

MEMORANDUM FOR SENATE FINANCE COMMITTEE DEMOCRATIC LAS

From: Senate Finance Trade Subcommittee - Democratic Staff

Date: Thursday, May 16, 2024

Re: Finance Trade Subcommittee Hearing – ‘Examining Trade Enforcement and Entry of Merchandise at U.S. Ports’

On Tuesday, May 21, at 2:30pm in 215 Dirksen, the Senate Finance Subcommittee on International Trade, Customs, and Global Competitiveness will hold a hearing titled “Examining Trade Enforcement and Entry of Merchandise at U.S. Ports.”

The hearing will explore U.S. Customs and Border Protection (CBP) policies and procedures for goods entering the United States, how the actions of CBP agents and longshoremen at ports of entry keep Americans safe, and how current issues and challenges to existing laws can be addressed to improve port operations. Specifically, the hearing will examine port operations and workflow, efforts to alleviate port congestion and supply chain bottlenecks, and enforcement of trade laws at ports of entry, and how policies like Section 321 of the Tariff Act of 1930 (i.e., the “de minimis” statute) and the Uyghur Forced Labor Prevention Act (UFLPA) impact merchandise entering the United States.

The hearing will consist of three witnesses on one non-governmental panel. The following witnesses will testify:

- **John Pickel** – Senior Director for International Supply Chain Policy, National Foreign Trade Council, Washington, DC
- **James H. Paylor, Jr.** – Assistant General Organizer, International Longshoreman’s Association, Pocono Pines, Pennsylvania
- **John Drake** – Vice President for Transportation, Infrastructure, Supply Chain Policy U.S. Chamber of Commerce, Washington, DC

I. Witness Biographies



John Pickel is Senior Director of International Supply Chain Policy at the National Foreign Trade Council, the leading business association dedicated solely to advancing the interests of U.S. companies in international commerce. In this role, John sets strategic direction and executes efforts to promote efficient, resilient and stable supply chains. This includes advancing policies related to anticounterfeiting, product safety, environmental sustainability, human and labor rights, and preventing illicit trade. He also promotes the implementation of trade facilitation

measures and customs best practices across government agencies and international organizations to increase predictability and enable compliance with U.S. trade laws. John previously served as the Principal Director of Trade and Economic Competitiveness in the Department of Homeland Security’s (DHS) Office of Strategy, Policy, and Plans (Policy), where he was a primary trade and supply chain policy advisor to agency leadership, served as the DHS representative to

various interagency groups and processes, and led implementation of trade-related initiatives across DHS components. Prior to joining DHS Policy, John served in various roles at U.S. Customs and Border Protection (CBP) over a decade. More recently, he was the Counsellor to the Commissioner for trade facilitation and enforcement matters. In addition to advising CBP executives on trade policy issues, John led engagement with senior administration officials, the trade community, and others to inform the development and implementation of CBP trade priorities. Earlier, John coordinated CBP Congressional Affairs efforts related to trade policy. In this role, he worked closely with Members of Congress and senior staff to shape legislation including the Trade Facilitation and Trade Enforcement Act of 2015 (TFTEA) and Synthetics Trafficking and Overdose Prevention (STOP) Act. John has represented companies, nonprofit organizations, and cities before Congress and federal agencies at a government relations firm and worked in a leadership office in the U.S. House of Representatives.



James H. Paylor, Jr was unanimously re-elected as Assistant General Organizer of the International Longshoremen's Association at the union's 2023 Quadrennial Convention. He was first elected to this position in 2015. In this position, Paylor works with the ILA's General Organizer, heading up the ILA's Organizing efforts throughout the United States, Canada and Puerto Rico.

Prior to his election to one of the ILA's top seven International Executive Officers positions, Paylor served on the ILA's Executive Council as a Vice President representing the Ports of Philadelphia and Wilmington since 1995. From 1989 until 1995, Paylor was a Vice President and Executive Board Member on the ILA's Atlantic Coast District, ILA. Jim was first elected as President of Local 1566 at the age of 25 in 1981. A third-generation longshoreman and ILA member, Paylor's father worked on the Philadelphia waterfront after serving in the U.S. Armed Forces during the Korean War. James Paylor immediately started working on the Philadelphia waterfront in 1973 after graduating South Philadelphia High School.

Paylor launched his ILA career working in the hold of the vessel with Local 1291, and later transferred to ILA Local 1566 working as a Ships Carpenter. Paylor furthered his education attending St Joseph's University, School of Industrial Relations. He also coached High School Football at St John Neumann High School.

James Paylor has served on multiple Trust Funds and as Chairman of the PMTA/ILA Pension fund. He now serves as a Trustee on the coast-wide ILA medical plan, MILA. Within the past year, ILA President Harold Daggett has asked Paylor to direct the ILA's effort to secure work for ILA Longshore members in the expanding Windmill Turbine projects at many U.S. Ports.

Paylor has three children and eight grandchildren and resides in Pocono Pines, Pennsylvania, with his wife Terry.



John Drake is vice president for transportation, infrastructure, supply chain policy at the U.S. Chamber of Commerce, the world’s largest business advocacy organization. In his role, Drake is responsible for representing the business community on transportation, infrastructure, and supply chain issues before Congress, the administration, the media, the business community, and other stakeholders. Drake is also a member of the Commercial Customs Operations Advisory Committee, which advises the U.S. Customs and Border Protection on improvements to U.S. trade.

Drake comes to the Chamber from Amazon, where he was a senior manager for public policy. He coordinated segments of Amazon’s business with regulators at the Department of Transportation, the Environmental Protection Agency, and Congress.

Prior to Amazon, Drake was a senior appointee at the Department of Transportation. There he led the government affairs office of the Federal Motor Carrier Safety Administration, served as a deputy assistant secretary for transportation policy, and was deputy administrator to the Pipeline and Hazardous Materials Safety Administration. He also spent nearly 10 years on Capitol Hill, including as a professional staff member on the Senate Commerce, Science, and Transportation and the House Transportation and Infrastructure committees. Earlier, he was the American Trucking Associations’ top representative to the Senate. Drake holds a bachelor’s degree in philosophy from the University of California, Santa Cruz. He lives in Alexandria, Virginia, with his wife and two children

II. Background

A. Customs and Border Protection (CBP)

To pay for the Revolutionary War, the U.S. Congress passed, as its second act, the Tariff Act of 1789 to impose duties on imported merchandise. Its fifth act was to establish the U.S. Customs Service to facilitate the collection of duties at ports of entry. When CBP was created in 2003, it was given a dual mission of safeguarding our nation’s borders and ports from terrorist attacks, and also regulating and facilitating international trade. CBP is responsible for collecting import and antidumping and countervailing duties (AD/CVD) and ensuring importers fully comply with all applicable laws, regulations, quotas, Free Trade Agreement (FTA) requirements, and intellectual property provisions.¹

Today, CBP administers U.S. tariffs and trade laws at the border and at U.S. ports of entry. Over the years, CBP’s mission has expanded to include border security in addition to its dual mandate of trade facilitation and trade enforcement. As trade facilitation and trade enforcement have become increasingly important to the U.S. economy, the Finance Committee has sought to help

¹NTEU National President Doreen Greenwald. Statement for the Record Committee on Homeland Security United States House of Representatives. “Exploitation and Enforcement: Evaluating the Department of Homeland Security’s Efforts to Counter Uyghur Forced Labor”. October 19, 2023.

CBP achieve an appropriate balance among its discrete missions. The Finance Committee has jurisdiction over CBP insofar as its functions pertain to matters relating to trade facilitation and trade regulation. The Finance Committee has jurisdiction over the CBP Commissioner. The Finance Committee does not have jurisdiction over the immigration functions of CBP.

FY2024 Funding for CBP

The Fiscal Year (FY) 2024 funding bill provided \$19.6 billion in funding to strengthen security between and at ports of entry, an increase of more than \$3 billion above the President's request.² The bill included \$374 million for non-intrusive inspection (NII) equipment at ports of entry to combat fentanyl and other illicit smuggling. The bill provided funding for more than 2,000 additional agents (bringing the total funded level to 22,000) and 150 new port of entry officers.

The FY2024 funding bill provided over \$400 million for CBP to improve the detection and seizure of fentanyl and other narcotics at ports of entry with NII equipment, and personnel. The funding expanded CBP's outbound operations on the southwest border with dedicated outbound capabilities to stop the flow of currency, firearms, and other contraband resulting from the sale of fentanyl.³

CBP Statistics

CBP employs approximately 30,000 personnel across the United States including 25,500 CBP Officers at the ports of entry; 2,800 Agriculture Specialists at the ports of entry; 1,380 Import Specialists, Entry Specialists, and Drawback Specialists located at the agency's Centers of Excellence and Expertise in the field; 1,050 CBP Technicians; 300 Fines, Penalties, Forfeitures Specialists located at or near the ports of entry; and 1,100 personnel working within CBP's Office of Trade.

In FY2023, CBP processed over \$5 trillion in combined imports/exports. In FY2023, the agency processed more than 36.6 million imported cargo containers at U.S. ports of entry and collected approximately \$92.3 billion in duties, taxes, and other fees on behalf of the U.S. government. These figures represent a 17.46 percent decrease over FY2022 but a 14.37 percent increase over the past five fiscal years. In FY2023, CBP processed over 1 billion de minimis shipments (i.e., shipments of merchandise imported by one person or company in one day valued at \$800 or less that may be imported free of duties or taxes) worth over \$50 billion through postal, express, and non-express facilities.

CBP's Automated Commercial Environment (ACE) provides a single window for traders that transmits import-export data to CBP and partner government agencies, streamlining trade processes for legitimate trade, while using risk analysis to identify problematic shipments. In FY2023, on an average day, ACE processed 100,356 truck, rail, and sea containers; \$9.12 billion worth of imported goods; 100,527 entry summaries for assessing duty and compliance; and \$253 million in duties, taxes, and other fees. ACE's automation and process simplification efforts resulted in increased economic benefits for both CBP and the trade community over the past

² https://www.appropriations.senate.gov/news/majority/bill-summary-homeland-security-fiscal-year-2024-B_appropriations-bill-2

³ https://www.appropriations.senate.gov/news/majority/bill-summary-homeland-security-fiscal-year-2024-B_appropriations-bill-2

fiscal year. For the trade community, ACE reduced processing times by 800,000 hours and saved \$2.64 billion. For CBP, ACE reduced processing times by 16.8 million hours and saved \$1.35 billion, enabling CBP to divert resources to other priorities. More statistics can be found in Acting CBP Director Troy Miller’s testimony [here](#).

B. Previous Customs Modernization Efforts

Trade Facilitation and Trade Enforcement Act of 2015. In 2016, Congress passed the bipartisan Trade Facilitation and Trade Enforcement Act (TFTEA), which emphasized trade enforcement. TFTEA included a number of updates to CBP’s trade facilitation and enforcement mandates, including the following:

1. *Facilitation of Legitimate Trade:* TFTEA directed CBP to modernize its automated systems and continued authorization to complete the development and implementation of ACE for processing imports and exports.
2. *Enforcement of U.S. Trade Law:* TFTEA established a CBP process for investigating whether importers are evading AD/CVD duties. Known as the Enforce and Protect Act (EAPA), this process provides a multi-party administrative proceeding with strict deadlines and judicial review to ensure accountability. Pursuant to EAPA, TFTEA provided CBP with a new ability to draw adverse inferences for failures to provide information. TFTEA also established the Trade Enforcement Trust Fund to provide new resources for trade enforcement efforts.

Because trade data is often general and does not allow for specificity in most cases, comprehensive assessments on the economic impact of “unfair trade” practices are limited. An [October 2022 USITC report](#) included some citations, including an interview with a union representative who stated that “unfair trade has devastated the paper industry in the Western United States, with unfair trade being responsible for about two-thirds of job losses in the industry and automation being responsible for the remaining third of job losses.” With respect to AD/CVD, specifically, the industries that have the most AD/CVD orders in force include the iron and steel sectors, followed by the chemical and pharmaceuticals sectors. The orders currently in place are available [here](#). Every order includes in the record a report by the USITC of how the domestic industry has been harmed, available at <https://access.trade.gov/>.

3. *Forced Labor:* Since passage of the Tariff Act of 1930, U.S. law under Section 307 of the Tariff Act has prohibited the importation of goods produced with forced labor. However, until TFTEA, the statute’s “consumptive demand” exception allowed goods made with forced labor to be imported if the United States did not produce enough of the goods domestically to satisfy domestic demand. TFTEA struck this statutory exception, closing a major loophole and giving CBP authority to bar importation of goods in many more instances of forced labor.
4. *De minimis:* TFTEA increased the *de minimis* threshold – the value of a shipment of merchandise imported by one person or company in one day that generally may be imported free of duties and taxes – from \$200 to \$800.

5. Centers of Excellence and Expertise: TFTEA established CBP’s Centers of Excellence and Expertise (CEEs) to bolster trade enforcement at ports of entry. CEEs are nationwide, industry-specific centers that enhance CBP’s enforcement of trade laws and regulations, provide uniformity of trade practices across U.S. ports of entry, and build industry expertise within CBP.
6. Intellectual Property (IP) Rights Enforcement: TFTEA established the National Intellectual Property Rights Coordination Center, which leads U.S. government coordination between federal agencies on IP rights infringement investigations, law enforcement training, and private sector and public outreach – and provided permanent CBP staffing. TFTEA also bolstered enforcement tools to protect IP rights, specifically by authorizing the seizure of circumvention devices, and by facilitating the seizure of suspect merchandise through improved coordination with IP rights holders.

The Commission on the Theft of American Intellectual Property estimates that annual costs from IP losses range from \$225 billion to \$600 billion, much of it from China. A 2020 paper by Jeff Jones from Harvard’s Belfer Center estimates that Chinese IP theft is costing U.S. industry in the range of \$180 billion to as high as \$540 billion per year.

7. Collaboration with Partners: TFTEA created the Commercial Customs Operations Advisory Committee (COAC) to advise Treasury and DHS on all matters involving the commercial operations of CBP, including advising on significant proposed changes to regulations, policies, or practices. TFTEA also improved consultations among CBP, Congress, and the trade community.
8. Illegal Trafficking of Fish, Wildlife, and Other Materials: TFTEA ensured that CBP personnel would be trained in the detection, identification, seizure, and forfeiture of cultural property, archaeological or ethnological materials, and illegally traded fish, wildlife, and plants.

Customs Modernization Act of 1993. Passed as part of the NAFTA Implementation Act, the Customs Modernization Act of 1993 (known as the Mod Act) was primarily focused on improving voluntary customs compliance. Most importantly for the current understanding of importer responsibility and trade enforcement, the Mod Act required importers to take “reasonable care” in providing CBP with information on the contents of shipments and allowed for penalties for failure to exercise such care. This revision obligated importers to have a greater knowledge and responsibility for customs compliance (including classification, duty rate, country of origin, etc.). Prior to the Mod Act, CBP was ultimately responsible for the accuracy of entries and importers of record and brokers made few efforts to ensure trade compliance.

The Mod Act also included improvements to audit procedures, recordkeeping, clarification on drawback, and provided for reconciliation of prior entries. It further authorized the modernization of customs procedures, operations, and IT infrastructure.

C. International Longshoremen's Association

A longshoreman is a person who loads and unloads cargo onto ships at a dock or port. Also called dockers or dock workers, longshoremen make up an integral part of the workforce in the shipping and receiving industry at ports of entry. The job requires individuals to have specialized training in different types of loading equipment and cargo including container ships, bulk cargo such as agriculture products, break bulk cargo, and roll on/roll off cargo such as cars or other wheeled cargo. The workers should be carefully trained so they know the best techniques for handling all types of cargo. Longshoremen work with CBP agents at ports of entry across the country to coordinate the movement and inspection of cargo at the waterfront and off site. Longshoremen have some of the highest injury, illness, and fatality rates of any other type of worker in the country.

The International Longshoremen's Association is the union that represents dock workers at ports and docks on the East Coast of the United States. The International Longshoremen's Association is the largest union of maritime workers in North America, representing approximately 70,000 longshoremen at 100 maritime ports. The International Longshore and Warehouse Union represents dock workers on the West Coast of the United States.

III. Current Challenges

A. Implementation of the Uyghur Forced Labor Prevention Act

The Uyghur Forced Labor Prevention Act (UFLPA) ([Public Law No. 117-78](#)), builds on Section 307 and directs the Department of Homeland Security [Forced Labor Enforcement Task Force](#) to develop a strategy for supporting enforcement of the prohibition on the importation of goods into the United States manufactured wholly or in part with forced labor in the People's Republic of China ("PRC"), especially from the Xinjiang Uyghur Autonomous Region, or Xinjiang.⁴ The UFLPA was enacted on December 23, 2021, with a June 21, 2022 effective date and created a rebuttable presumption that goods mined, produced, or manufactured wholly or in part in Xinjiang or by an entity on the UFLPA Entity List are made with forced labor, and thus prohibited from U.S. importation.

CBP is the lead agency for implementation of the UFLPA and is responsible for preventing the entry of products made with forced labor into the U.S. market by investigating and acting upon allegations of forced labor in supply chains. CBP implements Section 307 of the Tariff Act of 1930 (19 U.S.C. 1307) to prevent merchandise produced in whole or in part in a foreign country using forced labor from being imported into the United States. From June 2022 through May 29, 2023, CBP stopped more than 4,000 shipments of goods valued at over \$1.3 billion for enforcement action review.⁵ To date, CBP has been implementing UFLPA by targeting and detaining shipments that it suspects have ties to Xinjiang or are named on the UFLPA Entity

⁴ <https://www.cbp.gov/trade/forced-labor/UFLPA>

⁵ NTEU National President Doreen Greenwald. Statement for the Record Committee on Homeland Security United States House of Representatives. "Exploitation and Enforcement: Evaluating the Department of Homeland Security's Efforts to Counter Uyghur Forced Labor". October 19, 2023.

List. Importers whose goods are flagged must then provide evidence to show that the shipment is not tied to Xinjiang and thus out of scope of the UFLPA.

Industry stakeholders and NGOs have raised concerns about the difficulty in obtaining information from CBP concerning enforcement of the UFLPA. For example, stakeholders are concerned that CBP has been overly broad in determining when information is “law enforcement sensitive” or implicates trade secrets. As a result, CBP seems unable or unwilling to share and publish data that would shed light on forced labor risk and promote compliance. Importers trying to provide documentation to release a detained shipment have run into similar issues; in some cases, CBP has not told them which input or component is under inspection, requiring the importer to submit more supply chain documentation than CBP needs or can process. For its part, CBP admits certain processing issues related to enforcement of the UFLPA, but has been slow to adjust its functions. Improving CBP’s information-sharing efforts under UFLPA could support more efficient enforcement, promote compliance, and better publicize and target forced labor. This may be an area for Congressional action.

B. Supply Chain Bottlenecks and Shipping Delays

Robust supply chains are fundamental to a strong economy. The COVID-19 pandemic and Russia’s war in Ukraine have snarled supply chains and disrupted the global economy in unprecedented ways. Geopolitical risk and the diversity of supply chains play an increasing role in business decision-making, marking a shift from the traditional objectives of minimizing production costs and maximizing economic efficiency. With the global economy shaped by conflict and regionalization, U.S. policymakers and business leaders have begun focusing on how to diversify supply chains. One trend aims to pull Asia-based supply chains away from China and “nearshore” them to the Americas in the name of greater economic security and resiliency.

C. Customs Trade Partnership Against Terrorism (CTPAT)

Customs Trade Partnership Against Terrorism (CTPAT) is one layer in CBP’s multi-layered cargo enforcement strategy. CTPAT is a voluntary public-private sector partnership program that recognizes CBP’s ability to provide the highest level of cargo security through close cooperation with the principle stakeholders of the international supply chain such as importers, carriers, consolidators, licensed customs brokers, and manufacturers. Through this program, CBP works with the trade community to strengthen international supply chains and improve United States border security. The Security and Accountability for Every Port Act of 2006 provided a statutory framework for the CTPAT program and imposed strict program oversight requirements.

When an entity joins CTPAT, it formally agrees to work with CBP to protect the supply chain, identify security gaps, and implement specific security measures and best practices. Applicants must address a broad range of security topics and present security profiles that list action plans to align security throughout the supply chain. Goods imported by CTPAT members are considered low risk, and therefore require less scrutiny at a U.S. port of entry.

From its inception in November 2001, CTPAT continued to grow. Today, more than 11,400 certified partners spanning the gamut of the trade community, have been accepted into the

program. The partners include U.S. importers/exporters, U.S./Canada highway carriers; U.S./Mexico highway carriers; rail and sea carriers; licensed U.S. Customs brokers; U.S. marine port authority/terminal operators; U.S. freight consolidators; ocean transportation intermediaries and non-operating common carriers; Mexican and Canadian manufacturers; and Mexican long-haul carriers, all of whom account for over 52 percent (by value) of cargo imported into the U.S.

CTPAT Partners enjoy a variety of benefits, including taking an active role in working closer with the U.S. Government. As they do this, Partners are able to better identify their own security vulnerabilities and take corrective actions to mitigate risks.

D. CBP Resources and Modern Technologies

Both CBP and stakeholders note concerns with CBP's ability to process the increasing volumes of imports, a concern exacerbated by inefficiencies in the customs process, including CBP's use of paper-based trade documentation. For years CBP has pushed for modernization of the ACE system, as well as development of ACE 2.0, a modernization of current automated single window for entry of goods.⁶ Congress may look to a number of options to streamline CBP's processes, including but not limited to:

1. efforts to address staffing challenges, including by allowing cross-training of "global trade specialists" rather than individualized roles in the import process;
2. proposals to increase data collection and information sharing to allow for identification of risk prior to goods reaching ports of entry and submission of additional documentation in advance;
3. the implementation of electronic signatures and electronic bills of lading;
4. the utilization of technology to improve processing and clearing times; and expansion of trusted trader programs with expedited trade lanes.

E. De Minimis Shipments

CBP is charged with assessing and collecting duties on imports to the United States, a time- and resource- intensive process that has become even more so with growing global commerce. For many lower-value shipments, the government resources that would be expended to collect tariffs may exceed the value of the tariffs themselves. The United States is one of many countries with a "de minimis" threshold allowing imports valued under a certain amount (currently \$800 total per person per day) to be imported without formal customs paperwork or the collection of duties. Having a de minimis threshold can conserve CBP resources, help prevent bottlenecks at ports of entry, and streamline the customs process, which can particularly benefit small and medium-sized enterprises that tend to import smaller-value inputs.

At the same time, there has been a recent acceleration of low-value, direct-to-consumer imports from companies whose very business models are designed to take advantage of the U.S. de minimis level. Using de minimis to ship many low-value packages to U.S. consumers in lieu of using container shipping is not necessarily unlawful, but it is not the primary intended use of the de minimis exception. Some concerns have been raised that bulk de minimis shipping could

⁶ <https://www.cbp.gov/trade/innovation/envisioning-ace-20>

undermine the effectiveness of duties, or impair CBP’s ability to stop unlawful imports, such as products made with forced labor, counterfeits, fentanyl, or illegally taken flora or fauna. CBP has been working to address these risks by gathering additional data on de minimis shipments and focusing on risk-based inspections through the Section 321 Data Pilot and the Entry Type 86 Test.

Addressing these concerns in an effective, administrable way will require serious thought. For example, lowering the de minimis threshold back to the pre-TFTEA \$200 level might address some limited number of shipments, but it would not impact the vast majority of shipments which are well under \$200 (the average de minimis shipment is only about \$50) and may incentivize exporters to split shipments into even smaller packages. Eliminating de minimis entirely could maximize enforcement but drain CBP of resources and lead to bottlenecks and delays at U.S. ports. Efforts to target the most prominent users of de minimis—such as Chinese retailers like Shein—could simply lead those exporters to ship de minimis packages through third countries. Other ideas could include overall limits on the number or value of de minimis packages an exporter could ship on an annual, monthly, or daily basis – consistent with the existing statute’s one package, per day, per person language. Ultimately, an effective U.S. policy will need to balance many interests, and possible solutions should be the subject of robust debate in Congress.

IV. The Biden Administration’s Ongoing Efforts to Address Supply Chain Challenges

President Biden has made supply chain resilience a priority from Day One of his Administration—including by signing an Executive Order on America’s Supply Chains⁷ and establishing a Supply Chain Disruptions Task Force that worked with states, Tribes, local governments, businesses, family farms, labor, and allies and partners to address the acute supply chain crises caused by the pandemic. Since then, the Administration has made historic investments to strengthen supply chains and prevent future disruptions by expanding production capacity in key sectors and building infrastructure. In November 2023, President Biden Announced nearly 30 actions to strengthen supply chains critical to America’s economic and national security.⁸ The efforts will help Americans get the products they need when they need them, enable reliable deliveries for businesses, strengthen our agriculture and food systems, and support American jobs.⁹

A. White House Council on Supply Chain Resilience

In November 2023, President Biden convened the inaugural meeting of the White House Council on Supply Chain Resilience, which will advance his long-term, government-wide strategy to build enduring supply chain resilience.¹⁰ The Council will be co-chaired by the National Security

⁷ <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/02/24/executive-order-on-americas-supply-chains/>

⁸ <https://www.whitehouse.gov/briefing-room/statements-releases/2023/11/27/fact-sheet-president-biden-announces-new-actions-to-strengthen-americas-supply-chains-lower-costs-for-families-and-secure-key-sectors/>

⁹ <https://www.whitehouse.gov/briefing-room/statements-releases/2023/11/27/fact-sheet-president-biden-announces-new-actions-to-strengthen-americas-supply-chains-lower-costs-for-families-and-secure-key-sectors/>

¹⁰ <https://www.whitehouse.gov/briefing-room/statements-releases/2023/11/29/readout-of-the-inaugural-meeting-of-the-white-house-council-on-supply-chain-resilience/>

Advisor and National Economic Advisor, and include members of the President’s Cabinet. The White House Council on Supply Chain Resilience will complete the first quadrennial supply chain review by December 31, 2024. 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.

B. Office of the U.S. Trade Representative Request Public Comment on Promoting Supply Chain Resilience

On March 7, 2024, the Office of the United States Trade Representative (USTR) published a notice in the Federal Register seeking input to inform the development of trade and investment policy initiatives that promote supply chain resilience. In outlining a new trade policy vision promoting resilience, the notice explains that resilient supply chains provide a range of sourcing options; adapt, rebound, and recover with agility following shocks; uphold labor rights and environmental protections; and strengthen the U.S. manufacturing base and workforce. To help achieve these objectives, the notice seeks information on developing sector-specific policy tools, strengthening domestic manufacturing and services, collaborating with like-minded trading partners and allies, and measuring resilience, among other topics.

To date, 285 comments have been submitted in response to the Federal Register notice found [here](#) and USTR has held public hearings to discuss strategies to advance supply chain resilience in trade negotiations.