



DEPUTY SECRETARY OF DEFENSE

1010 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1010

JUN 24 2020

The Honorable Tom Cotton  
United States Senate  
Washington, DC 20510

Dear Senator Cotton:

Thank you for your letter identifying section 1237 of the National Defense Authorization Act for FY 1999, as amended, as a potential tool to support our efforts to compete with China. I agree with your assessment that long-term, steady-state competition with China is one of the defining challenges of our time. It is imperative that we review all tools at our disposal to ensure that our exchanges with China do not harm our national security or economic competitiveness.

To answer your specific questions:

“When was this list of Communist Chinese military companies operating in the United States last updated by the Department of Defense?”

The 106th Congress directed the Department of Defense (DoD) to take action. Upon learning this, my staff developed a methodology and produced an initial list of companies that meet the congressionally-directed criteria in section 1237. DoD has coordinated with executive branch agencies and is providing Congress our initial findings.

“As part of your commitment to achieving the goals set out in the 2018 National Defense Strategy, will you commit to updating and publicly releasing this list as soon as possible?”

The enclosed list has been cleared for public release. Thank you for your attention to this issue, and we look forward to continued engagement.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul L. O'Neil".

Enclosure:  
As stated



**Qualifying Entities Prepared in Response to Section 1237 of the National Defense  
Authorization Act for Fiscal Year 1999 (PUBLIC LAW 105-261)**

Aviation Industry Corporation of China (AVIC)  
China Aerospace Science and Technology Corporation (CASC)  
China Aerospace Science and Industry Corporation (CASIC)  
China Electronics Technology Group Corporation (CETC)  
China South Industries Group Corporation (CSGC)  
China Shipbuilding Industry Corporation (CSIC)  
China State Shipbuilding Corporation (CSSC)  
China North Industries Group Corporation (Norinco Group)  
Hangzhou Hikvision Digital Technology Co., Ltd. (Hikvision)  
Huawei  
Inspur Group  
Aero Engine Corporation of China  
China Railway Construction Corporation (CRCC)  
CRRC Corp.  
Panda Electronics Group  
Dawning Information Industry Co (Sugon)  
China Mobile Communications Group  
China General Nuclear Power Corp.  
China National Nuclear Corp.  
China Telecommunications Corp.

**CLEARED  
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