



By: TA | AP Insight

# China imposes export controls on 40 Japanese entities



China imposed new export controls Monday on 40 Japanese entities it says are contributing to the country's "remilitarization," as tensions with Tokyo rise.

Relations between Beijing and Tokyo have been increasingly tense since Japanese Prime Minister Sanae Takaichi last year implied **Japan could intervene** if China used military force against Taiwan, an island democracy China claims as its own.

Meanwhile, Japan has accelerated its **military expansion**, especially by adding offensive capabilities, which Beijing has condemned.

China's Commerce Ministry on Monday placed 20 Japanese entities, including multiple divisions of Mitsubishi Corporation, on a control list, which prohibits Chinese and foreign exporters from selling to them dual-use items made in China. Dual-use items can be used for both civilian and military purposes.

Additionally, 20 other entities have been added to a watch list for dual-use items, according to the ministry. It includes Mitsui E&S, which makes engines and other equipment for ships, as well as divisions of Fujitsu and Komatsu corporations.

Chinese companies exporting to these firms will be required to apply for special licenses, submit risk assessment reports on the Japanese companies and written pledges that the dual-use items will not be used for military purposes.

## Beijing and Tokyo spar over export measures

The export controls are "entirely justified, reasonable and lawful," the Chinese Commerce Ministry said, adding they are aimed at "firmly deterring Japan's reckless pursuit of 'new militarism.'"

"We hope Japan will recognize its mistakes, reverse its wrongful course, genuinely reflect on its past and return to the right track," it

added.

Japan's top government spokesperson called the curbs as "unacceptable and extremely regrettable," while calling on Beijing to retract the measures.

## Japan would take necessary countermeasures after thoroughly assessing the curbs and their impact

Chief Cabinet Secretary Minoru Kihara said Monday that Japan would take necessary countermeasures after thoroughly assessing the curbs and their impact.

Under Takaichi, Japan's military has been equipped with more offensive capabilities, including long-range missiles on remote islands.

Exports of lethal weapons are now allowed under a new policy. Japan will revise its defense and security documents by December, which could further increase its defense budget.

On Monday, Japan's Ground Self-Defense Force announced the deployment of a Type-12 missile launcher on the southernmost remote island of Minamitorishima, an apparent response to China's growing activity expanding into the Pacific.

## The curbs serve as a diplomatic message

In February, China put 20 Japanese companies on an export control list and 20 others on a watch list.

The Commerce Ministry said that since then, "instead of reflecting on its past and correcting its course, Japan has continued down the wrong path" by accelerating remilitarization, deploying offensive weapons and launching missiles.



Earlier this month, the Chinese coast guard conducted patrols east of Taiwan in what state media described a “pointed warning” to Japan and the Philippines

The ministry emphasized the curbs affect only a small number of Japanese entities, and the measures only apply to dual-use items. “They do not affect normal Sino-Japanese economic and trade exchanges, and honest and law-abiding Japanese entities have absolutely nothing to worry about.”

The measures function more as a “diplomatic message” as Beijing steps up its pressure on Tokyo, said George Chen, partner for Greater China at the advisory firm The Asia Group.

“From Beijing’s perspective, Japan has not taken meaningful actions to stabilize bilateral ties,” Chen said. “And concerns are growing in China about deeper defense cooperation between Japan, the United States, and potentially other partners.”

In the short term, **Japan-China relations** will likely remain fragile “and at risk of slipping further if neither side moves to arrest the downward trend,” he added.

For Beijing, the issue of Taiwan is particularly sensitive. China considers the self-ruled island its own territory, to be retaken by force if necessary, and has increased military pressure on it.

Earlier this month, the Chinese coast guard conducted patrols east of Taiwan in what state media described a “pointed warning” to Japan and the Philippines following an announcement that the countries would discuss their maritime boundaries in waters

that Beijing views as its own.

The United Kingdom, Germany and France in a rare joint statement last week condemned Chinese activities in the waters east of Taiwan, adding they opposed any change of the status quo between China and Taiwan.