

Why GAO Did This Study

Each year, the federal government spends billions of dollars to develop and acquire advanced technologies in order to maintain U.S. superiority in military technology. The U.S. government permits and facilitates the sale and transfer of its technologies to allies in order to promote U.S. national security, foreign policy, and economic interests. However, these technologies can be targets for theft, espionage, reverse engineering, illegal export, and other forms of unauthorized transfer. Accordingly, the U.S. government administers programs to identify and protect its critical technologies.

GAO (1) assessed the progress of the various agencies' efforts and identified implementation challenges, if any, to reform programs and processes to protect critical technologies; and (2) determined the extent to which cognizant agencies are coordinating with stakeholder agencies on their respective reform efforts to ensure effective collaboration. GAO reviewed laws, regulations, and guidance, as well as documentation of agency initiatives to reform programs that protect critical technologies and interviewed officials from lead and stakeholder agencies.

What GAO Recommends

To ensure a consistent and collaborative approach to the protection of critical technologies, GAO recommends that agencies with lead and stakeholder responsibilities take steps to promote and strengthen collaboration mechanisms among their respective programs.

View [GAO-15-288](#). For more information, contact Marie A. Mak at (202) 512-4841 or makm@gao.gov.

CRITICAL TECHNOLOGIES

Agency Initiatives Address Some Weaknesses, but Additional Interagency Collaboration Is Needed

What GAO Found

The agencies responsible for eight programs designed to protect critical technologies have implemented several initiatives since 2007, but face some implementation challenges. Agencies have made progress addressing previously identified weaknesses in response to changes in law, GAO recommendations, or agencies' own internal identification of them. For instance, the area of export controls has seen significant action for reform, based on an April 2010 framework announced by the administration. Other programs, such as the Committee on Foreign Investment in the United States, have undergone reform through legislative requirements. As shown in the table below, multiple agencies have responsibility for these eight programs designed to protect critical technologies.

Selected U.S. Government Programs for the Identification and Protection of Critical Technologies

Program	Lead agencies and stakeholders agencies
International Traffic in Arms Regulations export controls	State (lead), Defense, Homeland Security, and Justice
Export Administration Regulations export controls	Commerce (lead), State, Central Intelligence Agency, Defense, Energy, Homeland Security, and Justice
Anti-Tamper Policy	Defense
Foreign Military Sales Program	State (lead), Defense, and Homeland Security
National Disclosure Policy Committee	Defense (lead), State, and intelligence community
Militarily Critical Technologies Program	Defense
National Industrial Security Program	Defense (lead), applicable to other departments and agencies
Committee on Foreign Investment in the United States	Treasury (lead), Commerce, Defense, Energy, Homeland Security, Justice, State, and others

Source: GAO | GAO-15-288

However, some of these eight programs have additional challenges that remain to be addressed. For example, the Department of Defense (DOD) has not yet completed an evaluation of the Militarily Critical Technologies List or potential alternatives in response to GAO recommendations regarding the need to determine the best approach for meeting users' requirements for a technical reference. Further, DOD and the Department of Homeland Security still need to take additional actions to improve shipment tracking and verification procedures of arms sales to foreign allies for the Foreign Military Sales program.

Both existing mechanisms and some new initiatives among the critical technologies programs support collaboration, but collaboration among lead and stakeholder agencies remains a challenge. GAO's September 2012 work on interagency collaboration mechanisms notes that many of the meaningful results the federal government seeks to achieve require the coordinated efforts of more than one federal agency. Recent initiatives have resulted in improved interagency collaboration. For example, DOD offices now communicate with non-DOD agencies through a formally instituted group to discuss potential technology transfers to foreign governments. However, current collaboration mechanisms do not involve direct communication among all the programs in the protection of critical technologies portfolio. Improved collaboration among the programs and agencies involved in the protection of critical technologies could help increase their efficiency and effectiveness.