

U.S. Government Takes Action to Strengthen the National Supply Chain



During the inaugural convening of the new White House Council on Supply Chain Resilience, President Biden unveiled more than 30 new actions, all of which are focused on strengthening America's supply chains.

Much like individual organizations have been paying more attention to their supply chains lately, Uncle Sam has also taken an increased interest in ensuring that these critical networks function properly and perform as expected. Credit the pandemic-related supply chain snarls with raising awareness of a business function that, up until March 2020, largely operated behind the scenes and out of the spotlight.

In November, the White House laid out new plans to further strengthen America's supply chains. The full scope of those plans was unveiled at the inaugural convening of the [White House Council on Supply Chain Resilience](#) on Nov. 27. During the meeting, President Biden announced 30 new actions aimed at strengthening America's supply chain, lowering costs for American families and warning companies against taking advantage of inflation by price gouging.

Assessing Supply Chain Challenges and Opportunities

The White House Council on Supply Chain Resilience is a cabinet-level council that's focused on the challenges and opportunities of America's supply chains. The council comprises 19 different federal agencies and departments, including the Departments of Commerce, Transportation, Defense and Homeland Security.

"Robust supply chains are fundamental to a strong economy. When supply chains smooth [out], the prices fall for goods, food, and equipment, putting more money in the pockets of American families, workers, farmers, and entrepreneurs," the White House said in a [fact sheet on the new development](#).

Along with the Council on Supply Chain Resilience, other steps that the government is taking on the supply chain front include (but aren't limited to):

- **The Defense Production Act will be used to make more essential medicines in America and mitigate drug shortages.** Biden will issue a Presidential Determination to broaden the Department of Health and Human Services' (HHS) authorities under Title III of the Defense Production Act (DPA) to enable investment in domestic manufacturing of essential medicines, medical countermeasures and critical inputs that have been deemed by the President as essential to the national defense. HHS has identified \$35 million for investments in domestic production of key starting materials for sterile injectable medicines.
- **New cross-governmental supply chain data-sharing capabilities.** The Administration has developed several cross-government partnerships to improve supply chain monitoring and strategy, including:

- The Department of Commerce’s new, first-of-its-kind Supply Chain Center is integrating industry expertise and data analytics to develop innovative supply chain risk assessment tools, and is coordinating deep-dive analyses on select critical supply chains to drive targeted actions to increase resilience.
- The Department of Transportation’s (DOT) Freight Logistics Optimization Works (FLOW) program is a public-private partnership that brings together U.S. supply chain stakeholders to create a shared, common picture of supply chain networks and facilitate a more reliable flow of goods.
- New analytical capabilities that will help the White House Council on Supply Chain Resilience coordinate a more complete, whole-of-government critical supply chain monitoring function.

Planning for Long-Term Resilience

According to the White House, the new council will complete the first quadrennial supply chain review by the end of next year. As part of the review, the council will update criteria on industries, sectors and products defined as critical to national and economic security. In addition, 12 months after the council promulgates the criteria, and annually thereafter, the Council will apply the criteria to review and update the list of critical sectors, as appropriate.

In addition, DOE’s Office of Energy Efficiency and Renewable Energy (EERE) Advanced Materials and Manufacturing Technologies Office (AMMTO) is sponsoring a study by the National Academies of Science, Engineering and Medicine to develop a nationwide plan for smart manufacturing. “The report will establish key priorities for investment to support new digital and artificial intelligence technologies,” the White House says. “These investments will enhance the productivity and security of the manufacturing systems that are critical for maintaining domestic supply chains.”