

**Chairman Gallagher Opening Remarks**  
*Remarks on CCP Threat to American Businesses and Critical Infrastructure in  
Florida*  
3.31.23  
*as prepared for delivery*

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Thanks so much for Hydi Webb, the entire Port Miami team, the Florida Department of Transportation, as well as my Select Committee colleague Carlos Gimenez, for hosting us here today.

Few things are more essential to the United States than our ports. If our ports shut down, our economy shuts down. It's as simple as that.

Ports are also essential to our ability to deploy our troops. In the event of a crisis, to include over Taiwan, we anticipate our nation's critical infrastructure—especially our ports—will be on the receiving end of a relentless cyber offensive designed to cripple our economy and delay the flow of US forces to the Indo-Pacific.

That's why I'm increasingly concerned about the CCP's efforts to control our ports through Chinese-made smart cranes. ZPMC has a near-global monopoly with almost 70% of the worldwide market, and it makes nearly 80% of the cranes in US ports.

These Chinese made cranes can register and track the movement and destination of containers, allowing the CCP to capture information about materiel being shipped in or out of the country to support U.S. military operations. The cranes could also provide remote access for the CCP to shut down them down to delay aid to Taiwan. They are also potentially being used as spying tools. In 2021, FBI agents found intelligence gathering equipment on a cargo ship delivering ZPMC cranes to the Baltimore port.

The CCP effort to control ports is extensive. Two-thirds of the world's top 50 container ports are owned by Chinese entities or supported by Chinese investments and the CCP has a foothold in

at least 100 ports across more than 60 countries, including in Latin America. They are also offering an

integrated logistics data platform called LOGINK for free that would give them access, insight, and control over global transportation flows.

In 2013, President Obama gave a famous speech at the port of Miami about investing in American infrastructure. His advance team had gone up to the cranes and covered up the ZPMC logo with American flags. But they didn't count on the wind. Numerous TV cameras caught the American flags placards blowing off, revealing the ZPMC logo underneath.

There's a metaphor here. Like President Obama, we've welcomed national security threats with open arms and pasted American flags over them, only to see them blown off by the winds of global realignment. In recent years, Congress has taken decisive action to counter threats from CCP proxies like Huawei and ZTE.

We need to act with a sense of urgency to secure our critical port infrastructure.

We must investigate if ZPMC is the Huawei of port infrastructure, waiting to disrupt our economy or national security in the event of a crisis.

This is why I am grateful for the leadership of Rep. Gimenez in calling out the danger posed by ZPMC cranes.

He was on top of this issue before anyone else, and I'm tremendously proud to call him a friend and colleague on the Select Committee.

I'm also grateful to Ranking Member Krishnamoorthi who has spoken out about CCP malign influence in global port investments.

I'm looking forward to working with him and all my colleagues to mitigate these threats moving forward.

