

Biden Administration to Evaluate Critical U.S. Supply Chains for Resiliency

[Laurence J. Lasoff](#), [Joshua Morey](#)

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On February 24, 2021, President Biden issued [Executive Order 14017](#) (EO 14017) establishing a wide-ranging evaluation of America's supply chains that will take place over the next twelve months. The assessment will follow two tracks. The first is a 100-day review involving four specific supply chains:

- semiconductors and advanced packaging;
- high-capacity batteries;
- critical minerals and other identified strategic materials; and
- active pharmaceutical ingredients.

The second is a year-long review of six sectors:

- defense industrial base;
- public health and biological preparedness industrial base;
- information and communications technology (ICT) industrial base;
- energy sector industrial base;
- transportation industrial base;
- agricultural commodities and food products.

Each supply chain review will result in the preparation of a report by the head of a designated federal agency that will be provided to the President through the Assistant to the President for National Security Affairs (APNSA) and the Assistant to the President for Economic Policy (APEP).

Industry participants will have a role in shaping these reports, though the order does not specify whether communications will be on the record through notice and comment or through informal contacts. On March 15, 2021, however, the Commerce Department's Bureau of Industry and Security published a [federal register notice](#) establishing a formal notice and comment period for industry participants to provide information on semiconductor manufacturing and advanced packaging supply chains. The deadline to file comments is April 5, 2021, so industry participants will

need to mobilize quickly. Regardless of the process used for each industry and sector, these reviews provide an opportunity for industry participants to shape policy with respect to their respective supply chains in a variety of ways.

President Biden's order is a continuation of the prior administration's focus on supply chains, including an evaluation of the United States' reliance on imports of critical minerals. A summary analysis of President Trump's executive order is available [here](#). EO 14017, however, provides some hints at differences in the approach the new administration might take. For example, while President's Trump' order focused on alleviating the threat to national security posed by imports of critical minerals from adversaries, President Biden's order appears to take a broader approach to supply chains. In particular, as part of its statement on policy, EO 14017 states that "close cooperation on resilient supply chains with allies and partners who share our values will foster collective economic and national security and strengthen the capacity to respond to international disasters and emergencies." The focus on strengthening supply chains with allies and partners is somewhat a departure from the prior administration.

In a press briefing last Friday, White House National Security Adviser Jake Sullivan, in discussing an upcoming meeting with representatives of China, noted that before the administration undertakes a point by point discussion on tariffs and export controls, the U.S. has "more work to do with our allies and partners to come up with a common approach, a joint approach." This comment again demonstrates the Biden administration's departure from the Trump administrations go-it-alone approach.

In the coming days, the Kelly Drye team will continue to monitor the federal register and provide updates for industry participants on how they can engage in shaping policy concerning their supply chains.