

## Integrated Country Strategy

# China

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## I. Chief of Mission Priorities

There is no more important bilateral relationship than that between the United States and China. China's growing economic, military, and diplomatic clout affects a broad range of U.S. interests, ranging from the technical to the strategic. This explains the presence of some 50 different federal agencies or sub-agencies within this Mission.

Our two countries share many common interests, such as protecting our citizens, combating nuclear proliferation and infectious disease. And we often work together in multilateral institutions like the United Nations Security Council, the G20, and APEC. However, our core values contrast sharply, a reflection of our starkly different governance systems. From this values gap flow areas of divergent or even conflicting interests: from the future shape of the international order and human rights to the role of the state and Party in the economy. The U.S. Mission I lead seeks to strengthen the cooperative elements of this bilateral relationship while ensuring American values and interests are effectively defended in the face of Chinese competition on the global stage. My top priorities as Chief of Mission reflect both the cooperative elements of this varied bilateral relationship.

At the top of the list is ensuring the security of the Indo-Pacific region and the U.S. homeland. Most critical in this regard is the full and final de-nuclearization of North Korea. Pyongyang's illicit weapons programs pose the most serious threat to world peace, and China must continue its active role in incentivizing its neighbor to comply with the will of the international community. As we collaborate on this front, we will continue to press China to respect international law and norms, including freedom of navigation, and to contribute to peace and stability across the Taiwan Strait.

A fair and reciprocal commercial relationship between the world's two largest national economies is also of strategic importance to America's future and long-term prosperity. We recognize the importance of China's market to millions of U.S. workers, farmers, and businesses, and will continue to demand greater access and fair treatment for our exporters and investors. While we continue to welcome job-creating commercial investment, this Mission will be vigilant about state-directed attempts to acquire U.S. technology for strategic purposes. Close coordination with trading partners and allies is essential to push back on China's unfair trading practices and state-directed investment in strategic sectors.

Protecting our citizens, both at home and abroad, is a key priority. China – which has a painful history with opium – is now the source of a large share of the synthetic opioids that are ravaging far too many American communities. This Mission will work with the Chinese government to curb the flow of these deadly drugs to our shores and address other threats to the health and safety of our citizens, from influenza to extra-legal detentions.

This Mission will continue to push to provide adequate facilities and communications to support this busy operation.

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Finally, this Mission will continue to champion American values and call on Beijing to uphold the universal liberties to which individuals everywhere are entitled.

In these areas and across the rest of the relationship, we will take full advantage of the capabilities brought to bear by all the members of the U.S. interagency team present in this Mission, undergirded by a capable and fully-resourced diplomatic platform. We will also leverage the values and interests we share with our like-minded friends and allies, who can amplify our efforts to shape China's choices constructively.

## **II.** Mission Strategic Framework

**Mission Goal 1:** Rebalance the U.S. trade and economic relationship with China for the benefit of American workers, farmers, innovators, and businesses.

**Mission Objective 1.1:** Increase export market access for U.S. goods and services, eliminate trade and investment barriers, and boost U.S. exports to China through trade promotion.

**Mission Objective 1.2:** Coordinate efforts with third-country governments, business chambers, and international organizations to induce China to level its commercial playing field, including by curbing its state-led targeting of foreign technologies for strategic purposes.

**Mission Goal 2:** Enhance U.S. leadership in the Indo-Pacific, and strengthen global and regional security.

**Mission Objective 2.1:** China maintains maximum pressure on DPRK regime until final, fully verified denuclearization of North Korea.

**Mission Objective 2.2:** China increasingly adopts and adheres to international rules and support the international order.

**Mission Objective 2.3:** China pursues stable and constructive cross-Strait relations with Taiwan.

Mission Goal 3: Promote and protect the health, safety, and welfare of American citizens.

**Mission Objective 3.1:** China reduces the flow of synthetic opioids and strengthens cooperation on transnational law enforcement issues.

**Mission Objective 3.2:** China strengthens its cooperation with the United States in countering global threats to public health and safety and improving Global Health Security (GHS).

**Mission Objective 3.3:** For China to adhere to due process and the norms of the Vienna Consular Convention and the 1980 U.S.-China Bilateral Consular Convention in its treatment of U.S. citizens.

**Mission Objective 3.4:** For China to fulfill its obligations to accept the return of Chinese citizens removed from the United States.

**Mission Goal 4**: Promote fundamental freedoms and American values to advance peace and prosperity.

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**Mission Objective 4.1**: Through outreach, exchanges, and dialogue, advocate for and urge China to adhere to the rule of law, respect the individual rights and dignity of all its citizens, and ease restrictions on the free flow of information and ideas to advance civil society.

**Management Objective 1:** Provide safe and secure facilities as a platform for Mission activities.

Management Objective 2: Ensure secure and reliable communications for all Mission staff.

**Management Objective 3:** Ensure the efficiency of our Mission China support platform while maintaining high service standards.

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## III. Mission Goals and Objectives

**Mission Goal 1:** Rebalance the U.S. trade and economic relationship with China for the benefit of American workers, farmers, innovators, and businesses.

**Descriptions and Linkages:** Further opening of the Chinese market to U.S. goods and services on a fair and reciprocal basis contributes directly to the sub-objective of Pillar 2 of the National Security Strategy focused on promoting free, fair, and reciprocal economic relationships. Work to promote market access and market-driven economic policies is also highlighted in the 2018 Trade Policy Agenda and in goal 2 of the State-USAID Joint Strategic Goal Framework. Greater reliance in China on market-driven policies that allow American firms to reach Chinese consumers, and less reliance on state-driven industrial policy, would result in fewer distortions to the Chinese and global economies and further enhance American business competitiveness.

**Mission Objective 1.1:** Increase export market access for U.S. goods and services, eliminate trade and investment barriers, and boost U.S. exports to China through trade promotion.

**Justification:** One of the top three priorities for Mission China is to rebalance the U.S. trade and economic relationship with China. In 2017, the U.S. trade deficit with China reached \$375 billion, by the far our largest trade deficit with any country in the world and nearly two-thirds of the total U.S. trade deficit with all of Asia. Mission China is focusing our efforts on boosting U.S. exports to China through commercial diplomacy to improve market access; through advocacy to break down barriers to trade; and through trade promotion activities to assist U.S. firms, including new-to-market companies, to identify opportunities to sell their products and services to China. These efforts also include close coordination with other diplomatic missions to advocate for Chinese liberalizing reforms and market access openings, and reporting on the restrictions and conditions faced by American companies in China. Mission China is also committed to promoting the United States as an investment destination for job-creating green field investments in industry sectors that will also generate U.S. exports to China and around the world.

**Mission Objective 1.2:** Coordinate efforts with third-country governments, business chambers, and international organizations to induce China to level its commercial playing field, including by curbing its state-led targeting of foreign technologies for strategic purposes.

**Justification:** Chinese authorities utilize considerable regulatory authority and government-directed investment to achieve industrial policy objectives, often in a way that distorts markets and restricts market access by U.S. and other foreign firms, thus contributing to the imbalance in the U.S.-China economic relationship. They also direct and even fund investments by Chinese firms aimed at acquiring sensitive technologies for strategic, rather than commercial, purposes. Mission China is addressing these challenges by pressing China to adopt market-driven, non-discriminatory economic policies, both bilaterally and in coordination with the private sector and like-minded third countries, through direct diplomacy as well as through public-facing campaigns.

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Presidential Proclamation 9645 states that, "it is the policy of the United States to protect its citizens from terrorist attacks and other public-safety threats," and "information-sharing and identity-management protocols and practices of foreign governments are important for the effectiveness of the screening and vetting protocols and procedures of the United States.

Executive Order 13780 requires the Department of State to "review all nonimmigrant visa reciprocity agreements and arrangements to ensure that they are, with respect to each visa classification, truly reciprocal insofar as practicable with respect to validity period and fee." INA sections 221(c) and 281 require that the Secretary of State establish visa validity and fees, respectively, according to what foreign governments provide to U.S. citizens.

**Mission Goal 2:** Enhance U.S. leadership in the Indo-Pacific and strengthen global and regional security.

**Descriptions and Linkages:** Mission China's work on this goal will support the National Security Strategy's objective of securing the American homeland by working with China to achieve North Korean denuclearization. Cooperation on nonproliferation, as well as nuclear and radiological security and safety, will likewise help protect the American homeland and preserve global security and stability. The Mission, in coordination with partners and allies, will work to ensure American and wider global prosperity in support of Pillar 2 of the National Security Strategy by pressing for China's adoption and adherence to international rules-based structures and institutions, thus providing a more open alternative to China's state-driven trade and investment policies. Working with China to maintain a stable and constructive Cross-Strait relationship with Taiwan, in accordance with our One China policy, will leverage U.S. diplomatic tools to fulfill the U.S. commitment to peace and stability in the region.

**Mission Objective 2.1:** China maintains pressure on the DPRK regime until final, fully verified denuclearization of North Korea.

**Justification**: Denuclearization of the Korean peninsula is less likely without China's application of political pressure and vigilant enforcement of UN Security Council Resolutions.

**Mission Objective 2.2:** China increasingly adopts and adheres to the international rules and supports the international order.

**Justification:** China has increased its international engagement in line with its economic rise; however, in many cases it has attempted to impose its own values and practices on international institutions, including by inserting Chinese political rhetoric into draft UN resolutions, and has aroused widespread concern over lack of financial transparency in the large-scale development projects it has undertaken through its Belt and Road Initiative. Mission China seeks to press to accept and adhere to existing norms

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of cooperation and transparency in its involvement with international structures and institutions including the UN, IMF, World Bank, WTO, APEC, Asian Development Bank, AIIB, ASEAN, Regional Comprehensive Economic Partnership, and others.

Mission Goal 3: Promote and protect the health, safety, and welfare of American citizens.

**Descriptions and Linkages:** With expanding trade and travel between China and the U.S., it is imperative that China fulfill its obligation to secure the safety and welfare of American citizens, including by accepting the return of its citizens to be removed from the U.S., improving cooperation between Chinese and U.S. law enforcement, affording all U.S. citizens clear due process, and partnering to address critical global public health challenges, including, but not limited to the impact of opioids, which is causing an alarming number of deaths in the U.S. due to overdoses from synthetic opioids shipped from China.

**Mission Objective 3.1**: China reduces the flow of synthetic opioids and strengthens cooperation on transnational law enforcement issues.

**Justification:** President Trump declared the opioid crisis, which has claimed tens of thousands of American lives, a public health emergency, and has made the national response a cornerstone of his Administration. About two-thirds of the nearly 64,000 U.S. drug overdose deaths in 2016 are attributable to opioids of some form, whether heroin, prescription drugs, or synthetic opioids. Although heroin use is an ongoing drug phenomenon, and the current crisis owes its origins partly to misuse of prescription opioids, the recent surge in opioid deaths is driven by the emergence of very potent synthetic opioids like fentanyl, analogues of fentanyl, and even some synthetic opioid substances that are not chemically similar to fentanyl. Over 30 percent of the 64,000 deaths in 2016 involved synthetic opioids like fentanyl. Based on border seizures and law enforcement intelligence, China is believed to be the primary source country of these synthetic opioids as well as their precursor chemicals. They are trafficked across the Southwest and Northern Border, but uniquely they are also trafficked via international mail and express consignment couriers (e.g., DHL, FedEx). China is a necessary partner if we are to realize any success against this crisis. This Objective seeks engagement with China in the areas of policy and law, scientific exchange, regulatory and control measures, law enforcement, treatment and demand reduction. Therefore, for example, one of the key activities under Sub-Objective 3.1.1 is to increase the exchange of scientific data to enable faster, broader, and more harmonized scheduling of new psychoactive substances, including synthetic opioids, in both countries; so-called "class scheduling" of fentanyl-related substances is a desired end-state, but may not be practically achievable given China's legal/regulatory structure. Other actions include customs and law enforcement agencies in both countries sharing more actionable lead information on seized parcels containing synthetic opioids, and initiating bilateral (or multilateral) parcel-related operations. Engagement with Chinese public health counterparts will also highlight this issue as a critical public health issue, not only one to be managed and addressed by crimincal justice entitities. Policy-level attention to this

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crisis should be enhanced by a U.S.-sponsored multilateral symposium on the opioid crisis, to be held in in China in the last quarter of 2018.

**Mission Objective 3.2**: China strengthens its cooperation with the United States in countering global threats to public health and safety and improving Global Health Security (GHS).

**Justification:** US-China collaboration in health has been strong for the past 40 years and remains a top priority of Mission China. This work addresses mutual priorities that advance the health of both nations, including surveillance, prevention and control of infectious diseases, advancing biomedical research, countering non-communicable diseases, enhancing food and medical product safety, collaborating on environmental health priorities and combatting the global opioid epidemic. In 2017, the Presidents of both countries confirmed that this area of partnership remains a vital priority in our bilateral relationship. The Mission will draw on public diplomacy tools to raise awareness of public health and safety collaborations, to clarify U.S. Government positions on related issues, and to share success stories achieved through bilateral cooperation as well as tri-lateral collaboration with third countries in Asia and Africa.

**Mission Objective 3.3:** For China to adhere to due process and the norms of the Vienna Consular Convention and the 1980 U.S.-China Bilateral Consular Convention in its treatment of U.S. citizens.

**Justification:** Chinese law enforcement and security services employ extra-judicial means against U.S. citizens without regard to international norms, including the Vienna Consular Convention and the 1980 U.S. - China Bilateral Consular Convention. These means include broad travel prohibitions, known as "exit bans," which are sometimes used to prevent U.S. citizens who are not themselves suspected of a crime from leaving China as a means to pressure their relatives or associates who are wanted by Chinese law enforcement in the United States. Chinese officials also arbitrarily detain and interrogate U.S. citizens for reasons related to "state security." In addition, the Chinese criminal justice system often subjects U.S. citizens to overly lengthy pre-trial detention in substandard conditions while investigations are ongoing.

**Mission Objective 3.4:** For China to fulfill its obligations to accept the return of Chinese citizens removed from the United States.

**Justification:** As outlined in Executive Order 13768, the U.S. government believes that under international law, every state is obliged to accept the return of all of its nationals that another state seeks to expel, remove or deport. In contradiction to its obligations and detrimental to U.S. border security, China has failed to document thousands of Chinese citizens ordered removed from the United States. As of July 10, 2018, Immigration and Customs Enforcement (ICE) has requested travel documents for 139 Chinese nationals currently being held with removal orders. Additionally, there are approximately 2,200 individuals with criminal convictions who are not in ICE custody but are awaiting issuance of travel documents. The Chinese government consistently refuses to issue travel documents to an overwhelming majority of these individuals.

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**Mission Goal 4:** Promote fundamental freedoms and American values to advance peace and prosperity

**Descriptions and Linkages:** This goal represents the continued work of Mission China to make China more responsive and accountable to its own citizens by advocating for reforms that advance economic freedom, individual rights, and the rule of law and support the National Security Strategy's objective of championing American values abroad. In all aspects of the U.S.-China relationship, the U.S. government will press for the protection of individual and collective rights and freedoms and rule of law, including religious freedoms, labor rights, and freedom of speech and of the press, equal treatment of women and minorities, and due process.

**Mission Objective 4.1**: Through outreach, exchanges, and dialogue, advocate for and urge China to adhere to the rule of law, respect the individual rights and dignity of all its citizens, and ease restrictions on the free flow of information and ideas to advance civil society.

**Justification:** China has placed legal and extralegal restrictions on individuals and businesses, which limit fundamental freedoms of expression, religion, speech, press, association, and assembly, as well as labor's efforts to organize. Through exchanges, bilateral training, public diplomacy outreach, and engagement with Chinese society and government, Mission China will promote understanding of and support for United States policies and values to further our bilateral and multilateral cooperation. These actions aim to address the risks associated with China's development into a more authoritarian system that lacks support for a healthy private sector and curbs openness, tolerance, and freedom.

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## IV. Management Objectives

**Management Objective 1:** Provide safe and secure facilities as a platform for Mission activities.

**Justification:** Safe and secure U.S. government facilities are required in China to successfully carry out the goals of the Mission. In order to build safer and more secure facilities, sites will have to be secured for new facilities to be built. A secure re-supply agreement must be reached with the host government in order for the Mission's facilities to be safely maintained and secure.

Besides Beijing and Guangzhou, none of the Consulates provide secure environments for the conduct of sensitive work. Even after the completion of lease fit out projects in Wuhan and Shenyang, physical security will not meet standards. We will work closely with OFM, OBO, and EAP to achieve the following goals and resolve these problems.

Management Objective 2: Ensure secure and reliable communications for all Mission staff.

**Justification:** Efficient, secure, and reliable communication through pouch or other means is needed for the Mission to operate effectively. Due to the uncertainty of the unilateral rules placed on the movement of U.S. diplomatic pouches by the Chinese government, the Mission will seek to utilize all means for classified pouch shipments including land, air, and sea. To reduce the high costs of Diplomatic Post Office (DPO) forwarding services from Hong Kong, decrease shipment times, and stabilize shipment schedules, the Mission will seek to establish independent DPO operations to leverage existing lower cost services from the U.S. Postal Service.

**Management Objective 3:** Ensure the efficiency of our Mission China support platform while maintaining high service standards.

**Justification:** As China, and the world, advances economically and technologically, Mission China will have new opportunities to improve efficiency while containing or even reducing costs. Also, changes in the distribution of labor in Mission China, particularly in Human Resources, will change the way we operate. To make these changes effective and to capitalize on opportunities, Mission China will carefully analyze our problems and propose solutions. Our problems include how to best support the human resource needs of the growing Consulates, how to deal with our expensive and time consuming warehouses, and how to encourage innovative ideas to cut costs. The below objectives set out a timetable to map out a way forward for these issues.

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