

GAO Highlights

Highlights of [GAO-23-105534](#), a report to congressional committees.

Why GAO Did This Study

The COVID-19 pandemic and the war in Ukraine resulted in economic fallout that disrupted global supply chains and highlighted their vulnerabilities. Supply chain disruptions have resulted in shortages in multiple sectors, and continue to present economic challenges.

In February 2021, Executive Order 14017, “America’s Supply Chains,” directed a whole-of-government approach to assessing vulnerabilities in, and strengthening the resilience of, critical supply chains. It also highlighted the need for international coordination. Subsequent reviews recommended steps to strengthen supply chain resilience, including increased international coordination. Commerce, State, and USTR have key roles in advancing U.S. economic interests and responding to Executive Order 14017.

The CARES Act includes a provision for GAO to report on its ongoing monitoring and oversight efforts related to the COVID-19 pandemic. This report describes (1) Commerce, State, and USTR’s diplomatic efforts to strengthen supply chains since the onset of the pandemic and (2) challenges coordinating with allies and partners. GAO reviewed agency documents and interviewed agency officials.

View [GAO-23-105534](#). For more information, contact Kimberly Gianopoulos at (202) 512-8612 or gianopoulosk@gao.gov.

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SUPPLY CHAIN RESILIENCE

Agencies Are Taking Steps to Expand Diplomatic Engagement and Coordinate with International Partners

What GAO Found

Since the onset of the COVID-19 pandemic, the Departments of Commerce, State, and the Office of the U.S. Trade Representative have expanded diplomatic engagement on strengthening supply chains. As of October 2022, these agencies have initiated over a dozen engagements, including dialogues, working groups, and forums, to coordinate with allies and partners on supply chain resilience. The agencies have coordinated with allies and partners to develop supply chain principles and plans, which include efforts to address disruptions from the pandemic and the war in Ukraine. For example, the Supply Chain Ministerial Forum led to agreement on global supply chain principles. In addition, the U.S.-European Union Trade and Technology Council established a Secure Supply Chains working group that identified shared supply chain vulnerabilities.

U.S.-European Union Trade and Technology Council meeting, September 2021



Source: Department of State. | GAO-23-105534

According to agency officials, the primary challenges they face include (1) barriers to data collection, (2) limited flexibility in established trade agreements and programs, and (3) pandemic-related delays or virtual alternatives to meetings, which have hampered effective diplomacy. To address data collection challenges, agency officials said they have developed multiple data collection and analysis initiatives. These initiatives include mapping exercises in which participating stakeholders from the U.S. and partner nations share information about how goods flow through the production process. Also, in May 2022, agencies announced a pilot with European counterparts for a joint early alert system to more effectively share data on potential bottlenecks in the semiconductor supply chain. In addition, to address challenges and further improve coordination, agencies requested additional staffing resources to enhance diplomacy efforts related to supply chain resilience.