

United States Senate

June 26, 2024

The Honorable Lloyd Austin
Secretary of Defense
U.S. Department of Defense
1000 Defense Pentagon
Washington, DC 20301-1000

Dear Secretary Austin,

I write to you today raising alarm about many aspects of the U.S. Department of Defense Office of Inspector General's (OIG) recent Congressionally-mandated report that assessed select Department of Defense research awards, entitled "Review of DoD Funds Provided to the People's Republic of China and Associated Affiliates for Research Activities or Any Foreign Countries for the Enhancement of Pathogens of Pandemic Potential."¹ It is concerning that neither the Department of Defense (hereafter the "Department") nor the OIG could effectively track its research grants to its ultimate beneficiaries, especially those Chinese organizations with whom the Department elected to partner with for its pathogen research.

Principally, I am concerned about the constraints the OIG encountered "with the accessibility and comprehensiveness of data housed within, or maintained by, the Department's information systems," which hindered the OIG's ability "to conduct a thorough examination of the Department's funds allocated for research activities, including those activities related to enhancement of pathogens of pandemic potential."² The lack of award detail tracked by the Department and the inability to centralize research award data for oversight reviews creates ample opportunity for U.S. adversaries to abuse or steal critical intellectual property and emerging technologies from the Department's research programs. Additionally, our worries encompass the extent and importance of the redactions within the report, which may have shielded Department collaborations with Chinese biotechnology firms that may be controversial.

¹ Congress mandated this report, entitled *Management Advisory: Review of DoD Funds Provided to the People's Republic of China and Associated Affiliates for Research Activities or Any Foreign Countries for the Enhancement of Pathogens of Pandemic Potential* (<https://www.oversight.gov/sites/default/files/oig-reports/DoD/DODIG-2024-099SECURED.pdf>), through Public Law 118-31, "National Defense Authorization Act for Fiscal Year 2024," section 252, "Audit to Identify Diversion of Department of Defense Funding to China's Research Labs.

² *Management Advisory: Review of DoD Funds Provided to the People's Republic of China and Associated Affiliates for Research Activities or Any Foreign Countries for the Enhancement of Pathogens of Pandemic Potential*, <https://www.oversight.gov/sites/default/files/oig-reports/DoD/DODIG-2024-099SECURED.pdf>, 10.

I cannot overstate my concerns with the challenges related to data collection reported by the OIG, which underscores my continued frustration with this Administration's inability, or perhaps unwillingness, to be transparent with its collaborations on infectious pathogen gain-of-function research projects with Chinese Communist Party (CCP)-affiliated entities. The OIG report further highlights how this information continues to be hidden by the federal government from the American public, as two of the relevant pages about these research arrangements of the OIG report are fully redacted and another two are partially obscured. American taxpayers deserve transparency about the programs they are funding, and I am disappointed this OIG report does not provide that accountability.

Furthermore, I am alarmed with reports that these redactions concealed controversial information. Publicly reported statements about the redacted information have revealed that the Department issued grant funds for work on "enhanced or modified" Dengue and Ebola viruses in 2015, as well as gave awards to CCP-affiliated entities for work on "non-modified" SARS-CoV-2 viruses in 2021.³ Why the Department found it acceptable to award grants for the enhancement of viruses, in addition to funding work on the virus responsible for the COVID-19 pandemic is concerning and must be immediately addressed.

In addition, I am alarmed that the OIG redacted report conceals Department collaboration with three biotechnology firms publicly identified by Congressional committees as potentially posing threats to U.S. national security, due to their close associations with the CCP.⁴ These firms, WuXi AppTec, Pharmaron Beijing Co., and Genscript Inc,⁵ have been flagged by Congress as problematic for the reasons listed below:

- On February 12, 2024, Representatives Gallagher and Krishnamoorthi, along with Senators Peters and Hagerty, sent a letter to the Departments of Treasury, Defense, and Commerce calling on them to investigate WuXi AppTec and its subsidiaries, citing WuXi AppTec's alarming ties to the People's Liberation Army, the CCP, and the CCP's human rights abuses.⁶ In addition, U.S. intelligence officials have alleged that WuXi AppTec transferred American intellectual property to Beijing without consent.⁷
- On May 31, 2024, Representatives Moolenaar and Krishnamoorthi sent a letter to Federal Bureau of Investigation Director Christopher Wray and Director of National Intelligence Avril Haines requesting a briefing on GenScript Biotechnology and its three main

³ Josh Christenson, "Pentagon Watchdog Doesn't Know How Much Overseas Gain-of-Function Research Is Done with US Funds - despite \$1.4B Spent: Report," New York Post, June 21, 2024, <https://nypost.com/2024/06/21/us-news/pentagon-watchdog-doesnt-know-how-much-overseas-pandemic-research-is-done-with-us-funds-despite-1-4b-spent-report/>.

⁴ Bryce Nickels (@bryce_nickels) 3/ p.7, Twitter, June 21, 2024, https://x.com/Bryce_Nickels/status/1804274142478315723.

⁵ Ibid.

⁶ "Letter to Admin to Investigate Chinese Biotech Company, Wuxi Apptec," Select Committee on the CCP, February 12, 2024, <https://selectcommitteeontheccp.house.gov/media/letters/letter-admin-investigate-chinese-biotech-company-wuxi-apptec>.

⁷ Michael Martina, Micael Erman, and Karen Freiland, "Exclusive: China's Wuxi Apptec Shared US Client's Data with Beijing, US Intelligence Officials Told Senators | Reuters," Reuters, March 28, 2024, <https://www.reuters.com/technology/chinas-wuxi-apptec-shared-us-clients-data-with-beijing-us-intelligence-officials-2024-03-28/>.

business segments — Bestzyme, Legend Biotech, and ProBio — for their ties to the CCP and the implications these connections may have for U.S. national security.⁸

- The BIOSECURE Act, introduced on January 25, 2024 by Representative Gallagher, would have blacklisted “companies of concern” from doing business in the U.S., including WuXi AppTec, Pharmaron, and GenScript.⁹

If these entities were concealed by the redactions, I demand an explanation for why the Department conducted joint research with these companies, given their risks to American national security.

Secondly, I reiterate the OIG’s frustrations regarding the ability to track federal research grant awards within both the larger government-wide databases and in the Department’s own specific award systems. Specifically, the OIG reported that “the Department did not track funding at the level of detail necessary to enable us to completely and accurately determine if the Department provided funding to Chinese research laboratories or other foreign countries for research related to the enhancement of pathogens of pandemic potential.”¹⁰ Echoing these concerns, I ask Secretary Austin how he intends to prioritize changes to the Department’s grant processes to ensure better facilitation of grant tracking and monitoring. The American people must be able to identify the ultimate beneficiaries of their taxpayer dollars.

Finally, I commend the officials of the 23 Department organizations consulted by the OIG who conveyed that the Department views the “enhancement of pathogens of pandemic potential as offensive biological work that does not align with the mission and authorities of the Department.”¹¹ This is a sober assessment that recognizes the inherent risks associated with gain-of-function research. However, this appraisal also raises questions about pathogen manipulation research supported by the National Institutes of Health (NIH), including its contracting with EcoHealth Alliance for work on coronaviruses at the Wuhan Institute of Virology.

For this reason, I request consideration by the Department to conduct a scientific review of all NIH-funded research involving manipulation of pathogens to assess if any of the research could have inadvertently caused results that could be considered offensive in nature. To address these concerns, please expand your review to include this assessment.

Given the incompleteness of the Department’s OIG report due to time constraints and other obstacles, I request that the Department allow the OIG to continue its work until it is completed. Thank you for your attention to these urgent matters, and I look forward to receiving responses to my questions below by July 26, 2024.

⁸ “Moolenaar, Krishnamoorthi Request FBI & DNI Briefing on Chinese Communist Party-Linked Biotech Firm,” Select Committee on the CCP, May 31, 2024, <https://selectcommitteeontheccp.house.gov/media/press-releases/moolenaar-krishnamoorthi-request-fbi-dni-briefing-chinese-communist-party>.

⁹ Max Gelman, “US-China Tensions Threaten to Ensnare Additional Chinese Biopharma Contractors,” Endpoints News, April 4, 2024, <https://reports.endpts.com/3bb68520/8c58a9cd/189c8c4c/index.html>.

¹⁰ *Management Advisory: Review of DoD Funds Provided to the People’s Republic of China and Associated Affiliates for Research Activities or Any Foreign Countries for the Enhancement of Pathogens of Pandemic Potential*, <https://www.oversight.gov/sites/default/files/oig-reports/DoD/DODIG-2024-099SECURED.pdf>, 11.

¹¹ *Ibid*, 4.

1. Why did the Department conduct joint research on SARS-CoV-2 in 2021 with entities in China?
2. What are the Department reporting requirements that ensure all unclassified, not sensitive research awards and collaborations with foreign firms are completely and accurately documented in USAspending.gov?
3. How will the Department prioritize changes to its grant record-keeping processes and databases to ensure better facilitation of grant tracking and monitoring?
4. Why did the Department collaborate with the aforementioned biotech companies that have been flagged by Congress as having concerning ties to the CCP?

Sincerely,

A handwritten signature in black ink that reads "Roger W. Marshall". The signature is written in a cursive, slightly slanted style.

Roger Marshall, M.D.
United States Senator

CC:

The Honorable Robert P. Storch
Inspector General
U.S. Department of Defense Office of the Inspector General
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