



DOD: CRRC “DIRECTED” BY CHINESE MILITARY CRRC Subject to Sanctions

(Washington, DC) – The Department of Defense said today that the Chinese Railway Rolling Stock Corporation (CRRC) is directed by the Communist China People’s Liberation Army.

CRRC is a Chinese state-owned enterprise that has stated it is attempting to conquer the global rail industry and has set its target on the U.S. rail market. In the last few years, CRRC has won \$2.6 billion in transit contracts by underbid competitors by 20-50%. CRRC is able to do this because they receive funding directly from the Communist Chinese government. Now we know they are doing so at the direction of the Chinese military.

The Rail Security Alliance (RSA) has consistently raised security concerns to transit agencies that are considering purchasing rolling stock from CRRC.

“Since 2018, we have [highlighted the security concerns](#) that using CRRC cars brings to the U.S. Market, said Erik Olson, VP of RSA. “Now we know those fears were justified, and CRRC has two facilities in the U.S., one in Illinois and one in Massachusetts.”

In a report prepared for RSA by John Adams Brigadier General, U.S. Army (Retired) and President, Guardian Six Consulting LLC said: “Chinese intrusion into the U.S. rail system’s supply chain threatens the health and sustainability of this vital economic pillar, especially in a national emergency. Were China to gain inroads into those operations, management, and supply chains, the ability of U.S. to effectively utilize and leverage the freight rail network in a crisis could be crippled.”

The finding, as required by law, by the Department of Defense, means CRRC and other companies listed are subject to emergency economic sanctions as determined by the President.

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ABOUT THE RAIL SECURITY ALLIANCE

The Rail Security Alliance exists to support and encourage the adoption and enactment of U.S. policies, procedures and laws that are designed to promote the security of the railroads and the railroad system of the United States of America.

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