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## Canada joins the U.S., E.U. and U.K. in sanctioning Chinese officials over the treatment of Uyghur Muslims

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Related Expertise	Authors: Alan Kenigsberg, Gajan Sathananthan
• International Trade and Investment	In our last <u>international trade brief</u> , we discussed the implications of United Mexican States v. Burr, 2020 ONSC 2376, a recent decision regarding an appeal from the decision of an international tribunal in which the Ontario Superior Court once again declined to overturn the decision of such a tribunal. In this trade brief, we discuss the recent sanctions imposed by Canada on four officials and a state-run organization in the Chinese region of Xinjiang in response to the treatment of Uyghur Muslims in the region, and how these sanctions might impact Canadian businesses.
	On March 22, 2021, the <u>Canadian government announced</u> that it would be imposing sanctions on four officials and a state-run organization in the Chinese region of Xinjiang. Specifically, Canada has applied sanctions on the following Chinese individuals and entities:
	• Chen Mingguo, director of the Xinjiang Public Security Bureau
	• Wang Mingshan, secretary of the political and legal affairs committee in Xinjiang and former director of the Xinjiang Public Security Bureau
	• Zhu Hailun, former deputy party secretary of the Xinjiang Uyghur Autonomous Region
	• Wang Junzheng, secretary of the party committee of the Xinjiang Production and Construction Corps
	• Xinjiang Production and Construction Corps Public Security Bureau, a state-run organization responsible for security and policing <sup>[1]</sup>
	These sanctions prohibit persons in Canada, and Canadians outside Canada, from engaging in any dealing related to any property of these individuals or entities, making available any goods to any of them, or providing financial or related services to them (among other prohibitions).
	The sanctions were announced in coordination with the U.S. and U.K., and shortly after the E.U.'s announcement of sanctions against Chinese officials. The government has said that these sanctions were all imposed in response to the treatment of Uyghur Muslims in China, particularly in the Xinjiang region. The sanctions follow the recent vote in Canada's House of Commons to declare that China's actions in the Xinjiang region amount to genocide.
	The targeted nature of these sanctions should mean most Canadian businesses that operate in China or transact with Chinese businesses will not be directly impacted. However, it is likely that the Chinese government will respond with counter-sanctions against Canada, as

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they already have against the E.U. in response to its sanctions. These measures by the Chinese government could have a broader impact on Canadian businesses and industry. The Canadian sanctions are also the latest salvo in the increasingly tense relationship between Beijing and Ottawa, and follows the trials of Michael Kovrig and Michael Spavor where Canadian diplomats (and diplomats from many other countries) were <u>prohibited from</u> <u>viewing the proceedings</u>. The release of Kovrig and Spavor was identified as "a top priority for the Government of Canada" by Global Affairs Minister Marc Garneau in <u>a recent</u> <u>statement</u>. Given the current state of relations between the two countries, Canadian businesses would be prudent to examine their exposure to possible state action by either government and develop mitigation strategies.

[1] Descriptions of the sanctioned individuals and entities are from the CBC: <u>https://www.cbc.ca/news/politics/ canada-sanctions-china-xinjiang-1.5959080</u>