

# Pinpointing Key Defense Supply Chain Priorities for 2021 and Beyond



**A new House Armed Services Committee report details some of the key steps that need to be taken in order to strengthen the nation's defense supply chain.**

Over the past 18 months, U.S. supply chains have firmly established themselves as an issue of both economic security and national security. “Late night calls in search of masks for our nurses, hand sanitizer for our citizens, and microchips for our automakers, laid bare these vulnerabilities in the commercial sector,” the House Armed Services Committee (HASC) says in its recent *Report of the Defense Critical Supply Chain Task Force*.

These realities have placed a new focus on defense supply chains—those international networks that provide the goods and services needed to deliver finished products to the Department of Defense (DOD)—and how those networks were prepared to respond to supply shocks. And while COVID-19's impacts continue to emerge and linger, the HASC says they also provided “valuable insights and underscored the imperative to act on them.”

“It is now incumbent on the US government, in concert with industry and allied nations, to mitigate critical defense supply chain risks,” the committee states, “increase surge capacity, and enhance resilience by increasing the diversity of sources.”

## Making the Supply Chain a Legislative Priority

Established to make the security of the U.S. defense supply chain a legislative priority, the Defense Critical Supply Chain Task Force also provides specific legislative proposals to mitigate risk now, rather than waiting to respond to the next crisis. The report says the Task Force's work has “highlighted

critical supply chain risks, revealed the need to build supply chain resilience, and thereby decrease our reliance on overseas resources, especially from China.”

“The Defense Department may soon have to create a supply chain risk assessment strategy and a plan for how to deal with materials and supplies manufactured in adversarial nations,” *Washington Technology* states in an article detailing the new DASC report.

The publication says HASC formed the Task Force in March with the aim of investigating defense supply chain vulnerabilities for materials and supplies, such as semiconductors, rare earth elements, and chemicals and pharmaceuticals, as well as foreign manufacturing concerns exacerbated during the pandemic.

The final report included 20 recommendations, six of which were geared toward lessening U.S. dependence on foreign suppliers through legislative solutions to be introduced in the 2022 National Defense Authorization Act. “Creating a comprehensive supply chain strategy was chief among them,” *Washington Technology* adds.

## 6 Key Recommendations

After hearing from experts on various parts of the defense critical supply chain, the Task Force developed these six recommendations as legislative proposals for inclusion in the National Defense Authorization Act (NDAA):

1. DOD must treat supply chain security as a defense strategic priority.
2. DOD must have visibility on the defense supply chain to understand its vulnerabilities and develop risk mitigation strategies.
3. DOD and the nation as a whole need to reduce reliance on adversaries for resources and manufacturing.
4. DOD must use its influence to facilitate workforce improvement by creating a productive partnership between the Department, industry, education partners, labor, and other federal and local entities.
5. DOD should deploy the full range of American innovation to secure the supply chains involving rare earth elements.

### **Addressing an Ongoing Concern**

An ongoing concern for the Pentagon, supply chain vulnerabilities have received more attention in recent years thanks to the foreign manufacturing of technologies such as small drones, semiconductors and microelectronics, *Washington Technology* adds.

“This problem will not age well. This report makes concrete recommendations that help mitigate these risks, enhance our resilience and better secure our defense supply chain,” Rep. Mike Gallagher (R-Wis.), the task force’s co-chair, said in a statement. “It’s critical we take action before it’s too late.”