

Hearing on "Consumer Products from China: Safety, Regulations, and Supply Chains" March 1, 2024

Opening Statement of Chairman Robin Cleveland

Before we begin today, I want to take a moment to acknowledge that this is the last day for our Executive Director, Dan Peck. He has served the Commission with distinction and supported the Commission's work on our nation's economic and security interests in China since 2018. It is a complicated and often challenging job managing both 12 commissioners and our talented staff in the development of research, analysis and production of many papers and our bipartisan annual report. I would like to offer a round of applause to recognize his important contribution.

Our hearing today supports one part of the Commission's mandate which is to review the safety of products entering our markets from China. We have previously reported on significant risks for American consumers and retailers and challenges for federal regulators related to agricultural, pharmaceutical, biotechnology and medical products. With the record increase in global ecommerce, there are rising concerns that dangerous and counterfeit consumer goods with deceptive labeling, lack of federally required warnings and falsified or no safety testing are being shipped directly from Chinese manufacturers to American consumers. According to one estimate, a new Chinese product is being uploaded to Amazon every one-fiftieth of a second. Imagine how many are being uploaded onto Chinese platforms? US agencies are struggling to keep up with inspections, safeguards and surveillance.

The problem is real and appears to be exploding. In the past decade, we've seen disturbing instances of unsafe imports from China causing harm to American consumers, from children's toys made with lead and carcinogens to counterfeit cosmetics containing arsenic and human waste. There are roughly 22 million children under the age of 5 in this country with parents who may not know if there are health hazards with a Temu \$2 pacifier, Shein's \$6 cartoon pajamas or the millions of underpriced educational toys manufactured in China. It is not just the potential safety risks of what these companies are selling that causes pause. As our first hearing clarified, dozens of Chinese companies are using advanced tracking and collection tools to violate the privacy rights of Americans and steal personal information, contacts, locations and other sensitive information, all of which is routinely available to the Chinese Communist Party cells embedded within their management structures.

This is one of several hearings that will help us better understand the policies and practices of Chinese manufacturers, e-commerce platforms and the Communist Party that create these risks for our citizens. We must also identify and assess appropriate policy and tools to safeguard our interests.

Our witnesses today have extensive insight and expertise on current U.S. import regulations, consumer product safety, and the state of China's manufacturing sector. Six of our ten witnesses have not previously testified before the Commission, and we welcome them joining returning experts.

I want to thank Aubrey, Dan, and Walter for their exceptional work preparing us for today and I will now hand over to my co-chair and for the hearing, Commissioner Glas.