

China's Role in America's Fentanyl Crisis: Upstream Enabler, Conditional Partner, and Cooperation Challenges

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Executive Summary

China did not cause America’s fentanyl crisis. The crisis has domestic and regional roots: U.S. opioid demand, the legacy of overprescription, gaps in treatment and prevention, Mexican cartel production, North American trafficking routes, and domestic distribution networks. But Chinese industrial, commercial, logistics, and financial networks remain important upstream risk nodes in the synthetic opioid supply chain. U.S. official sources continue to identify precursor chemicals, chemical inputs, and manufacturing equipment sourced from the People’s Republic of China as important to the illicit fentanyl economy, especially because Mexican criminal organizations synthesize fentanyl using inputs obtained through global chemical trade.¹

The U.S. overdose crisis remains severe, even though deaths have fallen sharply. Final Centers for Disease Control and Prevention (CDC) and National Center for Health Statistics (NCHS) data show that total U.S. drug overdose

¹ Financial Crimes Enforcement Network. (2025). *Fentanyl-related illicit finance: 2024 threat pattern and trend information*. U.S. Department of the Treasury. <https://www.fincen.gov/system/files/shared/FinCEN-FTA-Fentanyl.pdf>; U.S. Drug Enforcement Administration. (2025). *2025 National Drug Threat Assessment*. U.S. Department of Justice. <https://www.dea.gov/sites/default/files/2025-07/2025NationalDrugThreatAssessment.pdf>

deaths fell from 105,007 in 2023 to 79,384 in 2024. Opioid-involved deaths fell from 79,358 to 54,045, and deaths involving synthetic opioids other than methadone fell from 72,776 to 47,735 over the same period.² Provisional CDC/NCHS data indicate that overdose deaths continued to decline in 2025: for the 12 months ending December 2025, CDC reported 68,632 reported provisional overdose deaths and 69,973 predicted provisional deaths.³

A 2026 Science Policy Forum argues that the decline is consistent with an upstream illicit fentanyl supply shock, possibly linked to Chinese precursor control actions.⁴ That argument is important because it places China's role in the supply chain at the center of the debate over why overdose deaths fell. But it should be used cautiously. The evidence does not show as a settled fact that China reduced U.S. fentanyl deaths. The safer conclusion is that China-related precursor controls and enforcement actions may have contributed to broader supply disruption, alongside other factors, including naloxone access, treatment, user behavior, local public health interventions, cartel dynamics, and changes in drug market composition.

China's role has changed over the past decade. After China's 2019 class-wide control of fentanyl-related substances, the main China-related risk shifted away from direct finished-fentanyl exports and toward precursor chemicals, chemical intermediates, online sales and brokerage, logistics workarounds, synthetic opioid substitutes, and illicit finance.⁵ Public U.S. indictments and sanctions have named China-based firms and networks alleged to have supplied precursor chemicals or related synthetic-drug inputs.⁶ These cases warrant care: indictments are allegations, and sanctions are administrative actions, not convictions unless final adjudication exists.

Since the Biden-Xi meeting in San Francisco in November 2023, the United States and China have restored a counternarcotics dialogue. The Biden administration's approach emphasized working-level diplomacy, targeted law-enforcement and sanctions tools, and public health measures. The Trump administration's approach has used tariffs and trade leverage more explicitly, imposing and later modifying duties justified by the synthetic-opioid supply chain threat from China.⁷ Both approaches have produced some results. Biden rebuilt channels; Trump elevated fentanyl as a top-tier bargaining issue. But neither approach has yet produced a fully measurable, durable, and adaptive enforcement architecture.

² National Center for Health Statistics. (2026). *Drug overdose deaths in the United States, 2023–2024* (NCHS Data Brief No. 549). Centers for Disease Control and Prevention. <https://www.ncbi.nlm.nih.gov/books/NBK621157/>

³ Provisional data are subject to reporting lag and revision, so they should not be treated as final counts. Centers for Disease Control and Prevention, National Center for Health Statistics. (n.d.). *VSRR provisional drug overdose death counts*. Retrieved June 1, 2026, from <https://data.cdc.gov/National-Center-for-Health-Statistics/VSRR-Provisional-Drug-Overdose-Death-Counts/xkb8-kh2a>; <https://www.cdc.gov/nchs/nvss/vsrr/drug-overdose-data.htm>

⁴ Vangelov, K., Humphreys, K., Caulkins, J. P., Pollack, H., Pardo, B., & Reuter, P. (2026). Did the illicit fentanyl trade experience a supply shock? *Science*, 391(6781), 134–136. <https://doi.org/10.1126/science.aea6130>

⁵ State Council Information Office of the People's Republic of China. (2025, March). *Controlling fentanyl-related substances—China's contribution*. https://be.china-embassy.gov.cn/eng/rv/202503/t20250305_11568904.htm; U.S. Department of State. (2024, April 17). *An international response to combatting synthetic drugs*. <https://2021-2025.state.gov/briefings-foreign-press-centers/an-international-response-to-combatting-synthetic-drugs/>

⁶ U.S. Department of Justice. (2023, June 23). *Three Chinese chemical manufacturing companies and five employees charged with conspiring to manufacture and distribute fentanyl*. <https://www.justice.gov/usao-edny/pr/three-chinese-chemical-manufacturing-companies-and-five-employees-charged-conspiring>; U.S. Department of the Treasury. (2023, October 3). *Treasury targets large Chinese network of illicit drug producers*. <https://home.treasury.gov/news/press-releases/jy1779>

⁷ White House. (2025, February 1). *Imposing duties to address the synthetic opioid supply chain in the People's Republic of China*. <https://www.whitehouse.gov/presidential-actions/2025/02/imposing-duties-to-address-the-synthetic-opioid-supply-chain-in-the-peoples-republic-of-china/>; White House. (2025, March 3). *Further amendment to duties addressing the synthetic opioid supply chain in the People's Republic of China*. <https://www.whitehouse.gov/presidential-actions/2025/03/further-amendment-to-duties-addressing-the-synthetic-opioid-supply-chain-in-the-peoples-republic-of-china/>; White House. (2025, November). *Modifying duties addressing the synthetic opioid supply chain in the People's Republic of China*. <https://www.whitehouse.gov/presidential-actions/2025/11/modifying-duties-addressing-the-synthetic-opioid-supply-chain-in-the-peoples-republic-of-china/>

For Congress, the task is not to assign blanket blame to China. It is to make Chinese cooperation operationally meaningful. Congress should require regular interagency assessments of China-related fentanyl supply chain risks; request recurring classified briefings on emerging precursors and synthetic-opioid substitutes; preserve targeted international narcotics-control capacity; protect overdose surveillance, naloxone access, and treatment funding; strengthen targeted sanctions with follow-up on network adaptation; make fentanyl-linked money laundering a standing oversight priority; and support a practical North America-plus-China operational channel focused on precursor chemicals and illicit finance.

The central conclusion is straightforward: China did not create America's demand for opioids, but Chinese industrial and financial networks helped create the conditions under which illicit fentanyl could scale. The United States cannot end the crisis by blaming China. But it cannot end the crisis without Chinese cooperation either.

I. The Fentanyl Crisis and the China Question

The United States remains in a severe overdose crisis. According to final CDC/NCHS data, total drug overdose deaths rose from 106,699 in 2021 to 107,941 in 2022, then declined to 105,007 in 2023 and 79,384 in 2024.⁸ Deaths involving synthetic opioids other than methadone—the category that includes fentanyl, fentanyl analogues, and some other synthetic opioids—fell from 72,776 in 2023 to 47,735 in 2024.⁹

Provisional CDC/NCHS data suggest that the decline continued in 2025. For the 12 months ending December 2025, the CDC reported 68,632 provisional overdose deaths and 69,973 predicted provisional overdose deaths.¹⁰ CDC provisional data also show 43,730 reported provisional deaths and 44,564 predicted provisional deaths involving any opioid, and 37,393 reported provisional deaths and 38,084 predicted provisional deaths involving synthetic opioids excluding methadone, for the same 12-month period.¹¹ These figures are provisional and subject to reporting lag and revision; drug categories are also not mutually exclusive.¹²

The evidence does not support a single-cause explanation. Public health interventions almost certainly matter: naloxone access, medications for opioid-use disorder, emergency response, local outreach, and changes in user behavior may all have helped reduce fatality risks. Supply-side changes may also matter: law enforcement pressure, cartel dynamics, changes in fentanyl purity, precursor availability, and upstream chemical controls could all have contributed. But the evidence does not yet support a firm causal hierarchy.

The supply-shock hypothesis should now be part of the analysis. In a 2026 Science Policy Forum, Vangelov, Humphreys, Caulkins, Pollack, Pardo, and Reuter argue that the timing and multiple indicators are consistent with a major disruption in the illicit fentanyl trade beginning in mid-or late 2023 and continuing into 2024.¹³ Companion summaries of the article describe several evidence streams, including U.S. and Canadian data, reported fentanyl shortages, and indicators related to fentanyl purity, seizures, and precursor availability.¹⁴ This argument deserves

⁸ National Center for Health Statistics. (2024). *Drug overdose deaths in the United States, 2002–2022* (NCHS Data Brief No. 491). Centers for Disease Control and Prevention. <https://www.cdc.gov/nchs/products/databriefs/db491.htm>; National Center for Health Statistics, *Drug overdose deaths in the United States, 2023–2024*.

⁹ National Center for Health Statistics, *Drug overdose deaths in the United States, 2023–2024*.

¹⁰ CDC/NCHS, *VSRR provisional drug overdose death counts*.

¹¹ CDC/NCHS, *VSRR provisional drug overdose death counts*.

¹² CDC/NCHS, *Provisional drug overdose data*.

¹³ Vangelov et al., *Did the illicit fentanyl trade experience a supply shock?*

¹⁴ American Association for the Advancement of Science. (2026, January 8). *An illegal fentanyl supply shock may have contributed to a dramatic decline in deaths*. EurekaAlert! <https://www.eurekaalert.org/news-releases/1111494>; University of Maryland School of Public Policy. (2026, January 8). *New study finds global fentanyl supply disruption linked to recent drop in opioid overdose deaths*. <https://spp.umd.edu/news/new-study-finds-global-fentanyl-supply-disruption-linked-recent-drop-opioid-overdose-deaths>

attention, but it should not be overstated. A supply shock is a plausible explanation, not a settled causal finding that China reduced U.S. overdose deaths.

This matters for the China question. China did not cause America's opioid demand. It did not create the U.S. prescribing practices, social conditions, treatment gaps, or domestic distribution networks that made the United States vulnerable to opioids. Nor should the current crisis be described as a centrally directed Chinese campaign to poison Americans. The State Department has stated that it has no evidence that the PRC government deliberately directs shipments of illicit drugs into the United States.¹⁵

But China still matters. The relevant issue is not direct state direction; it is supply chain governance. U.S. official sources continue to describe PRC-sourced precursor chemicals, chemical inputs, and equipment as important to illicit fentanyl production, particularly by Mexican cartels.¹⁶ China's role is therefore best understood as that of an upstream industrial and financial node. The problem is not that all Chinese chemical firms are complicit. The problem is that a subset of firms, brokers, logistics actors, and laundering networks can exploit the scale and flexibility of China's chemical economy.

The right formulation for policymakers is therefore precise: China did not cause America's fentanyl crisis, but China remains a critical upstream enabler. That framing avoids two mistakes. It avoids scapegoating China for a crisis rooted partly in U.S. demand and North American criminal networks. It also avoids absolving Beijing of responsibility for policing the illicit edges of its chemical industry, online platforms, logistics channels, and financial networks.

II. China's Role in the Supply Chain: From Finished Fentanyl to Upstream Enablers

China's role in America's fentanyl crisis has changed over time. The most important shift came after China's 2019 class-wide control of fentanyl-related substances. Before that control, U.S. officials and researchers focused heavily on finished fentanyl and fentanyl analogues shipped directly from China. After the 2019 control, the China-related risk increasingly shifted upstream: precursor chemicals, chemical intermediates, online brokers, logistics workarounds, and money-laundering networks that support production outside China, especially in Mexico.¹⁷

This shift matters because it changes the policy problem. If the problem were mainly finished fentanyl exported directly from China to the United States, the answer would center on direct interdiction and drug scheduling. But if the problem is dual-use chemistry embedded in legitimate commerce, it is harder. The same ecosystem that supplies pharmaceuticals, agrochemicals, plastics, textiles, and electronics can also supply chemicals that traffickers use to make synthetic opioids. The challenge is not simply drug enforcement. It is supply chain governance.

1. Regulated pharmaceutical fentanyl is not the main problem

China's regulated medical fentanyl sector should not be treated as the primary source of U.S. illicit fentanyl. The PRC State Council Information Office's 2025 white paper says China tightly controls fentanyl-related substances, regulates licensed medical use, and rejects what it describes as U.S. responsibility-shifting.¹⁸ Those claims reflect China's official position rather than an independent assessment. But they point to an important analytical distinction: licensed medical fentanyl production is different from the much larger chemical and pharmaceutical intermediate ecosystem.

¹⁵ U.S. Department of State, *An international response to combatting synthetic drugs*.

¹⁶ FinCEN, *Fentanyl-related illicit finance*; DEA, *2025 National Drug Threat Assessment*.

¹⁷ State Council Information Office of the People's Republic of China, *Controlling fentanyl-related substances—China's contribution*, http://english.scio.gov.cn/whitepapers/2025-03/05/content_117746462.html; U.S. Department of State, *An international response to combatting synthetic drugs*.

¹⁸ State Council Information Office of the People's Republic of China, *Controlling fentanyl-related substances—China's contribution*.

According to the PRC white paper, China had approved five companies to manufacture fentanyl-related medications, and Chinese enterprises manufactured 84.969 kilograms of fentanyl-related bulk drug substance in 2023.¹⁹ The white paper also states that Yichang Humanwell was China's only exporter of fentanyl-related medications and that China exported 9.766 kilograms of fentanyl-related medications in 2023, mainly to Asia, Latin America, and Europe, with no fentanyl-related medication exports to North America.²⁰ These are official Chinese claims, not independently verified.

Thus, the current crisis should not be described simply as “China exports fentanyl to America.” China's role today is more indirect but still consequential: it remains a major upstream source of chemical inputs, brokers, logistics pathways, and financial networks that can enable illicit fentanyl production abroad.

2. The risk has moved into precursor and intermediate chemicals

The higher-risk layer is China's precursor and intermediate chemical ecosystem. U.S. official assessments continue to state that Mexican cartels synthesize illicit fentanyl using precursor chemicals and equipment sourced from the PRC.²¹ This does not prove that the Chinese government directs the trade. It does show that China-linked supply networks remain central to the upstream portion of the fentanyl economy.

China itself acknowledges precursor control as a core issue. The PRC white paper states that China controlled five precursor types relevant to fentanyl production: 4-ANPP, NPP, 4-AP, 1-boc-4-AP, and norfentanyl; it also states that work on 4-piperidone and 1-boc-4-piperidone was underway.²² Chinese official notices later added additional precursor controls. In August 2024, Chinese authorities announced the control of seven substances, including 4-AP, 1-boc-4-AP, norfentanyl, CBD, BMK glycidic acid and esters, 3-oxo-2-phenylbutanoic acid and esters, and PMK glycidic acid esters, effective September 1, 2024.²³ In June 2025, Chinese authorities announced that 4-piperidone and 1-boc-4-piperidone would be listed as precursor chemicals, effective July 20, 2025.²⁴

These notices are important because they show that Beijing has the regulatory capacity to expand chemical controls. But listing chemicals is not the same as demonstrating enforcement. The core question is whether these controls produce export license denials, customs seizures, investigations, prosecutions, firm closures, platform removals, and payment channel disruptions.

U.S. legal and sanctions actions illustrate the upstream risk. In June 2023, the Department of Justice (DOJ) charged Anhui Rencheng Technology Co., Ltd., Anhui Moker New Material Technology Co., and Hefei GSK Trade Co., Ltd. in fentanyl precursor-related conspiracies.²⁵ These are allegations, not convictions. In October 2023, the Treasury Department designated a China-based network that it alleged manufactured and distributed large quantities of fentanyl, methamphetamine, and MDMA precursors.²⁶ These are administrative sanctions actions, not judicial findings of guilt. But they show that U.S. authorities view a subset of China-based chemical firms and networks as recurring supply chain nodes.

¹⁹ State Council Information Office of the People's Republic of China, *Controlling fentanyl-related substances—China's contribution*.

²⁰ State Council Information Office of the People's Republic of China, *Controlling fentanyl-related substances—China's contribution*.

²¹ FinCEN, *Fentanyl-related illicit finance*; DEA, *2025 National Drug Threat Assessment*.

²² State Council Information Office of the People's Republic of China, *Controlling fentanyl-related substances—China's contribution*.

²³ Ministry of Emergency Management of the People's Republic of China. (2024, August 8). 关于将 4-(N-苯基氨基)哌啶、1-叔丁氧羰基-4-(N-苯基氨基)哌啶、N-苯基-N-(4-哌啶基)丙酰胺等 7 种物质列入易制毒化学品管理的公告。

https://www.mem.gov.cn/gk/zfxxgkpt/fdzdgknr/202408/t20240808_497240.shtml

²⁴ Ministry of Emergency Management of the People's Republic of China. (2025, June 26). 关于将 4-哌啶酮和 1-叔丁氧羰基-4-哌啶酮列为易制毒化学品管理的公告。 https://www.mem.gov.cn/gk/zfxxgkpt/fdzdgknr/202506/t20250626_547698.shtml

²⁵ U.S. Department of Justice, *Three Chinese chemical manufacturing companies and five employees charged*.

²⁶ U.S. Department of the Treasury, *Treasury targets large Chinese network of illicit drug producers*.

One case illustrates both the limits and possibilities of Chinese enforcement. In November 2024, DOJ announced that Hubei Aoks and several employees had been indicted for alleged fentanyl precursor and xylazine-related offenses. DOJ also stated that China's Ministry of Public Security had informed DOJ of parallel action, including arrests and dissolution of the company.²⁷ This case should not be generalized too far: It does not prove systematic Chinese enforcement. But it does show that Beijing can act against specific firms when cooperation becomes politically and operationally possible.

The supply chain pattern also appears geographically and structurally concentrated, but it should not be mistaken for a complete corporate map. Many entities named in U.S. actions are described as chemical, biotechnology, pharmaceutical, trading, or new-materials firms. Some are located in provinces with dense chemical and pharmaceutical manufacturing bases. Such patterns help identify where enforcement risk may cluster. But U.S. indictments and sanctions do not, without further corporate registry evidence, establish who owns these firms, how large they are, whether they remain active, or whether they have resurfaced under new names.

3. Online brokerage and logistics make the supply chain adaptive

Chinese firms alleged to participate in the illicit supply chain do not need to operate like cartels. They can operate like ordinary exporters: maintaining websites, product lists, sales representatives, messaging channels, payment accounts, and shipping relationships. That is what makes the problem difficult. Illicit activity can be embedded inside the infrastructure of legal trade.

U.S. DOJ cases allege that some China-based suppliers used online advertising, chemical recommendations, deceptive labeling, customs fraud, and shipment routes involving the United States and Mexico.²⁸ The broader significance is not the mechanics of any single alleged scheme, but the adaptability of dual-use commerce. Firms, brokers, and buyers can exploit regulatory gaps across jurisdictions, especially when chemicals have legitimate industrial uses but can also be diverted into illicit synthetic drug production.

China's own white paper also identifies online marketing as an enforcement target. It states that, as of June 2024, authorities had blocked or removed more than 140,000 illegal advertisements and ordered 14 online platforms to rectify or shut down.²⁹ These figures are official Chinese claims rather than independently verified measures of enforcement effectiveness. But they are still relevant because they show that Beijing acknowledges that online marketing is part of the synthetic drug supply chain problem.

The supply chain risk is also shifting beyond fentanyl precursors alone. The Drug Enforcement Administration's (DEA) 2025 National Drug Threat Assessment states that xylazine remained the top adulterant in fentanyl powder and that medetomidine had emerged in the fentanyl supply.³⁰ DOJ's 2024 cases also included allegations involving protonitazene, a synthetic opioid in the nitazene class.³¹ These developments show why enforcement cannot rely only

²⁷ U.S. Department of Justice. (2024, November 7). *China-based chemical company, its director and senior employees indicted for alleged fentanyl precursor and xylazine offenses*. <https://www.justice.gov/usao-cdca/pr/china-based-chemical-company-its-director-and-senior-employees-indicted-alleged>

²⁸ U.S. Department of Justice. (2023, October 3). *Justice Department announces eight indictments against China-based chemical manufacturing companies and employees*. <https://www.justice.gov/archives/opa/pr/justice-department-announces-eight-indictments-against-china-based-chemical-manufacturing>; U.S. Department of Justice. (2024, October 24). *China-based chemical manufacturing companies and employees indicted for alleged fentanyl manufacturing and distribution*. <https://www.justice.gov/usao-mdfl/pr/china-based-chemical-manufacturing-companies-and-employees-indicted-alleged-fentanyl-0>

²⁹ State Council Information Office of the People's Republic of China, *Controlling fentanyl-related substances—China's contribution*.

³⁰ DEA, *2025 National Drug Threat Assessment*.

³¹ U.S. Department of Justice, *China-based chemical manufacturing companies and employees indicted for alleged fentanyl manufacturing and distribution*.

on fixed chemical lists. Traffickers can adapt through substitutes, adulterants, and new synthesis pathways faster than regulators can update controls.

4. Illicit finance is part of the supply chain

The fentanyl supply chain is also a financial supply chain. Suppliers need to be paid. Cartels need to move proceeds. Brokers need to disguise counterparties. Chinese-linked money laundering networks have become important because they can connect Chinese demand for foreign currency, cartel demand for clean money, and supplier demand for payment.

The Financial Crimes Enforcement Network's (FinCEN) 2025 Financial Trend Analysis reported that U.S. financial institutions filed 1,246 Bank Secrecy Act reports in 2024 identifying suspected fentanyl-related activity, involving approximately \$1.4 billion in suspicious transactions.³² Depository institutions filed 57 percent of those reports, and money services businesses filed 32 percent. Mexico and the PRC were the top two foreign subject-address countries, appearing in 101 and 71 reports, respectively.³³ Among PRC subject-address locations, FinCEN identified Guangdong, Zhejiang, and Hebei as recurring provinces, with Wuhan and Shijiazhuang as leading city mentions.³⁴ These data show how fentanyl supply chains intersect with cross-border financial activity. They are reporting indicators, not proof of state direction or adjudicated criminal conduct by every listed address or entity.

Recent Treasury and FinCEN actions against CIBanco, Intercam, and Vector show how Chinese supply chains and Mexican financial channels can intersect. Treasury identified the three Mexico-based financial institutions as primary money laundering concerns in connection with illicit opioid trafficking.³⁵ It stated that from 2021 through 2024, CIBanco processed more than \$2.1 million in payments from Mexico-based companies to China-based companies that shipped precursor chemicals to Mexico for illicit purposes.³⁶ Treasury also stated that a China-based company associated with a person shipping precursor chemicals from China to Mexico received more than \$1.5 million from Mexico-based companies through Intercam, and that Vector completed more than \$1 million in payments from Mexico-based companies to China-based companies known to have shipped precursor chemicals to Mexico for illicit purposes.³⁷ Because these were administrative actions, the public record does not disclose the full underlying evidence.

The broader point is that targeting chemicals alone will not be enough if payments, laundering, and trade-based financial channels remain intact. A Chinese chemical supplier who cannot be paid is less useful to traffickers. A cartel that cannot launder proceeds is less powerful. A broker who can combine chemical sourcing, shipment, and payment channels becomes a high-value node. Congress should therefore treat fentanyl-linked money laundering as a core part of the China-related supply chain problem.

Taken together, the evidence points to a role that is upstream but not marginal. China did not cause America's opioid demand, and Beijing is not the only actor responsible for the crisis. But China-linked industrial, commercial, logistics, and financial networks have helped make illicit fentanyl scalable.

³² FinCEN, *Fentanyl-related illicit finance*.

³³ FinCEN, *Fentanyl-related illicit finance*.

³⁴ FinCEN, *Fentanyl-related illicit finance*.

³⁵ U.S. Department of the Treasury. (2025, June 25). *Treasury issues historic orders under powerful new authority to counter fentanyl*. <https://home.treasury.gov/news/press-releases/sb0179>

³⁶ U.S. Department of the Treasury, *Treasury issues historic orders under powerful new authority to counter fentanyl*.

³⁷ U.S. Department of the Treasury, *Treasury issues historic orders under powerful new authority to counter fentanyl*.

III. China's Policy Response and U.S.-China Cooperation, 2023–2026

China's policy response has evolved from denial and defensive legalism toward conditional cooperation. Beijing continues to reject the claim that it is responsible for America's overdose crisis. It argues that the United States should address domestic demand and opposes what it describes as blame-shifting.³⁸ At the same time, China has taken regulatory and enforcement-related steps when fentanyl cooperation has been elevated within broader U.S.-China diplomacy.

The first major shift was China's 2019 class-wide scheduling of fentanyl-related substances. On April 1, 2019, Chinese authorities announced that the Ministry of Public Security, the National Health Commission, and the National Medical Products Administration had jointly added fentanyl-related substances to the "Supplementary Catalog of Controlled Varieties of Non-Medical Narcotic Drugs and Psychotropic Substances," effective May 1, 2019.³⁹ The announcement defined "fentanyl-related substances" by chemical structure rather than by naming only individual compounds, making it a class-wide control. After that action, the China-related risk became less centered on direct finished fentanyl flows and more centered on precursor chemicals and intermediates. The 2019 control did not remove China from the fentanyl supply chain. It changed China's role within it.

The second shift came after the Biden-Xi meeting in San Francisco in November 2023. Shortly afterward, China's National Narcotics Control Commission issued a circular warning companies and individuals against illegal activities involving narcotics and substances used to produce narcotic drugs, as well as overseas legal risks.⁴⁰ The circular was not proof of enforcement, but it sent a compliance signal to Chinese firms after the bilateral diplomatic thaw.

The United States and China then restored counternarcotics cooperation through a working-level channel. The State Department described the U.S.-PRC counternarcotics working group as a mechanism for communication, coordination, and information exchange on synthetic drugs.⁴¹ China's white paper states that the China-U.S. Counternarcotics Working Group first met in Beijing on January 30, 2024, and that since 2024 the two sides have conducted more than one hundred information exchanges and made progress in cases.⁴² This account suggests an active channel, but public U.S. readouts do not provide enough details to verify the full scope or operational effect of the Chinese claim.

The Biden approach also coincided with additional Chinese chemical scheduling. In August 2024, Chinese authorities announced the control of seven substances, including 4-AP, 1-boc-4-AP, norfentanyl, and several other substances, effective September 1, 2024.⁴³ In June 2025, Chinese authorities announced control of 4-piperidone and 1-boc-4-

³⁸ State Council Information Office of the People's Republic of China, *Controlling fentanyl-related substances—China's contribution*.

³⁹ Ministry of Public Security of the People's Republic of China, 三部门发布公告 5月1日起对芬太尼类物质实施整类列管, <https://www.mps.gov.cn/9080/n2254314/n2254487/c6473090/content.html>; State Council Information Office of the People's Republic of China, 国新办举行芬太尼类物质管制进展及下步工作情况发布会图文实录, http://www.scio.gov.cn/xwfb/gwyxwbgxwfbh/wqfbh_2284/2019n_5801/2019n04y01r/twzb_6068/202207/t20220715_212921.html; State Council Information Office of the People's Republic of China, *Controlling fentanyl-related substances—China's contribution*.

⁴⁰ Ministry of Emergency Management of the People's Republic of China, 国家禁毒委员会办公室发布通告 提醒相关企业和个人谨慎销售可制毒物品, https://www.mem.gov.cn/xw/mtxx/202311/t20231117_469685.shtml; Xinhua. (2023, November 17). *China cautions against the sale of substances capable of producing narcotics*. State Council of the People's Republic of China. https://english.www.gov.cn/news/202311/17/content_WS6557006fc6d0868f4e8e1587.html

⁴¹ U.S. Department of State, *An international response to combatting synthetic drugs*.

⁴² State Council Information Office of the People's Republic of China, *Controlling fentanyl-related substances—China's contribution*.

⁴³ Ministry of Emergency Management of the People's Republic of China, 关于将 4-(N-苯基氨基)哌啶...等 7 种物质列入易制毒化学品管理的公告.

piperidone, effective July 20, 2025.⁴⁴ These controls matter because they move beyond finished fentanyl and targeted upstream chemicals used in synthetic opioid production.

The third shift came under Trump, when fentanyl cooperation became more explicitly connected to tariffs and trade bargaining. In February 2025, the White House imposed duties to address the synthetic opioid supply chain threat from China; in March 2025, it amended those duties; in November 2025, it modified them again.⁴⁵ FBI Director Kash Patel reportedly said China had agreed to a plan to stop fentanyl-related chemicals.⁴⁶ But without public details on enforcement mechanisms, timelines, or verification metrics, the reported commitment remains difficult to assess.

China also moved toward more targeted export controls. A November 2025 PRC-state English report said exports of thirteen listed chemicals to the United States, Canada, and Mexico would require licenses, while exports elsewhere would not require the same permission.⁴⁷ In May 2026, shortly after the May 2026 Trump-Xi summit in Beijing, Chinese authorities added three substances to the U.S./Canada/Mexico export control catalogue, increasing the list from thirteen to sixteen chemicals.⁴⁸ China's National Narcotics Control Commission also issued a warning notice on eight additional chemicals usable for synthetic drugs.⁴⁹ The timing of the May 2026 measures suggest China can move quickly when fentanyl is elevated in high-level diplomacy. But list changes are only the first test, and implementation remains unproven. The harder test is whether they produce export license denials, customs seizures, prosecutions, firm closures, online vendor removals, and payment disruptions.

The overall record shows real but incomplete progress. China has issued warnings, participated in a working group, scheduled additional chemicals, published a white paper, and reportedly adopted North America-specific export controls. Yet public records still provide limited evidence of sustained operational results. Congress should therefore measure cooperation by operational effects, not diplomatic statements.

IV. Biden Versus Trump: Two Approaches to China on Fentanyl

The Biden and Trump administrations approached China on fentanyl differently. Biden rebuilt channels. Trump used leverage. The distinction matters because each strategy solved one problem while leaving another exposed.

Biden's approach was diplomatic and institutional. After the San Francisco meeting, his administration restored a counternarcotics channel with China and used the working group to press for cooperation on synthetic drugs.⁵⁰ This approach was better suited to sustained communication, technical exchanges, and pressure for precursor controls. It also complemented DOJ and Treasury actions against China-based firms and networks alleged to participate in fentanyl-related supply chains.⁵¹

⁴⁴ Ministry of Emergency Management of the People's Republic of China, 关于将 4-哌啶酮和 1-叔丁氧羰基-4-哌啶酮列为易制毒化学品管理的公告.

⁴⁵ White House, *Imposing duties*; White House, *Further amendment*; White House, *Modifying duties*.

⁴⁶ Reuters. (2025, November 12). *FBI chief: China agreed on plan to stop fentanyl-related chemicals*. Investing.com.

<https://www.investing.com/news/world-news/fbi-chief-china-agreed-on-plan-to-stop-fentanylrelated-chemicals-4384346>

⁴⁷ State Council Information Office of the People's Republic of China. (2025, November 11). *China to require export licenses for certain chemicals to U.S., Canada, Mexico*. https://english.scio.gov.cn/pressroom/2025-11/11/content_118170697.html

⁴⁸ China Daily. (2026, May 23). *China updates export control list of precursor chemicals*.

<https://govt.chinadaily.com.cn/s/202605/23/WS6a13bf0d498e23165e06f9bf/china-updates-export-control-list-of-precursor-chemicals.html>

⁴⁹ China Daily. (2026, May 22). 国家禁毒委员会办公室发布通告防范八种化学品流失用于制毒风险.

<https://cn.chinadaily.com.cn/a/202605/22/WS6a1006afa310942cc49adc4a.html>; Reuters. (2026, May 22). *China adds chemicals to narcotics precursor list after Trump visit*. MarketScreener. <https://www.marketscreener.com/news/china-adds-chemicals-to-narcotics-precursor-list-after-trump-visit-ce7f5adfdd8afe27>

⁵⁰ U.S. Department of State, *An international response to combatting synthetic drugs*.

⁵¹ U.S. Department of Justice, *Three Chinese chemical manufacturing companies and five employees charged*; U.S. Department of the Treasury, *Treasury targets large Chinese network of illicit drug producers*.

But the Biden approach suffered from a measurement problem. Public readouts of the working group did not reveal enough for Congress to assess operational impact. The channel may have improved communication, but the public record does not show whether it produced sustained Chinese prosecutions, export license denials, firm closures, online takedowns, or laundering disruptions. Nor did it create a fully integrated U.S.-China-Mexico-Canada mechanism linking precursor control, customs enforcement, and financial intelligence.

Trump's approach was more coercive and transactional. His administration used fentanyl-linked tariffs and trade pressure to push Beijing for more visible commitments.⁵² This approach had one obvious advantage: fentanyl became a top-tier bargaining issue in U.S.-China relations. That pressure may have accelerated Chinese list changes and export control commitments.

But tariffs are blunt instruments and the risks are significant. Tariffs can raise the political cost of inaction, but they do not identify specific suppliers, brokers, logistics channels, or laundering networks. They can also encourage Beijing to offer visible regulatory steps without necessarily sustaining local enforcement. So far, tariff leverage has produced signs of movement, but not public evidence of durable operational disruption.

There is also a program capacity concern. Reuters reported that the Trump administration's foreign aid freeze temporarily halted State Department International Narcotics Control and Law Enforcement programs in Mexico, including programs relevant to precursor interdiction and lab dismantlement.⁵³ That was a temporary interruption of anti-fentanyl work rather than an enacted funding cut. The distinction matters, but so does the underlying policy concern: pressure on China is less effective if U.S. assistance to Mexico—the place where much illicit fentanyl is synthesized—is interrupted.

The next phase should combine the strengths of both. The United States needs Biden-style channels and Trump-style leverage, but neither is sufficient on its own. The goal should be sustained communication, measurable enforcement metrics, targeted sanctions, financial intelligence work, North American coordination, and domestic public-health capacity

V. Funding, Agencies, and Program Capacity

The funding question is not whether one administration was “pro” or “anti” fentanyl enforcement. The more important question is whether the United States has preserved the full toolkit needed to reduce fentanyl deaths and disrupt synthetic opioid supply chains.

That toolkit has several parts: domestic treatment, overdose surveillance, naloxone access, harm reduction, international narcotics control cooperation, law enforcement, and financial intelligence against laundering networks. Weakness in any one part makes the whole strategy less effective. Pressure on China matters, but it cannot substitute for the domestic and international capacity needed to track overdoses, keep users alive, interdict precursors, dismantle labs, and follow the money.

The available public record points to both capacity and vulnerability. The CDC states that its Overdose Data to Action program funds ninety health departments, supporting overdose data and response capacity.⁵⁴ The fiscal year 2026 State Department budget materials and Congressional Research Service (CRS) analysis identify International

⁵² White House, *Imposing duties*; White House, *Further amendment*; White House, *Modifying duties*.

⁵³ Reuters. (2025, February 14). *Trump's foreign aid freeze stops anti-fentanyl work in Mexico*. Investing.com.

<https://www.investing.com/news/world-news/exclusivetrumps-foreign-aid-freeze-stops-antifentanyl-work-in-mexico-3869380>

⁵⁴ Centers for Disease Control and Prevention. (2026, March 19). *Overdose Data to Action*. <https://www.cdc.gov/overdose-prevention/php/od2a/>

Narcotics Control and Law Enforcement as relevant to fentanyl and synthetic drug war.⁵⁵ Reuters reported that the 2025 foreign aid freeze temporarily paused anti-fentanyl work in Mexico, including programs relevant to precursor interdiction and lab dismantlement.⁵⁶ Senate Appropriations Committee summaries also emphasized counternarcotics and synthetic drug priorities in the fiscal year 2026 State-Foreign Operations and Commerce-Justice-Science bills.⁵⁷

Those facts do not add up to a simple story of expansion or retreat. They point instead to a capacity management problem. Congress needs a clearer accounting of which programs were proposed for reduction, which were enacted, which were paused, which received waivers, which resumed, which were restored, and which were redirected toward law enforcement or border security. Those distinctions matter because a proposed cut is not the same as an enacted cut; a temporary freeze is not the same as permanent defunding; and a law enforcement increase does not necessarily replace lost public health or international cooperation capacity.

Congress should therefore ask agencies for a program-level accounting. Which overdose surveillance programs remain funded? Which naloxone and treatment programs have been preserved or reduced? Which State Department narcotics control programs in Mexico were paused, waived, resumed, or redirected? Which DEA, DHS, Treasury, and FinCEN capacities have been strengthened? Which programs support chemical forensics, customs analytics, precursor interdiction, lab dismantlement, and financial investigations?

The point is not bureaucratic bookkeeping. Supply-side pressure on China will work only if it is paired with the tools that keep Americans alive and disrupt the middle of the supply chain: overdose surveillance, naloxone, treatment, Mexican precursor interdiction, lab dismantlement, chemical forensics, customs analytics, and financial intelligence capacity.

VI. What the Evidence Can and Cannot Show about Causality

The causal question is important but unresolved: did Chinese precursor controls and enforcement contribute to the decline in U.S. overdose deaths? The answer is plausible but not proven.

The mortality decline is real. CDC/NCHS final data show total overdose deaths fell sharply between 2023 and 2024, driven mostly by the drop in deaths involving synthetic opioids other than methadone. Provisional CDC data suggest a continued decline in 2025.⁵⁸ At the same time, U.S. official assessments continue to identify PRC-sourced precursor chemicals and equipment as important to Mexican cartel fentanyl production.⁵⁹ If illicit fentanyl production depends in part on upstream chemical supply, then disruption at that level could affect fentanyl availability in North America.

The supply shock argument strengthens that plausibility. Vangelov et al. argue in *Science* that the overdose decline is consistent with a major illicit fentanyl supply shock, possibly tied to Chinese precursor control actions.⁶⁰ That argument deserves serious attention because it links mortality trends to upstream supply conditions rather than treating the overdose decline as only a public health story. But it does not establish that China's policies were the sole or primary cause of the decline.

⁵⁵ U.S. Department of State. (2025). *FY2026 State Department budget appendix | International Narcotics Control and Law Enforcement*. <https://www.govinfo.gov/content/pkg/BUDGET-2026-APP/pdf/BUDGET-2026-APP-2-16.pdf>; Congressional Research Service. (2026). *State-Foreign Operations FY2026 budget and appropriations*. <https://www.congress.gov/crs-product/R48624>

⁵⁶ Reuters, *Trump's foreign aid freeze stops anti-fentanyl work in Mexico*.

⁵⁷ U.S. Senate Committee on Appropriations. (2026). *Congress approves FY 2026 Commerce, Justice, and Science appropriations bill*.

<https://www.appropriations.senate.gov/news/majority/congress-approves-fy-2026-commerce-justice-and-science-appropriations-bill>

⁵⁸ CDC/NCHS, *VSRR provisional drug overdose death counts*.

⁵⁹ FinCEN, *Fentanyl-related illicit finance*; DEA, *2025 National Drug Threat Assessment*.

⁶⁰ Vangelov et al., *Did the illicit fentanyl trade experience a supply shock?*

Other indicators point in the same direction but do not settle the question. Customs and Border Protection (CBP) seizure data, DEA seizure figures, reported changes in fentanyl purity or availability, and the emergence of adulterants and substitutes such as xylazine, medetomidine, and nitazenes all suggest a changing drug market.⁶¹ But seizures are not direct measures of availability, price, purity, or mortality risk. Nor can supply side indicators fully separate the effects of Chinese precursor controls from Mexican cartel dynamics, U.S. interdiction, naloxone access, treatment, changes in user behavior, or local public health interventions.

China's own account also fits the supply-disruption story, but only up to a point. Beijing says it has imposed class-wide controls on fentanyl-related substances, controlled several precursor chemicals, removed online advertisements, acted against platforms, and exchanged information with the United States. Those official claims show that China has taken measures relevant to upstream supply. They do not independently prove that Chinese enforcement caused the fall in U.S. overdose deaths.

The conclusion is limited but important. Chinese controls and enforcement may have contributed to broader supply side disruption, but no single factor explains the overdose decline. That means the United States should continue pressing China on precursor control, online brokerage, logistics channels, and illicit finance. It should also keep investing in treatment, naloxone, overdose surveillance, and harm reduction, because even effective supply side disruption cannot substitute for the public health tools that keep Americans alive.

VII. Recommendations for Congress

Congress should focus on making China-related fentanyl cooperation measurable, durable, and adaptive. The goal is not to criticize agency performance, but to strengthen the tools agencies need to track Chinese commitments, disrupt illicit supply chains, and protect domestic public-health capacity.

Recommendation 1: Require a regular interagency assessment of China-related fentanyl supply chain risk

Congress should require the executive branch to submit a semiannual interagency assessment of China-related fentanyl supply chain risk, with a classified annex where necessary. The assessment should be coordinated through existing interagency structures and draw on the State Department, DEA, DOJ, DHS/CBP, HSI, Treasury/FinCEN, OFAC, FDA, CDC, ONDCP, and the intelligence community.

The assessment should protect active investigations, intelligence sources, and sensitive foreign liaison relationships. Its purpose should be to help Congress evaluate whether Chinese commitments are producing operational results. The assessment should cover new Chinese controls on fentanyl precursors, near-substitutes, and emerging synthetic opioids; evidence of export license denials, customs inspections, seizures, arrests, prosecutions, convictions, firm closures, or administrative penalties; action against online vendors, brokers, sales representatives, and repeat offenders; whether sanctioned or indicted actors reappear under new names, affiliates, or third-country routes; cooperation with Mexico and Canada; the speed of Chinese regulatory response when U.S. agencies identify new chemicals or routes of concern; and progress disrupting payment channels, underground banking, crypto wallets, and trade-based laundering linked to precursor procurement.

⁶¹ CBP's nationwide dataset shows fentanyl seizures rising from 11,201.3 pounds in FY2021 to 14,699.9 pounds in FY2022 and 27,022.9 pounds in FY2023, then falling to 21,889.2 pounds in FY2024 and 11,459.0 pounds for FY2025 through August. U.S. Customs and Border Protection. (2024). *Nationwide drug seizures dataset FY21–FY24*. <https://www.cbp.gov/sites/default/files/2024-10/nationwide-drugs-fy21-fy24.csv>; U.S. Customs and Border Protection. (2025). *Nationwide drug seizures dataset FY22–FY25 FYTD August*. <https://www.cbp.gov/sites/default/files/2025-09/nationwide-drugs-fy22-fy25-aug.csv>; U.S. Department of Justice. (2025). *Justice Department highlights DEA drug seizures for first half of 2025*. <https://www.justice.gov/opa/pr/justice-department-highlights-dea-drug-seizures-first-half-2025-successful-operations-over>

Congress could advance this requirement through the NDAA, State-Foreign Operations appropriations, DHS appropriations, DOJ appropriations, Treasury appropriations, or fentanyl-specific legislation.

Recommendation 2: Request recurring classified briefings on emerging precursors and substitute synthetic opioids

Congress should request recurring classified or controlled-access briefings on emerging precursor chemicals, substitute synthetic opioids, adulterants, and high-risk trade patterns. These briefings should build on existing agency work rather than create a new bureaucracy.

The briefings should cover newly identified precursor chemicals; nitazenes, xylazine, medetomidine, and other emerging risks; high-risk trade patterns; transshipment routes; and gaps between U.S., Chinese, Mexican, and Canadian controls.

Recommendation 3: Preserve and target funding for international narcotics-control cooperation

Congress should identify and protect programs that directly disrupt fentanyl supply chains, including programs supporting Mexico and other partners on precursor interdiction, clandestine lab dismantlement, chemical forensics, canines, customs training, and financial investigations.

Congress should determine which international narcotics control programs are essential to fentanyl supply chain disruption and protect or restore them where needed. That approach avoids overstating the funding record while keeping attention on the operational capacity needed to disrupt supply chains.

Recommendation 4: Protect overdose surveillance, naloxone access, and treatment capacity

Congress should preserve funding for overdose surveillance, naloxone distribution, medications for opioid use disorder, State Opioid Response grants, and local public health capacity.

Supply chain enforcement can reduce exposure to illicit fentanyl, but public health capacity determines how many people survive exposure. Congress should therefore require a clearer program-level accounting of which overdose surveillance, naloxone, treatment, and local response programs have been preserved, reduced, paused, restored, or redirected.

Recommendation 5: Strengthen targeted sanctions and require follow-up on network adaptation

Congress should support targeted sanctions against foreign chemical suppliers, brokers, logistics facilitators, and money launderers involved in illicit synthetic opioid supply chains. It should also require Treasury to brief relevant committees on whether sanctioned actors reconstitute, relocate, use affiliates, or shift into crypto, stablecoins, trade-based laundering, or third country routes.

Sanctions should be judged not only by the number of designations, but by whether they disrupt networks or merely displace them.

Recommendation 6: Make fentanyl-linked money laundering a standing oversight priority

Congress should require Treasury and FinCEN to brief relevant committees on fentanyl-linked financial flows involving China-based chemical suppliers, Mexico-based buyers, underground banking networks, mirror transactions, trade-based laundering, and crypto. FinCEN's 2025 materials underscore the centrality of fentanyl-linked finance and Chinese money-laundering networks.

Congress should also encourage Treasury and State to explore a narrow, operational anti-money-laundering information channel with China focused on fentanyl-related financial crime. Such a channel should protect sensitive financial intelligence and should not become a broad financial cooperation initiative.

Recommendation 7: Support a North America-plus-China operational channel

Congress should encourage the executive branch to connect three tracks: U.S.-China counternarcotics cooperation; U.S.-Mexico-Canada fentanyl and precursor cooperation; and Treasury/FinCEN anti-money-laundering cooperation.

This does not require a new treaty organization. A practical recurring dialogue among customs, drug control, financial intelligence, and law enforcement officials may be more useful. The focus should be on precursor shipments, suspicious exporters, payment flows, and emerging synthetic drug substitutes.

Recommendation 8: Use precise congressional language

Congress should be tough on Chinese precursor suppliers, brokers, online vendors, logistics facilitators, and laundering networks. But it should avoid language suggesting that China alone caused America's fentanyl crisis or that all Chinese chemical firms are complicit.

A stronger formulation is this: China did not cause America's fentanyl crisis, but Chinese industrial and financial networks remain critical upstream risk nodes. Congress should focus on making Chinese cooperation measurable, durable, and adaptive.