

## America First Investment Policy

### **Administration Policy:**

President Trump issued a [National Security Presidential Memorandum](#) promoting foreign investment while protecting America's national security interests, particularly from threats posed by foreign adversaries like the People's Republic of China. The memorandum directs the Committee on Foreign Investment in the United States (CFIUS) to restrict Chinese investment in technology, food supplies, farmland, minerals, natural resources, ports, and shipping terminals.

The memorandum requires CFIUS to establish new rules to curb the exploitation of U.S. capital and to consider new restrictions on American outbound investment in China in sensitive technologies such as semiconductors, artificial intelligence, quantum, biotechnology, and aerospace. It would also create a "fast track" process to facilitate greater investment from allies and partners with conditions that prevent investors from partnering with foreign adversaries.

### **Background:**

- [CFIUS](#) is an interagency committee authorized to review certain transactions involving foreign investment in the United States and certain real estate transactions by foreign persons, in order to determine the effect of such transactions on the national security of the United States.
  - CFIUS operates pursuant to [section 721 of the Defense Production Act of 1950](#), as amended (section 721), and as implemented by [Executive Order 11858](#).
- In 2023, the United States invested [\\$126.9 billion in China](#), which was a 3.8% increase from 2022. This investment was primarily in the manufacturing, wholesale trade, and finance and insurance sectors.
- China's strategy of [Military-Civil Fusion](#) aims to establish the People's Liberation Army as a world class military by 2049 by eliminating the barriers between China's civilian research and commercial sectors and its military sectors – especially in the areas of quantum computing, big data, semiconductors, 5G, advanced nuclear technology, aerospace technology, and AI. The PRC seeks to exploit the inherent "dual-use" nature of many of these technologies, which have both military and civilian applications.
- In August 2023, President Biden issued [Executive Order \(E.O.\) 14105](#) to establish a targeted outbound investment program, which required a notification by U.S. persons for certain types of investments in semiconductors, microelectronics, quantum computing, and AI in China.