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## Congress of the United States House of Representatives

## SELECT COMMITTEE ON THE CHINESE COMMUNIST PARTY

May 30, 2024

The Honorable Avril Haines
Director
Office of the Director of National
Intelligence
1500 Tysons McLean Dr.
McLean, VA 22102

The Honorable Christopher Wray Director Federal Bureau of Investigation 935 Pennsylvania Avenue, N.W. Washington, D.C. 20535

Dear Director Haines and Director Wray,

We write to request a briefing on a People's Republic of China (PRC) biotech firm GenScript Biotechnology Co., Ltd.<sup>1</sup> and its three main business segments — Bestzyme,<sup>2</sup> Legend Biotech,<sup>3</sup> and ProBio<sup>4</sup>— for their ties to the Chinese Communist Party (CCP) and the implications these connections may have for U.S. national security. GenScript's role as a Contract Development and Manufacturing Organization (CDMO), including services such as the production of custom gene synthesis for companies and U.S. Government entities, raises concerns about potential risks to the intellectual property of U.S. firms and GenScript's broader role in advancing the PRC's biotech capabilities.

Public reporting reveals tight links between GenScript and the CCP. GenScript's primary operations are based in Nanjing, PRC, and the company's Party Committee plays an active role in its operations. For example, Shao Weihui,<sup>5</sup> the Secretary of GenScript Group's Party Committee, has acted as Chief Executive Officer and is a member of the company's Sanctions Risk Control Committee.<sup>6</sup> Additional key leadership positions within GenScript include the

<sup>1&</sup>quot;金斯瑞生物科技股份有限公司"

<sup>2&</sup>quot;百斯杰"

<sup>3&</sup>quot;传奇"

<sup>4&</sup>quot;蓬勃"

<sup>5 &</sup>quot;邵炜慧"

<sup>&</sup>lt;sup>6</sup> Prior to becoming the rotating CEO in 2023, Shao Weihui held the position of Chief Operating Officer at the GenScript Biotech Corporation starting in 2021. Her roles as COO and rotating CEO were officially disclosed on the Hong Kong Stock Exchange. However, her additional role as Secretary of GenScript Group's Party Committee is only evident through public disclosures by the company's partners. See more at "Redesignation of Director and Appointment of Rotating Chief Executive Officer," HKEX (December 18, 2022); "Annual Report 2022," HKEX at 72 (April 28, 2023); Sun Haorui, "Our School's Party Committee and GenScript Group's Party Committee Hold a Joint Party Building and School-Enterprise Cooperation Signing Ceremony," Nanjing University (January 23, 2022); Gong Pengfei, "Our School Signs a Strategic Cooperation Framework Agreement with

Deputy Secretaries of its Party Committee, Liu Chao<sup>7</sup> and Jiang Feng,<sup>8</sup> who serve as the Director of the company's Government Affairs Department and Operations Manager of the company's New Product R&D Project Department, respectively.<sup>9</sup> Moreover, Xianhu Fan,<sup>10</sup> the founder and former Chief Scientific Officer of Nanjing Legend Biotech, served as a member of Nanjing Legend Biotech's Party Committee until October 2022.<sup>11</sup>

Since 2023, GenScript has received U.S. government contracts that in total are worth millions of dollars from the Department of Health and Human Services (HHS), the Department of Agriculture (USDA), the Department of Defense (DOD) and the Department of Veterans Affairs (VA). These contracts span a range of products and services, including customized protein production, laboratory equipment, and drugs and biologicals.

Of particular concern is evidence suggesting GenScript is working to establish CCP-controlled chokepoints in critical areas of biotechnology in which the U.S. currently leads. Zhang Fangliang, <sup>14</sup> GenScript's co-founder and one of its ultimate beneficial owners, expressed concern about the underrepresentation of PRC biotech products in the U.S. market and identified the growing opportunity for biotech development in the PRC as a key motivation for launching the company. <sup>15</sup> By filling key gaps in the PRC's biotech capabilities, Zhang's efforts through GenScript appear to directly support the CCP's strategic goal of achieving self-reliance in critical technologies and leveraging these advancements to boost the PRC's global competitiveness and influence. <sup>16</sup> In a telling statement after leaving his position at Schering-Plough in the United States to establish GenScript's PRC-base in 2004, Zhang remarked, "although science has no borders, scholars have their own motherland." <sup>17</sup> This statement underscores GenScript's commitment to advancing the PRC's biotech industry and directly challenging U.S. leadership in this vital sector.

GenScript's public statements and the active role of its internal CCP Committee in guiding company strategy suggest a concerted effort to advance Beijing's goal of reducing

GenScript Biotech Co., Ltd.," Nanjing University (May 17, 2022); Li Ying, "Nanjing University and GenScript Biotech Co., Ltd. Sign a Strategic Cooperation Framework Agreement," Nanjing University (January 10, 2023); Chen Likun, "Our School's Party Committee and Nanjing GenScript's Party Committee Hold a Joint Party Building and 'Visiting Enterprises to Expand Jobs' Discussion and Exchange Activity," Nanjing University (June 23, 2022).

<sup>7&</sup>quot;刘超"

<sup>8&</sup>quot;蒋峰"

<sup>&</sup>lt;sup>9</sup> "Remembering the Revolutionary History, Continuing the Red Bloodline | Our School's General Services Party Branch and <u>Joint Education Party Branch Went to Nanjing for Party Building Study</u>," Shanghai Jiao Tong University (December 26, 2023). <sup>10</sup> "范晓虎"

<sup>&</sup>lt;sup>11</sup> Zhong Yuhao, "<u>Returning to Academia: Leading Figure in Cellular Immunotherapy, Fan Xiaohu, Joins Xi'an Jiaotong University</u>," The Paper (October 17, 2022).

<sup>&</sup>lt;sup>12</sup> "DOD Vendors with Contracts over \$25,000.00," U.S. Department of Defense at 191 (January 2024); "Purchase Order (PO) PIID N0017323P5221" USA Spending (Accessed on May 13, 2024).

<sup>&</sup>lt;sup>13</sup> "AM MAG Quattro," U.S. Department of Health and Human Services (September 5, 2023); "Customized Protein Production in Bacterial Expression, Expression construct preparation, Expression and purification and QC Tests," U.S. National Institutes of Health (July 21, 2022); "Blanket Purchase Agreement (BPA) Call," U.S. Department of Health & Human Services (August 28, 2018).

<sup>14 &</sup>quot;章方良"

<sup>&</sup>lt;sup>15</sup> "Frank Fangliang Zhang, Ph.D. – Founder CEO GenScript," Milestone Magazine (August 2019).

<sup>&</sup>lt;sup>16</sup> Chen Likun, "Our School's Party Committee and Nanjing Genscript's Party Committee Hold a Joint Party Building and 'Visiting Enterprises to Expand Jobs' Discussion and Exchange Activity," Nanjing University (June 23, 2022); "Remembering the Revolutionary History, Continuing the Red Bloodline," Shanghai Jiao Tong University (December 26, 2023).

<sup>17</sup> "Conversation with GenScript founder Zhang Fangliang," New Site (March 27, 2023).

reliance on foreign biotech and achieving a dominant position in the global industry. While these aspirations do not necessarily equate to illicit behavior, they do underscore the need for vigilance in safeguarding U.S. competitiveness and preventing the transfer of sensitive technologies and capabilities to PRC state-influenced entities.

Given these findings, we respectfully request that you brief the Select Committee on available intelligence and law enforcement information regarding GenScript Biotech Corporation and its U.S.-based subsidiaries to determine the extent of CCP influence and control over their operations, the potential risks they pose to U.S. national security, and the implications of their efforts to displace U.S. leadership in the biotechnology sector. We have also included a corporate map of GenScript and its subsidiaries, which includes clear evidence of both PRC state and CCP involvement in its operations. We believe it is crucial to ensure that companies operating within the United States, particularly those in sensitive industries such as biotechnology, are not compromised by foreign government interests that may undermine our nation's security and competitiveness.

We kindly request that you respond to arrange a briefing for the Select Committee by June 28, 2024.

Sincerely,

Moderan

John Moolenaar

Chairman

Raja Krishnamoorthi

Ranking Member