Congress of the United States

Washington, DC 20515

January 25, 2024

The Honorable Robert P. Storch Inspector General U.S. Department of Defense Office of Inspector General 4800 Mark Center Drive Alexandria, VA 22350-1500

Dear Inspector General Storch,

Title II, Subtitle D, Section 252 of the National Defense Authorization Act for Fiscal Year 2024 (Public Law 118-31) is a provision we authored directing the Department of Defense Office of Inspector General (OIG) to determine the amount of defense dollars that may have been provided, purposely or inadvertently, to institutions in China and for research on pathogens of pandemic potential in China or other foreign countries.

Specifically, the law states:

- (a) In General.--Not later than 180 days after the date of the enactment of this Act, the Inspector General of the Department of Defense shall conduct a study, and submit a report to the congressional defense committees, regarding the amount of Federal funds awarded by the Department of Defense (whether directly or indirectly) through grants, contracts, subgrants, subcontracts, or any other type of agreement or collaboration, during the 10-year period immediately preceding such date of enactment, that—
 - (1) was provided, whether purposely or inadvertently, to—
 - (A) the People's Republic of China;
 - (B) the Communist Party of China;
 - (C) the Wuhan Institute of Virology or any other organization administered by the Chinese Academy of Sciences;
 - (D) EcoHealth Alliance Inc. for work performed in China on research supported by the Government of China, including any subsidiaries and related organizations that are directly controlled by EcoHealth Alliance, Inc.;
 - (E) the Academy of Military Medical Sciences or any of its research institutes, including the Beijing Institute of Microbiology and Epidemiology; or
 - (F) any other lab, agency, organization, individual, or instrumentality that is owned, controlled (directly or indirectly), or overseen (officially or unofficially) by any of the entities listed in subparagraphs (A) through (E); or
 - (2) was used to fund research or experiments that could have reasonably resulted in the enhancement of any coronavirus, influenza, Nipah, Ebola, or other pathogen of pandemic potential or chimeric versions of such a virus or pathogen in the People's Republic of China or any other foreign country.
- (b) Identification of Countries and Pathogens.—The report required under subsection (a) shall specify--

- (1) the countries in which the research or experiments described in subsection (a)(2) was conducted; and
- (2) the pathogens involved in such research or experiments.

A comprehensive review of these matters is crucial for identifying potential national security threats that could result either from Pentagon procurement of technology from Chinese companies or dangerous experiments being conducted in foreign laboratories with substandard safety conditions.

Due to the lack of accuracy and completeness of federal spending data, only the DOD OIG has the capabilities to conduct these investigations.

A Government Accountability Office (GAO) audit concluded last year that it is nearly impossible to determine the amount of U.S. tax dollars being paid to institutions in China—or anywhere else—because government agencies do not track the money after it is passed down from the initial recipients and the information that is being collected is often incomplete and inaccurate.¹

With the assistance of the Congressional Research Service and the nonprofit organization, Open the Books, we were able to tally more than \$490 million from U.S. grants and contracts sent to organizations in China since 2017.² DOD paid \$51.6 million of this amount, including \$6 million for tech support of military "deployment and distribution command" software, even though the DOD Inspector General warned the Pentagon against using Chinese IT companies for DOD projects.³ But again, this may be just the tip of the iceberg of the taxpayer dollars from DOD and other government agencies, contractors, and grantees being floated to China.

The problem isn't just shoddy record keeping, either.

Documents obtained by the nonprofit organization U.S. Right to Know reveal a defense contractor, EcoHealth Alliance, and its collaborators tried to deceive the Pentagon about their intention to divert defense dollars to China's state-run Wuhan Institute of Virology (WIV) for risky research.⁴ "Despite the WIV presenting itself as a civilian institution, the United States has determined that the WIV has collaborated on publications and secret projects with China's military.

¹ "FEDERAL SPENDING: Information on U.S. Funding to Entities Located in China," United States Government Accountability Office, April 2023; https://www.gao.gov/assets/gao-23-105538.pdf.

² "Open The Books and U.S. Sen. Joni Ernst Tracked Over \$1.3 Billion of U.S. Tax Dollars Sent to China and Russia, Promises Accountability for Every Penny," Open the Books, May 31, 2023; <a href="https://www.openthebooks.com/openthebooks-and-us-sen-joni-ernst-tracked-over-13-billion-of-us-tax-dollars-sent-to-china-and-russia-promises-accountability-for-every-penny/#:~:text=Senator%20Ernst%20and%20OpenTheBooks%20determined,paid%20to%20entities%20in%20Russia

³ "Audit of the DoD's Management of the Cybersecurity Risks for Government Purchase Card Purchases of Commercial Off-the-Shelf Items," U.S. Department of Defense Office of Inspector General, July 30, 2019; https://www.oversight.gov/sites/default/files/oig-reports/DoD/DODIG-2019-106-SECTION-5274.pdf.

⁴ Emily Kopp, "American scientists misled Pentagon on research at the Wuhan Institute of Virology," U.S. Right to Know, December 18, 2023; https://usrtk.org/covid-19-origins/american-scientists-misled-pentagon-on-wuhan-research/.

The WIV has engaged in classified research, including laboratory animal experiments, on behalf of the Chinese military since at least 2017," according to the U.S. Department of State.⁵

EcoHealth's 2018 grant proposal to engineer bat coronaviruses to become infectious to human cells submitted to the Defense Advanced Research Projects Agency (DARPA) intentionally omitted the plans to conduct the experiments at the Wuhan Institute of Virology. The president of EcoHealth wrote to his colleagues that he would "downplay the non-US focus of this proposal" to DARPA even though the experiments would "be done in Wuhan." The proposal was also edited to conceal that the experiments would occur in a lower biosafety level lab by a key collaborator who noted that "US researchers will likely freak out" if they were aware the experiments were going to be conducted with fewer precautions than required in the U.S. Ultimately, DARPA rejected the proposal.

While DOD did not approve funding for EcoHealth's research at the Wuhan Institute, the Pentagon has given over \$47 million to the organization since 2008—more than any other federal agency.⁹

According to USAspending.gov, the publicly searchable website of government assistance established by the Federal Funding Accountability and Transparency Act (FFATA), DoD is currently providing \$3 million to EcoHealth to study "viral spillover from wildlife in the

⁶ Emily Kopp, "American scientists misled Pentagon on research at the Wuhan Institute of Virology," U.S. Right to Know, December 18, 2023; https://usrtk.org/covid-19-origins/american-scientists-misled-pentagon-on-wuhan-research/.



⁷ Emily Kopp, "American scientists misled Pentagon on research at the Wuhan Institute of Virology," U.S. Right to Know, December 18, 2023; https://usrtk.org/covid-19-origins/american-scientists-misled-pentagon-on-wuhan-research/.

⁵ "Fact Sheet: Activity at the Wuhan Institute of Virology," U.S. Department of State, January 15, 2021; https://2017-2021.state.gov/fact-sheet-activity-at-the-wuhan-institute-of-virology/.

⁸ Sharon Lerner and Maia Hibbett, "Leaked Grant Proposal Details High-Risk Coronavirus Research," The Intercept, September 23 2021; https://theintercept.com/2021/09/23/coronavirus-research-grant-darpa/.

⁹ USAspending.gov website, accessed January 4, 2024; https://www.usaspending.gov/recipient/12d878d7-3cbe-c819-e51e-7891f98ae955-C/all.

Philippines,"¹⁰ \$3 million for viral spillover biosurveillance in India, ¹¹ and \$5 million to study "high-risk pathogens" in Liberia. ¹²

Whether or not this tells the whole story is impossible to know due to EcoHealth's record of circumventing federal reporting rules.

Grants to the organization from at least two other agencies that ended up paying for dangerous experiments on bat coronaviruses at the Wuhan Institute of Virology, for example, were not reported to USAspending.gov. As a result, at least \$1.4 million of U.S. taxpayer dollars transferred from EcoHealth to the Wuhan Institute of Virology evaded detection.¹³

¹⁰ USAspending.gov, accessed January 4, 2024; https://www.usaspending.gov/award/ASST NON HDTRA12310006 9761. AWARD PROFILE

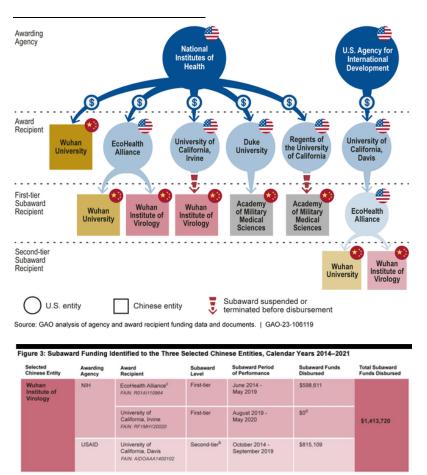
Grant Summary Awarding Agency Assistance Listings (CFDA Programs) Dates ① Department of Defense (DOD) ECOHEALTH ALLIANCE INC. 520 8TH AVE RM 1200 NEW YORK, NY 10018-4183 UNITED STATES 12.351 - SCIENTIFIC RESEARCH -OMBATING WEAPONS OF MASS Congressional District: NY-12 (\$ Award Amounts REDUCING THE THREAT OF VIRAL SPILLOVER FROM WILDLIFE IN THE PHILIPPINES ¹¹ USAspending.gov, accessed January 4, 2024; https://www.usaspending.gov/award/ASST_NON_HDTRA12010026_9761. AWARD PROFILE

Grant Summary ů Awarding Agency Recipient Assistance Listings (CFDA Programs) Dates ① Department of Defense (DOD) ECOHEALTH ALLIANCE INC. 12.351 - SCIENTIFIC RESEARCH -Today 520 8TH AVE RM 1200 NEW YORK, NY 10018-4183 COMBATING WEAPONS OF MASS Congressional District: NY-12 () \$ Award Amounts Description \$3.0 Million BIOSURVEILLANCE FOR SPILLOVER OF HENIPAVIRUSES AND FILOVIRUSES IN RURAL COMMUNITIES ¹² USAspending.gov, accessed January 4, 2024; Grant Summary Assistance Listings (CFDA Programs) Department of Defense (DOD) ECOHEALTH ALLIANCE INC. 12.351 - SCIENTIFIC RESEARCH May 31, 2025 VIEW MORE INFO ABOUT THIS PROGRAM Congressional District: NY-12 \$ Award Amounts Description \$4.9 Million

¹³ "FEDERAL RESEARCH NIH Could Take Additional Actions to Manage Risks Involving Foreign Subrecipients," United States Government Accountability Office, June 2023; https://www.gao.gov/assets/gao-23-106119.pdf.

REDUCING THE THREAT FROM HIGH-RISK PATHOGENS CAUSING FEBRILE ILLNESS IN LIBERIA

In April 2020, the nonprofit group White Coat Waste Project uncovered the trail of taxpayer dollars from the National Institutes of Health (NIH) to the Wuhan Institute with EcoHealth acting as a pass-through. LeoHealth began sending the NIH money to WIV to study "the risk of bat coronavirus emergence" as early as 2015, but only reported the transactions after being exposed by the White Coat Waste Project.



¹⁴ Peter Aldhous, "This Activist Group Tapped Into Partisan COVID Politics To Make Big Trouble For Anthony Fauci And The NIH," BuzzFeed, May 4, 2022; https://www.buzzfeednews.com/article/peteraldhous/white-coat-waste-anthony-fauci-nih-ecohealth-alliance-lab.

https://www.usaspending.gov/search/?hash=0b8210245e64a63b96c91b5e5cbe7b88.

Sub-Award ID 🔷	Sub-Awardee Name	Action Date 👇	Sub-Award Amount 🔷	Awarding Agency
1R01Al110964-01	WUHAN INSTITUTE OF VIROLOGY CHIN	5/29/2015	\$133,000	Department of Health and Human S
1R01Al110964-01	WUHAN INSTITUTE OF VIROLOGY CHIN	5/31/2016	\$133,000	Department of Health and Human S
1R01Al110964-01	WUHAN INSTITUTE OF VIROLOGY CHIN	5/31/2017	\$133,000	Department of Health and Human S
1R01Al110964-01	WUHAN INSTITUTE OF VIROLOGY CHIN	5/31/2018	\$133,000	Department of Health and Human S
1R01Al110964-01	WUHAN INSTITUTE OF VIROLOGY CHIN	5/31/2019	\$66,500	Department of Health and Human S
2019-3805-1	WUHAN INSTITUTE OF VIROLOGY CHIN	12/17/2019	\$216,108	Department of Health and Human S

¹⁵ USAspending.gov, accessed January 8, 2024;

By not disclosing that it sent nearly \$600,000 from NIH to the Wuhan Institute of Virology, EcoHealth violated FFATA, according to an audit conducted by the Department of Health and Human Services Office of Inspector General (HHS OIG). EcoHealth blamed its accountants for the failure, according to the HHS OIG. EcoHealth stated that its independent accountants advised EcoHealth not to include that information; however, this advice was contrary to Federal reporting requirements."

That wasn't the only important omission EcoHealth made regarding this grant. If EcoHealth generated coronaviruses that "showed evidence of enhanced virus growth," NIH instructed the group to "immediately stop all experiments with these viruses" and notify the agency. Instead, EcoHealth submitted a progress report two years late that "contained evidence of a virus with growth that should have been reported immediately." NIH has repeatedly requested lab records related to this research, but EcoHealth and WIV have yet to provide the information and materials for the U.S. taxpayer-funded project. 19

EcoHealth redirected more than \$800,000 from a different government grant originating from the U.S. Agency for International Development (USAID) to the Wuhan Institute of Virology. This was also omitted from public disclosure in USAspending.gov for technical reasons.²⁰

Through intentional withholding of information or legal loopholes, EcoHealth successfully concealed spending more than \$1 million of U.S. taxpayer money on risky research on bat coronaviruses in China's Wuhan Institute for Virology, from where the virus that caused COVID-19 likely leaked according to U.S. intelligence experts.²¹

Correspondence from National Institutes of Health Deputy Director for Extramural Research Michael S. Lauer, M.D. to EcoHealth Alliance, Inc., July 8, 2020; https://oversight.house.gov/wp-content/uploads/2021/05/Eco-Health-Lab-letter-July-8.pdf.

 ^{16 &}quot;The National Institutes of Health and EcoHealth Alliance Did Not Effectively Monitor Awards and Subawards, Resulting in Missed Opportunities to Oversee Research and Other Deficiencies," Department of Health and Human Services Office of Inspector General, January 25, 2023; https://oig.hhs.gov/oas/reports/region5/52100025.pdf.
 17 "The National Institutes of Health and EcoHealth Alliance Did Not Effectively Monitor Awards and Subawards, Resulting in Missed Opportunities to Oversee Research and Other Deficiencies," Department of Health and Human Services Office of Inspector General, January 25, 2023; https://oig.hhs.gov/oas/reports/region5/52100025.pdf.
 18 "The National Institutes of Health and EcoHealth Alliance Did Not Effectively Monitor Awards and Subawards, Resulting in Missed Opportunities to Oversee Research and Other Deficiencies," Department of Health and Human Services Office of Inspector General, January 25, 2023; https://oig.hhs.gov/oas/reports/region5/52100025.pdf.
 19 Correspondence from National Institutes of Health Deputy Director for Extramural Research Michael S. Lauer, M.D., to U.S. House of Representatives Committee on Oversight and Reform Ranking Member James Comer, August 19, 2022; https://oversight.house.gov/wp-content/uploads/2022/08/NIH-Letter-to-Congress-regarding-EHA_Comer.pdf.

²⁰ The prime recipient of the funding from USAID, the University of California, Davis, provided a first-tier subaward to EcoHealth Alliance, which in turn dispersed the funds to selected Chinese entities, including the Wuhan Institute of Virology. Award recipients are required to provide data on first-tier subawards to meet the FFATA reporting requirements. The second-tier subawards are not reported.

[&]quot;FEDERAL RESEARCH NIH Could Take Additional Actions to Manage Risks Involving Foreign Subrecipients," United States Government Accountability Office, June 2023; https://www.gao.gov/assets/gao-23-106119.pdf. United States Government Accountability Office, June 2023; https://www.gao.gov/assets/gao-23-106119.pdf. Department Now Says," Wall Street Journal, February 26, 2023; https://www.wsj.com/articles/covid-origin-china-lab-leak-807b7b0a.

This review isn't about just one bad actor flouting federal laws and biosafety standards. EcoHealth demonstrates how easy it is to bend and ignore government grant requirements, while continuing to receive millions of dollars from other agencies without any additional accountability requirements. As prescribed in the law, we stress the need for an accounting of all defense dollars supporting Chinese institutions, for any purpose, by any defense agency or grantee and a review and accounting of all risky research being conducted in foreign nations with the support of the Pentagon, including U.S. run or U.S.- affiliated labs.

American taxpayers deserve to know: How many U.S. defense dollars are going to China, purposely or inadvertently, and for what purposes? Is any being sent under the radar because it is not being tracked or reported? How much is the Pentagon providing to support projects involving pathogens of pandemic potential and where are those taking place? Is EcoHealth Alliance continuing to pose as a pass-through organization, funneling U.S. taxpayer dollars to finance dangerous research in foreign labs with substandard biosafety precautions, including China's Wuhan Institute of Virology? And how can we bring greater transparency and accountability to how tax dollars are being spent?

The investigations outlined in the NDAA your office will be conducting will provide invaluable insights for answering these questions.

Thank you again for your attention to this important effort, and please do not hesitate to contact us if you have any questions.

Sincerely,

Mike Gallagher Member of Congress