



U.S.–China Economic Security Handbook

A Comprehensive Overview of sanctions, export controls, investment restrictions, and China's responses

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Introduction

U.S.–China business can be subject to overlapping sanctions, export controls, investment restrictions, and Chinese countermeasures. A transaction permitted in one jurisdiction may still face restrictions—or conflicting obligations—in another.

This handbook explains the main U.S. and Chinese measures, with related EU and UK perspectives, and considers what they mean for multinational businesses. It is designed to help legal, compliance, finance, and business teams identify the questions to ask before proceeding with a transaction or changing an existing relationship.

Sections 1–3 outline the regulatory frameworks. Section 4 turns to practical compliance questions and scenarios involving supply, contracts, payments, information requests, and business withdrawal.

Prepared jointly by Sanctrust and Shi Shenchang, a PRC-based attorney.*

This publication does not provide legal advice. It is solely designed to explain the China-related sanctions and export controls landscape.

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United States Restrictions

The U.S. government uses a range of economic tools to limit China's access to technology, capital, and markets that could advance its military and surveillance capabilities. These tools include sanctions, export and import controls, and restrictions on investment. The Department of the Treasury, through its Office of Foreign Assets Control (OFAC) and Office of Investment Security (OIS), and the Department of Commerce, through its Bureau of Industry and Security (BIS), administer most of these measures. Together, they regulate aspects of trade, finance, and investment between the United States and China.

In this section we discuss the architecture of the current restrictions and discuss how the United States uses sanctions, export and import controls, as well as restrictions on investments to respond to perceived threats from China.

1.1 Financial Sanctions

Financial sanctions concerning China are rather limited and target Chinese individuals and entities based on a patchwork of programs, some aimed specifically at China and others aimed at third countries (namely Russia, Iran, or