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## **E-Waste Recycling Leaders Praise China Task Force, Call for Action on Electronics Counterfeiting**

*Comprehensive Solution Needed to Address National Security Concerns*

**Washington, DC** – The [Coalition for American Electronics Recycling](#) (CAER) today praised the recent report by the [China Task Force](#) in the U.S. House of Representatives, particularly for its focus on supply chain issues impacting national security. As part of a comprehensive solution, CAER called for swift passage of the [Secure E-Waste Export and Recycling Act](#) (SEERA) that will combat China’s illicit trade in counterfeit electronics that undermine the reliability of U.S. military equipment.

The Task Force found that current U.S – China trade policies represent a “significant and growing risk to the supply of materials and technologies deemed critical to U.S. national security.” The report offers a series of recommendations, including development of a national security strategy for the defense industrial base to close gaps and vulnerabilities.

Counterfeit microchips from China represent an important national security issue that must be addressed. Counterfeiters based in China use e-waste -- much of it exported from the United States – as feedstock to create reprocessed microchips, often with forged branding, that are then sold as new. These fake parts are unreliable and threaten the performance of sensitive military equipment including missile systems, jet guidance systems and other mission-critical technologies.

The problem persists despite efforts to slow the counterfeit trade, according to [experts](#). In May 2019, a U.S.-based electronics distributor pleaded guilty to selling counterfeit electronics from China to a defense subcontractor and was sentenced to nearly four years in prison. As a result of the scheme, counterfeit microchips ended up in a classified weapons system and additional parts were sold for use in the B-1 Lancer bomber, according to the [U.S. Department of Justice](#).

Given the ongoing concerns, the U.S. needs an all-of-the-above anti-counterfeiting strategy. SEERA will restrict export of untested, non-working e-waste that provides feedstock for China’s microchip counterfeiters. The bill is sponsored in the House of Representatives (HR3559) by Rep. Adriano Espaillat (D-NY) and Rep. Paul Cook (R-CA) and in the Senate (S.2448) by Sen. Lamar Alexander (R-TN) and Sen. Sheldon Whitehouse (D-RI). The United States is one of a handful of countries in the world that does not restrict exports of e-waste.

SEERA will also create jobs, increase high-value exports and promote investment in the domestic industry. By requiring domestic recycling of e-waste, SEERA will increase U.S. exports of refurbished computer equipment and commodity-grade material refined from used electronics. The export reforms will also enable U.S. recyclers to attract investment, expand capacity and create up to 42,000 quality jobs for Americans.

*CAER is the voice of the emerging e-waste recycling industry on Capitol Hill with more than 150 companies and supporting members operating more than 300 facilities in 37 states as well as Puerto Rico and the District of Columbia.*

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