority to participate in each respective bank: World Bank, P.L. 79-171, [22 U.S.C. 286]; International Finance Corporation, P.L. 84-350 [22 U.S.C. 282]; International Development Association, P.L. 86-565 [22 U.S.C. 284]; Asian Development Bank, P.L. 89-369 [22 U.S.C. 285].

Sources: Compiled from reports the U.S. Department of the Treasury files quarterly, as required by section 701 of the International Financial Institutions Act, with the Senate Committee on Foreign Relations and the House Committee on Banking and Financial Services. Unpublished since FY1991. The table does not include small technical assistance transactions (less than \$600,000) of the Asian Development Bank, which are not voted on by the board but instead approved by the ADB President.

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