

COMPREHENSIVE LIST OF THE COMMISSION'S RECOMMENDATIONS

Chapter 1: U.S.-China Global Competition

Section 1: A Global Contest for Power and Influence: China's View of Strategic Competition with the United States

The Commission recommends:

1. Congress adopt the principle of reciprocity as foundational in all legislation bearing on U.S.-China relations. Issues to be considered in applying this principle should include but are not limited to the following:
 - The ability of journalists and online media to operate without undue restriction;
 - The ability of nongovernmental organizations to conduct meaningful engagement with civil society;
 - Access to information, including but not limited to financial and research data;
 - Access for social media and mobile apps from U.S. companies;
 - Access for diplomatic personnel, including but not limited to diplomats' freedom of travel and ability to meaningfully exchange views with the host country public; and
 - Market access and regulatory parity, including but not limited to companies' ability to participate in trade, investment, and financial market transactions, cross-border capital transfer, and protections of intellectual property.
2. Congress direct the U.S. Department of State to produce an annual report detailing China's actions in the United Nations and its subordinate agencies that subvert the principles and purposes of the United Nations. Such a report would at a minimum document the following:
 - China's actions violating United Nations treaties to which it is a party;
 - China's actions to influence the votes of United Nations members, including through coercive means;
 - China's actions to nominate or support candidates for United Nations leadership positions that do not adhere to United Nations standards for impartiality or are subject to the influence of the Chinese government;
 - Actions by nationals of the People's Republic of China and others currently holding United Nations leadership positions

- that appear to support the interests of the Chinese government in violation of United Nations impartiality standards;
- Actions by nationals of the People’s Republic of China serving in functional positions in United Nations organizations impacting hiring practices, internal policies, and other functions that appear to support the interests of the Chinese government in violation of United Nations impartiality standards;
 - Actions by Chinese military and support personnel engaged in United Nations peacekeeping operations that are inconsistent with the principles governing these missions, including China’s deployment of these personnel to protect its economic interests and improve the power projection capabilities of the People’s Liberation Army; and
 - The number and positions of United States personnel employed by the United Nations and its agencies.
3. Congress expand the authority of the Federal Trade Commission (FTC) to monitor and take foreign government subsidies into account in premerger notification processes.
 - The FTC shall develop a process to determine to what extent proposed transactions are facilitated by the support of foreign government subsidies.
 - The definition of foreign government subsidies shall encompass direct subsidies, grants, loans, below-market loans, loan guarantees, tax concessions, governmental procurement policies, and other forms of government support.
 - Companies operating in the United States that benefit from the financial support of a foreign government must provide the FTC with a detailed accounting of these subsidies when undergoing FTC premerger procedures.
 - If the FTC finds foreign subsidies have facilitated the transaction, the FTC can either propose a modification to remedy the distortion or prohibit the transaction under Section 7 of the Clayton Act, which prohibits mergers and acquisitions where the effect “may be substantially to lessen competition, or to tend to create a monopoly.”
 4. Congress direct the Administration, when sanctioning an entity in the People’s Republic of China for actions contrary to the economic and national security interests of the United States or for violations of human rights, to also sanction the parent entity.
 5. Congress amend the Immigration and Nationality Act to clarify that association with a foreign government’s technology transfer programs may be considered grounds to deny a nonimmigrant visa if the foreign government in question is deemed a strategic competitor of the United States, or if the applicant has engaged in violations of U.S. laws relating to espionage, sabotage, or export controls. Association with a foreign government’s technology transfer programs can include any of the following:
 - Participation in a foreign government-sponsored program designed to incentivize participants to transfer fundamental re-

search to a foreign country via a talent recruitment program or in a foreign government-sponsored startup competition;

- Acceptance of a government scholarship that requires recipients to study specific strategic scientific and technological fields, to return to the foreign country for a government work requirement after the scholarship term ends, or facilitates coordination with talent programs;
- Association with a university or a department of a university that the U.S. government has designated as a participant in the foreign government's military-civil fusion efforts; or
- Status (current or past) as a scientist, technician, or officer for a foreign military, if the applicant does not disclose such information when applying for a visa.

Section 2: The China Model: Return of the Middle Kingdom

The Commission recommends:

6. Congress hold hearings to consider the creation of an interagency executive Committee on Technical Standards that would be responsible for coordinating U.S. government policy and priorities on international standards. This Committee would consist of high-level political appointees from executive departments with equities relating to international technical standards, including the Department of Commerce, the Department of State, the Department of Defense, the Department of Energy, the Office of Science and Technology Policy, and other agencies or government stakeholders with relevant jurisdiction. The Committee's mandate would be to ensure common purpose and coordination within the executive branch on international standards. Specifically, the Committee would:
 - Identify the technical standards with the greatest potential impact on American national security and economic competitiveness;
 - Coordinate government efforts relating to those standards;
 - Act as a liaison between government, academia, and the private sector to coordinate and enhance joint efforts in relation to standards;
 - Manage outreach to counterpart agencies among U.S. allies and partners;
 - Set funding priorities and recommendations to Congress; and
 - Produce annual reports to Congress on the status of technical standards issues and their impact on U.S. national security and economic competitiveness.

Section 3: China's Strategic Aims in Africa

The Commission recommends:

7. Congress require the Office of the U.S. Trade Representative, within 180 days, to prepare a report on China's use of rules of origin intended to benefit countries eligible for the African Growth and Opportunity Act (AGOA) to ensure AGOA countries

obtain the benefit of favorable trade policies and China is not using them to circumvent U.S. trade policies.

Chapter 2: U.S.-China Economic and Trade Relations

Section 2: Vulnerabilities in China's Financial System and Risks for the United States

The Commission recommends:

8. Congress enact legislation establishing a China Economic Data Coordination Center (CEDCC) at the Bureau of Economic Analysis at the U.S. Department of Commerce. The Center would be mandated to collect and synthesize official and unofficial Chinese economic data on developments in China's financial markets and U.S. exposure to risks and vulnerabilities in China's financial system, including:
 - Data on baseline economic statistics (e.g., gross domestic product [GDP]) and other indicators of economic health;
 - Data on national and local government debt;
 - Data on nonperforming loan amounts;
 - Data on the composition of shadow banking assets;
 - Data on the composition of China's foreign exchange reserves; and
 - Data on bank loan interest rates.
9. Congress request that the Administration prepare a report on the research and development activities of the affiliates of U.S. multinational enterprises operating in China and the implications of such activities for U.S. production, employment, and the economy.

Section 3: U.S.-China Links in Healthcare and Biotechnology

The Commission recommends:

10. Congress enact legislation to require ancestry and health testing services to (1) require explicit consent from customers to provide, sell, lease, or rent to any party individual data that is aggregated for the purposes of research; and (2) disclose to customers any parent company or subsidiary relationship.
11. Congress establish a new U.S. national laboratory focusing on biotechnology or designate an existing U.S. national laboratory to focus on biotechnology.
12. Congress consider establishing a "Manhattan Project"-like effort to ensure that the American public has access to safe and secure supplies of critical lifesaving and life-sustaining drugs and medical equipment, and to ensure that these supplies are available from domestic sources or, where necessary, trusted allies. Such a project would supplement the recommendation the Commission made in its 2019 Annual Report that Congress hold hearings with a view toward enacting legislation requiring the U.S. government to procure medicines only from U.S.

production facilities or from facilities that have been certified compliant with U.S. standards.

Chapter 4: Taiwan

The Commission recommends:

13. Congress consider enacting legislation to make the Director of the American Institute in Taiwan a presidential nomination subject to the advice and consent of the United States Senate.
14. Congress amend the TAIPEI Act to provide that the United States, as a member of any international organization, should oppose any attempts by China to resolve Taiwan's status by distorting the language, policies, or procedures of the organization.
15. Congress evaluate the opportunity to strengthen economic relations with Taiwan in key sectors where there are unique reciprocal opportunities, with technology as the initial sector for evaluation.
16. Congress encourage the Administration to include Taiwan in multilateral efforts to coordinate and strengthen supply chain cooperation and security. This could be done through the expansion of Global Cooperation and Training Framework programming or a new multilateral arrangement with likeminded democracies. This multilateral engagement should focus on securing critical inputs and assuring supply chain resilience in strategic industries critical to economic competitiveness and national security, including information and communications technology, integrated circuits, and electronic components.

Chapter 5: Hong Kong

The Commission recommends:

17. Congress direct the Administration to identify and remove barriers to receiving United States visas for Hong Kong residents attempting to exit Hong Kong for fear of political persecution.
18. Congress consider legislation extending political asylum to residents of Hong Kong born on or after June 30, 1997, who currently cannot apply for a second form of identification beyond a Hong Kong Special Administrative Region passport.
19. Congress direct the Office of the U.S. Trade Representative to produce a report within 90 days assessing the risk of mainland China using Hong Kong to evade or circumvent Section 301 trade enforcement actions or other U.S. trade remedies.