







A report to congressional committees.

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**What GAO Found**

Since fiscal year 2020, the Department of State and the U.S. Agency for International Development (USAID) have used an interagency proposal process to allocate funding for countering Chinese influence projects. An interagency working group has overseen the process and drafted annual guidance for bureaus and posts around the world to submit proposals for funding. The guidance specifies that proposals should address specific lines of effort, which include issue areas such as economic coercion and military exports. However, the proposal process does not require bureaus and posts to seek input from key stakeholders with issue area or regional expertise. Providing documented input on proposals could help the working group better assess the feasibility of proposed projects and ensure approved proposals are designed to effectively address priorities for countering Chinese influence.

**Examples of Fiscal Year 2024 Countering Chinese Influence Lines of Effort**

Lines of effort					
Non-security assistance			Security assistance		
					
Counter PRC efforts to reshape the United Nations	Counter PRC economic coercion tactics	Counter PRC efforts to expand its authoritarian system	Counter PRC nuclear energy efforts	Counter PRC military sales and exports	Counter PRC development of military technology

Legend: PRC = People's Republic of China.

Source: Department of State (data); (icons left to right) Fragneel, svtlana, mia, antonbelo, qeeraw, qeeraw/stock.adobe.com. | GAO-26-107822

State and USAID reported funding an estimated 470 projects valued at about \$1.2 billion from fiscal years 2020 to 2023, but working group officials do not have readily available and reliable data on the types and status of these projects. In response to GAO's request, officials stated they had to ask the bureaus and overseas posts managing the projects to compile data from various sources, resulting in incomplete data and errors. For example, of the estimated 470 projects, officials did not provide data on time frames for 129 and lines of effort for 38. Officials also lacked data on the specific projects funded from nearly a third of the approved proposals. As a result, working group officials lack critical information to track how funds were used and determine whether the funding ultimately supports the activities described in approved proposals.

The working group has not assessed the results of efforts to counter Chinese influence across the portfolio of projects. Although State and USAID began developing a framework to do so in 2023, the agencies were still in the early stages of developing it when a January 2025 executive order paused obligations of foreign assistance funds. As of March 2026, officials said that State is uncertain about whether it would resume developing the framework. Without a process for assessing results across the portfolio of funded projects, working group officials and other stakeholders lack evidence to determine the effectiveness of projects, which could help inform future funding decisions.

**Why GAO Did This Study**

The People's Republic of China and the U.S. are engaged in economic and geopolitical competition spanning trade, security, and the development of advanced technology. Since fiscal year 2020, Congress has directed expenditure of at least \$1.6 billion from specified appropriations accounts to counter Chinese influence. State and USAID administered this funding.

The Senate report accompanying legislation that became the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2024, includes a provision for GAO to review this funding. This report examines (1) State and USAID's decision-making processes for the use of the funds, (2) the extent State and USAID maintained reliable data on the use of the funds, and (3) State and USAID's efforts to assess results of projects countering Chinese influence.

GAO reviewed agency documents, interviewed agency officials, and analyzed State and USAID project data from fiscal years 2020-2023, which are the latest data available on funded projects.

**What GAO Recommends**

GAO is making five recommendations, including that State require documented input from key participants on proposals for projects to counter Chinese influence, collect and periodically update complete data on funded projects, and develop a process for assessing results across the portfolio of funded projects. State concurred with the recommendations.