



Congress of the United States
House of Representatives
Washington, DC 20515-0906

January 16, 2024

Björn Rosengren
Chief Executive Officer
ABB Global Headquarters
Affolternstrasse 44
Zurich, Switzerland

Michael Gray
Country Holding Officer
ABB U.S. Corporate Headquarters
305 Gregson Dr.
Cary, NC 27511

Dear Mr. Rosengren and Mr. Gray,

On July 25, 2023, the Committee on Homeland Security and the Select Committee on the Strategic Competition between the United States and the Chinese Communist Party (Select Committee on China) (Committees) requested documents and information from ABB concerning cybersecurity risks, foreign intelligence threats, and supply chain vulnerabilities at seaports in the United States.¹

Among other requests, the Committees asked that ABB provide documents and information explaining its commercial relationship with Shanghai Zhenhua Heavy Industries (ZPMC), a Chinese state-owned enterprise.² Furthermore, the Committees requested that ABB produce documents and information sufficient to describe ABB's work with U.S. government agencies involved in defense, intelligence, and other elements of U.S. national security.³

The Committees requested these documents and information to determine whether ABB's commercial ties to PRC state-owned enterprises and its ongoing work for U.S. government agencies pose a potential conflict of interest. We were also seeking to determine whether they expose U.S. government agencies and U.S.-based seaports to cybersecurity risks, foreign intelligence threats, and supply chain vulnerabilities that could jeopardize U.S. national security.

On August 8, 2023, ABB provided over 650 documents in response to our requests.⁴ However, ABB failed to sufficiently answer several important questions. For example, the July 25 letter inquired whether ABB or anyone affiliated with ABB had ever cooperated in any way with the PRC's national intelligence, cybersecurity, or national security laws.⁵ ABB responded by stating, "ABB endeavors to comply with applicable laws in each jurisdiction in which it

¹ Letter from Hon. Mark Green, Chairman, H. Comm. on Homeland Sec., and Hon. Mike Gallagher, Chairman, H. China Select Comm., et al. to ABB CEO, Bjorn Rosengren, and ABB U.S. Country Holding Officer, Michael Gray (July 25, 2023).

² *Id.*

³ *Id.*

⁴ Document Production, ABB response to H. Comm. on Homeland Sec., and H. China Select Comm., (Aug. 8, 2023) (on file with Committees).

⁵ *Id.* at 1.

operates.”⁶ This curt response is troubling and implies that ABB may have previously complied with the CCP’s authoritarian national intelligence, cybersecurity, or national security laws.

In addition, over the past five months, the Committees engaged in a good faith effort to work with ABB to remedy the alarming security vulnerability created by the installation of ABB equipment and technology by ZPMC engineers in China onto U.S.-bound ship-to-shore cranes. The Committees raised significant concerns about the fact that the installation has been performed, and continues to be performed, by ZPMC in China. On September 27, 2023, the Committees engaged with ABB and asked that they take steps to identify concrete remedial action to address the problem.⁷

After additional meetings on October 11 and October 25, the Committees communicated on October 27, 2023, that ABB should consider a reevaluation of its contracting practices with ZPMC regarding future ship-to-shore crane orders for U.S. seaports.⁸ Specifically, we asked ABB to consider installing its software and hardware in the United States once the ZPMC cranes arrived instead of being installed by ZPMC engineers in China.⁹ The Committees requested a response from ABB by November 23, 2023.¹⁰ The November deadline passed, however, without an answer or any communication from ABB.

The Committees took every effort to work in good faith with ABB to identify and remedy certain vulnerabilities to its equipment. The Committees met with ABB personnel and counsel on several occasions, and offered to brief Bruce Matthews, ABB’s U.S. Head of Security, regarding the legitimate vulnerabilities to ABB software and hardware on U.S. ship-to-shore cranes. In light of the breakdown in good faith negotiations and to better understand how ABB is securing its software and hardware on U.S. ship-to-shore cranes, we request that you please direct your counsel to provide Mr. Gray’s availability to testify at an upcoming public hearing in front of both Committees. Please contact Committee staff as soon as possible but no later than 5:00pm on January 23, 2024, to schedule Mr. Gray’s appearance.

It is vital to the Committees, as part of our critical work investigating and understanding the wide range of security threats and risks posed by the PRC, that ABB explains its relationships with PRC state-owned enterprises, and whether ABB should be trusted to continue working on behalf of U.S. government agencies while simultaneously engaging with entities owned, controlled, subsidized, or influenced by the PRC. Allowing ZPMC to install ABB equipment and technology in China onto cranes bound for the United States is unacceptable and must be remedied without any further delay.

⁶ *Id.* at 4.

⁷ Meeting with ABB (September 27, 2023) (Notes on file with H. Comm. on Homeland Sec.).

⁸ Meeting with ABB (October 25 and 27, 2023) (Notes on file with H. Comm. on Homeland Sec.).

⁹ *Id.*

¹⁰ *Id.*

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Finally, to fulfill the Committee's ongoing oversight responsibilities, we require a briefing with ABB employees. We ask that you make the following ABB employees available for a briefing as soon as possible, but no later than 5:00pm on January 30, 2024:

1. Bruce Matthews, Head of Security, Americas Region;
2. Chunyuan Gu, President, ABB Asia, Middle East, and Africa, and former Managing Director of ABB (China) Ltd (2014-2018); and
3. The current most senior official serving for ABB (China) Ltd (i.e., Managing Director or Senior Vice President of ABB (China) Ltd).

To schedule Mr. Gray's appearance at an upcoming hearing or ask any related follow-up questions, please contact Homeland Security Committee Majority staff at (202) 226-8417 and Select Committee on China Majority staff at (202) 226-9678.

Under Rule X of the U.S. House of Representatives, the Committee on Homeland Security is the principal committee of jurisdiction for overall homeland security policy and has special oversight of "all Government activities relating to homeland security, including the interaction of all departments and agencies with the Department of Homeland Security."

The House Select Committee on the Strategic Competition Between the United States and the Chinese Communist Party has broad authority to "investigate and submit policy recommendations on the status of the Chinese Communist Party's economic, technological, and security progress and its competition with the United States" under H. Res. 11.

Thank you for your attention to this important matter and your prompt reply.

Sincerely,



MARK E. GREEN, MD
Chairman
Committee on Homeland Security



MIKE GALLAGHER
Chairman
Select Committee on the Chinese
Communist Party

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CARLOS A. GIMENEZ
Chairman
Subcommittee on Transportation
and Maritime Security
Committee on Homeland Security



AUGUST PFLUGER
Chairman
Subcommittee on Counterterrorism,
Law Enforcement, and Intelligence
Committee on Homeland Security

cc: The Honorable Bennie Thompson, Ranking Member
Committee on Homeland Security

The Honorable Raja Krishnamoorthi, Ranking Member
Select Committee on the Chinese Communist Party

The Honorable Shri Thanedar, Ranking Member
Subcommittee on Transportation and Maritime Security

The Honorable Seth Magaziner, Ranking Member
Subcommittee on Counterterrorism, Law Enforcement, and Intelligence