



**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515**

July 10, 2024

The Honorable Jake Sullivan  
National Security Advisor  
The White House  
1600 Pennsylvania Avenue, NW  
Washington, DC 20500

Dear Mr. Sullivan,

On April 15, 2024, Microsoft announced a major partnership with Group 42 Holding Ltd. (G42), the United Arab Emirates' (UAE's) artificial intelligence holding company chaired by national security advisor His Highness Sheikh Tahnoun bin Zayed Al Nahyan.<sup>1</sup> According to Microsoft, this \$1.5 billion partnership will "help enhance the UAE's position as a global AI hub," furthering the UAE's ambition of becoming "*the* world leader in AI by 2031."<sup>2</sup>

This deal may be one of the most consequential investments by a U.S. technology firm in the Middle East in decades, and as such, deserves continued special scrutiny by both the Executive Branch and our Committees to ensure that our strategic and national security interests are protected. Our Committees share the overarching goals of limiting the People's Republic of China's (PRC) influence, but we remain deeply concerned by attempts to move quickly to advance a partnership that involves the unprecedented transfer of highly sensitive, U.S.-origin technology, without Congressional consultation or clearly defined regulations in place.

It is vital we do all we can to limit the PRC's malign influence around the world, including in the Middle East. Should this deal proceed further, we must be clear eyed about the risks. It is important to note that, just earlier this month, UAE president and ruler of Abu Dhabi His Highness Sheikh Mohamed bin Zayed Al Nahyan traveled to Beijing and reportedly

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<sup>1</sup> Microsoft Source. April 15, 2024. "Microsoft invests \$1.5 billion in Abu Dhabi's G42 to accelerate AI development and global expansion." <https://news.microsoft.com/2024/04/15/microsoft-invests-1-5-billion-in-abu-dhabis-g42-to-accelerate-ai-development-and-global-expansion/>

<sup>2</sup> UAE's National Program for Artificial Intelligence. "UAE National Strategy for Artificial Intelligence – 2031." <https://ai.gov.ae/wp-content/uploads/2021/07/UAE-National-Strategy-for-Artificial-Intelligence-2031.pdf>

discussed UAE-PRC cooperation in “artificial intelligence” – the same technology the United States is now considering transferring to the UAE.<sup>3</sup>

Concerns around G42’s links to the PRC are not new. Earlier this year, then Chairman of the Select Committee on the Chinese Communist Party, Mike Gallagher, wrote to Secretary Raimondo highlighting G42’s ties to the PRC, citing, in part, G42’s CEO Peng Xiao and G42’s ongoing affiliations to problematic PRC-linked entities.<sup>4</sup> G42 and its affiliates furthermore maintain active ties to PRC-linked entities, including ones working to evade U.S. sanctions and export controls. Since then, we have had numerous productive conversations with Microsoft regarding the need to take steps to mitigate these concerns, as well as others related to G42 activity in areas including digital surveillance, defense, and biotechnology.

We recognize that Microsoft will restrict the transfer of sensitive technology to G42 during the first phase of the agreement and understand negotiations regarding the second phase involving the export of sensitive U.S.-origin technology to the UAE are now underway. If this second phase is to proceed, it will require significantly more robust national security guardrails than those included in Phase 1.

Given the ties between the PRC and G42, as well as the PRC’s continued interests in the UAE, we ask that the National Intelligence Council prepare an official Intelligence Community assessment on the ties between G42, including its subsidiaries and affiliates, to the Chinese Communist Party, the People’s Liberation Army, or any part of the PRC’s apparatus, before this partnership proceeds further. This assessment should also assess the risk of sensitive U.S. technology, including but not limited to hardware, as well as so-called intangibles such as research and engineering advancements, being transferred directly or indirectly to the PRC or PRC-linked companies because of this partnership. We request that the results of this review be shared with the undersigned Committees before any technology, services, or research is transferred to G42 or its affiliates.

As you have rightly emphasized, we are in the early years of a “decisive decade” that will shape the terms of great power competition for years to come.<sup>5</sup> To ensure U.S. interests are protected, there must be close coordination between the public and private sector, leveraging the full suite of national resources. In this, we support your efforts to work hand in glove with U.S. companies like Microsoft to strengthen our dominance in AI; however, we must also be clear-eyed about the risks posed by transferring our most critical AI technology particularly when it comes to countries where the PRC is active.

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<sup>3</sup> Xinhua. May 30, 2024. “Xi holds talks with UAE president.”

<https://english.news.cn/20240530/1de52c1a71d54c8e80a1cc251edbb1dc/c.html>

<sup>4</sup> The Select Committee on the Chinese Communist Party. January 3, 2024. “Select Committee Letter to Raimondo on G42.” <https://selectcommitteeontheccp.house.gov/sites/evo-subsites/selectcommitteeontheccp.house.gov/files/evo-media-document/1.3.24-g42-letter.pdf>

<sup>5</sup> Jake Sullivan. October 12, 2022. “Remarks by National Security Advisor Jake Sullivan on the Biden-Harris Administration’s National Security Strategy.” <https://www.whitehouse.gov/briefing-room/speeches-remarks/2022/10/13/remarks-by-national-security-advisor-jake-sullivan-on-the-biden-harris-administrations-national-security-strategy/>.

Lastly, it is clear that model weights and GPUs are technologies coveted by our partners and adversaries alike. As such, the U.S. must develop a framework for *if, when, how* and with *whom* these technologies are shared. Given the extensive national security ramifications, the criteria and conditions for the international transfer of key U.S. artificial intelligence systems must involve Congress working in close bipartisan collaboration with Executive Branch agencies and the private sector. As the Microsoft-G42 deal moves toward Phase II, our Committees intend to play a proactive and constructive role.

With this in mind, we ask that the appropriate Executive Branch officials brief the undersigned Committees on underlying intelligence assessments related to the G42-Microsoft deal prior to approving the deal's transition to Phase II as well as the safeguards that will be in place to protect U.S.-origin goods and technology, and other areas of ongoing national security concern. Thank you for your ongoing attention and assistance.

Sincerely,



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Michael T. McCaul  
Chairman  
House Foreign Affairs Committee



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John Moolenaar  
Chairman  
Committee on Strategic Competition with  
the CCP