

Administration of Joseph R. Biden, Jr., 2023

Letter to Congressional Leaders on Addressing United States Investments in Certain National Security Technologies and Products in Countries of Concern
August 9, 2023

Dear Mr. Speaker: (Dear Madam President:)

Pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*), the National Emergencies Act (50 U.S.C. 1601 *et seq.*), and section 301 of title 3, United States Code, I hereby report that I have issued an Executive Order declaring a national emergency to deal with the threat of advancement by countries of concern in sensitive technologies and products critical to the military, intelligence, surveillance, or cyber-enabled capabilities of such countries. I find that this threat constitutes an unusual and extraordinary threat to the national security of the United States, which has its source in whole or substantial part outside the United States, and that certain United States investments risk exacerbating this threat.

I find that countries of concern are engaged in comprehensive, long-term strategies that direct, facilitate, or otherwise support advancements in sensitive technologies and products that are critical to such countries' military, intelligence, surveillance, or cyber-enabled capabilities. Moreover, these countries eliminate barriers between civilian and commercial sectors and military and defense industrial sectors, not just through research and development, but also by acquiring and diverting the world's cutting-edge technologies, for the purposes of achieving military dominance. Rapid advancement in semiconductors and microelectronics, quantum information technologies, and artificial intelligence capabilities by these countries significantly enhances their ability to conduct activities that threaten the national security of the United States. I have identified in an Annex to this Executive Order one country, the People's Republic of China, along with the Special Administrative Region of Hong Kong and the Special Administrative Region of Macau, as a country of concern for purposes of this Executive Order.

As part of this strategy of advancing the development of these sensitive technologies and products, countries of concern are exploiting or have the ability to exploit certain United States outbound investments, including certain intangible benefits that often accompany United States investments and that help companies succeed. The commitment of the United States to open investment is a cornerstone of our economic policy and provides the United States with substantial benefits. However, certain United States investments may accelerate and increase the success of the development of sensitive technologies and products in countries that develop them to counter United States and allied capabilities.

Through this Executive Order, I am directing the Secretary of the Treasury to issue regulations that require United States persons to provide notification to the Department of the Treasury of information relative to certain transactions involving covered foreign persons and that prohibit United States persons from engaging in certain other transactions involving covered foreign persons.

I am enclosing a copy of the Executive Order I have issued.

Sincerely,

JOSEPH R. BIDEN JR.

NOTE: Identical letters were sent to Kevin O. McCarthy, Speaker of the House of Representatives, and Kamala D. Harris, President of the Senate. An original was not available for verification of the content of this letter.

Categories: Communications to Congress : National security technologies and products in countries of concern, addressing U.S. investments, letter.

Subjects: Artificial intelligence and other emerging technologies; Cybersecurity, strengthening efforts; National security technologies and products; Research and development.

DCPD Number: DCPD202300686.