

Congress of the United States
Washington, DC 20515

January 9, 2003

Ambassador Yang Jiechi
Embassy of the People's Republic of China
2300 Connecticut Avenue, NW
Washington, DC 20008

Dear Ambassador Jiechi:

We are deeply concerned about the imprisonment of Mr. Jude Shao, an American citizen convicted in a Chinese court of law for allegedly committing tax fraud. Mr. Shao moved to China nearly ten years ago to establish and run a trading company in Shanghai. Seven years later, he found himself in Shanghai Qing Pu prison serving a sixteen-year sentence for a crime he claims he did not commit. To this day, Mr. Shao, family, and friends claim he is innocent and is the scapegoat for other companies that actually committed the crime.

We have been advised that Mr. Shao founded his trading company, China Business Ventures (CBV), in Shanghai in 1993. We have also been told that in July 1997 local tax auditors arrived at CBV's Shanghai office and seized CBV's accounting records, immediately focusing on 53 invoices for Value Added Tax (VAT) that CBV had received from two government owned import companies. We understand that CBV, an American owned company, had worked with Chinese import companies to bring the medical equipment into China and to pay the VAT.

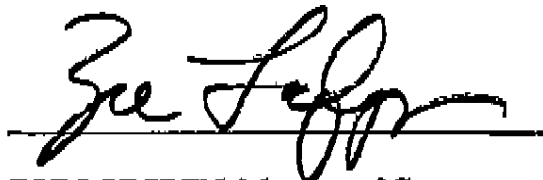
We have been further advised that Mr. Shao was solicited for a \$60,000 bribe to stop the investigation, but he refused. Mr. Shao claims the lead auditor in his case said that if CBV agreed to post a RMB 500,000 "special tax audit bond" (about US \$60,000) he would return CBV's accounting books and the "special tax audit" would stop. Mr. Shao never posted the "bond."

In April of 1998, Mr. Shao claims he was arrested and told by the police that they were asked to "teach him a lesson." He says he was held incommunicado for the next 26 months. In June 1999, a trial was held in Shanghai No. 1 Intermediate Court, but Mr. Shao says he was unable to prepare a meaningful defense because he was never able to meet with his attorney, who was hired only ten days prior to the start of the trial. We have been advised that neither Mr. Shao, nor his attorney, was able to review the evidence against him. In March 2000, the Court issued a ruling convicting Mr. Shao of two tax crimes and sentenced him to sixteen years in jail. Appeals to the Shanghai High Court have been ineffective because Mr. Shao claims they refuse to hear his exculpatory evidence. He also states that the High Court has been blocking his appeal to the Supreme Court of China.

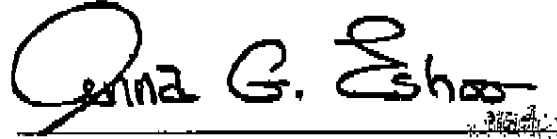
As we forge a cooperative relationship between our two nations, we ask that you work to ensure due process protections of American citizens doing business in your country, like Mr. Jude Shao. Given the questionable veracity of the facts alleged and used to convict Mr. Shao, we respectfully request that you review Mr. Shao's case and consider working to release him from serving fourteen more long years of a sixteen-year sentence.

We greatly appreciate your consideration of this very important request and look forward to your reply.

Sincerely,



ZOE LOFGREN, Member of Congress



ANNA G. ESHOO, Member of Congress



MICHAEL M. HONDA, Member of Congress