



---

# U.S. Government Efforts to Enhance Supply Chain Security

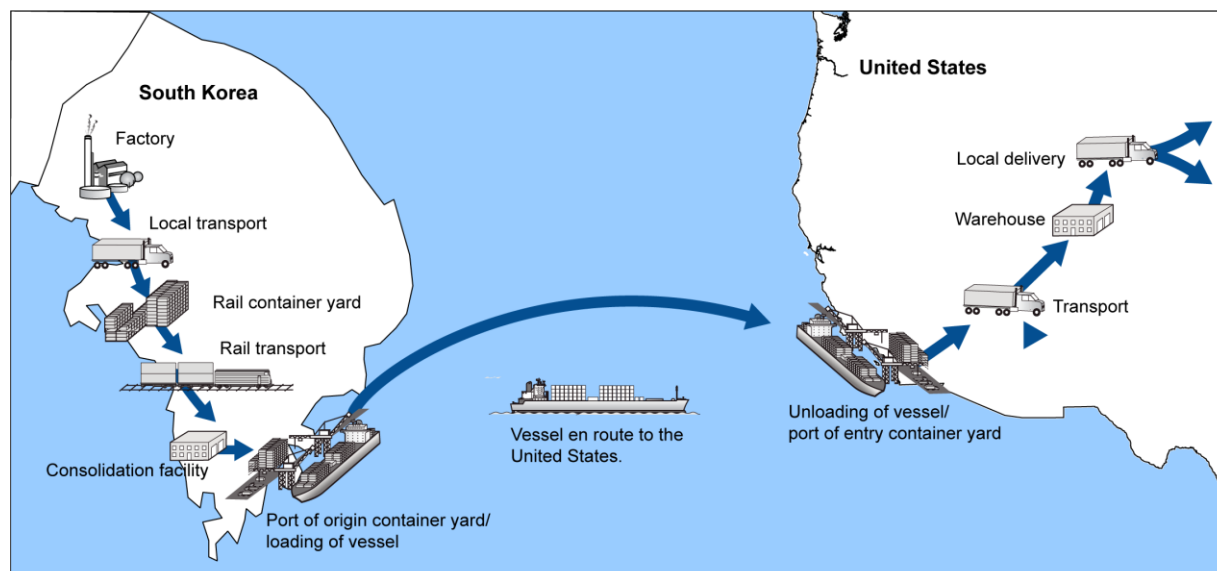
---

ISCPO Global Supply Chain Security Conference, April 2023

Paul Hobart & Adam Couvillion  
Homeland Security and Justice team  
U.S. Government Accountability Office

# Agenda

- Background
- Overseas Supply Chain Security
- Domestic Supply Chain Security



Source: GAO; Map Resources (map). | GAO-17-84

## U.S. Government Accountability Office (GAO)

---

- GAO is the audit, evaluation, and investigative arm of Congress
- GAO exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government
- GAO is independent and nonpartisan



# Supply Chain Security Overview

- Securing the global supply chain, while ensuring its smooth functioning, is essential to our national security and economic prosperity.
- DHS has based its security programs on a layered, risk management approach.
- There are many federal agency partners





# Select Federal Agencies with Supply Chain Security Responsibilities

Private sectors as owners and operators of cargo, transportation, and facilities						
Packaging and cargo origination	Shipment consolidation	Port of origin	Transshipment port	Port of entry	Storage	Destination
Empty container	Storage				Shipment deconsolidation	
DHS international agreement and initiatives				DHS direct authority		
U.S. Coast Guard						
U.S. Customs and Border Protection						
Immigration and Customs Enforcement						
Transportation Security Administration						
Cybersecurity and Infrastructure Security Agency						
Federal Emergency Management Agency						
Department of State						
Department of Transportation						
Maritime Administration						
Federal Railroad Administration						
Federal Highway Administration						
Office of Pipeline Safety						
Department of Justice						
Department of Commerce						

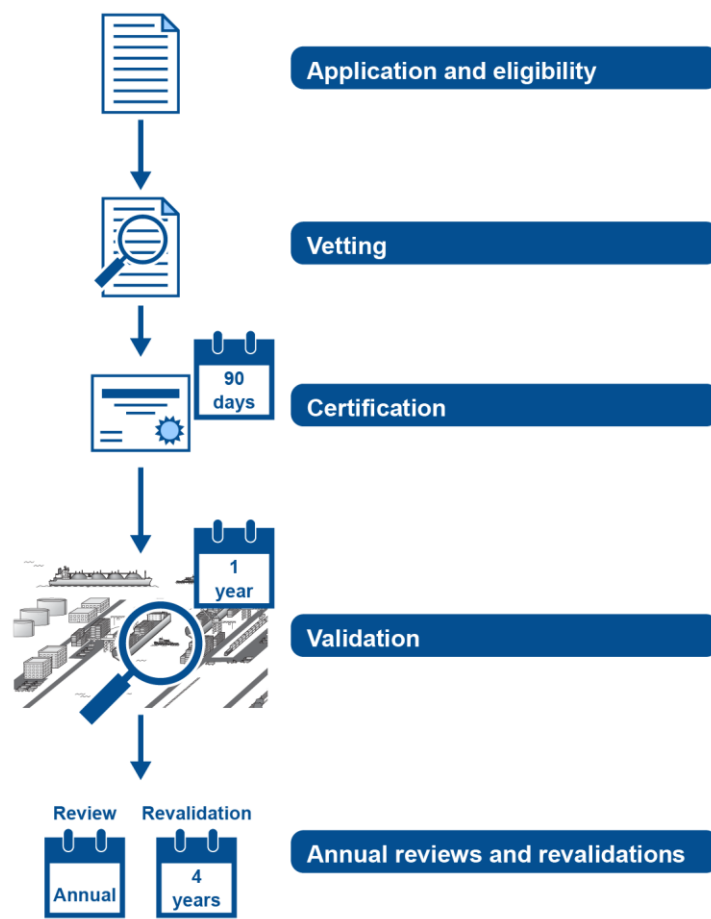
Source: GAO analysis of DHS information.

## Customs Trade Partnership Against Terrorism (C-TPAT) - Overview

- Voluntary partnership between CBP and companies to review and approve security of supply chains
- There are more than 11,000 CTPAT member companies, accounting for ~50% cargo imports (by value)
- Benefits include reduced scrutiny of shipments



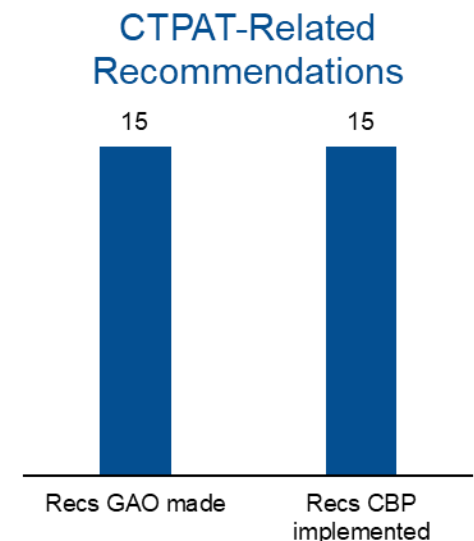
# CTPAT – Screening Process



Source: GAO analysis of CBP information.

## CTPAT – GAO Reviews

- GAO reviewed CTPAT in 2003, 2005, 2009, 2013, 2017, 2022
- Key findings
  - No initial human capital plans or strategic planning
  - Limited performance measurement
  - No written guidelines for validations
  - Challenges verifying security practices
  - Data problems



**100%**  
**Implementation**  
**Rate**



## CTPAT – role of industry in GAO reviews

- GAO met with industry to
  - Corroborate info provided by CBP
  - Obtain views on supply chain vulnerabilities
  - Discuss the impact of CTPAT on security
  - Discuss the benefits of the program

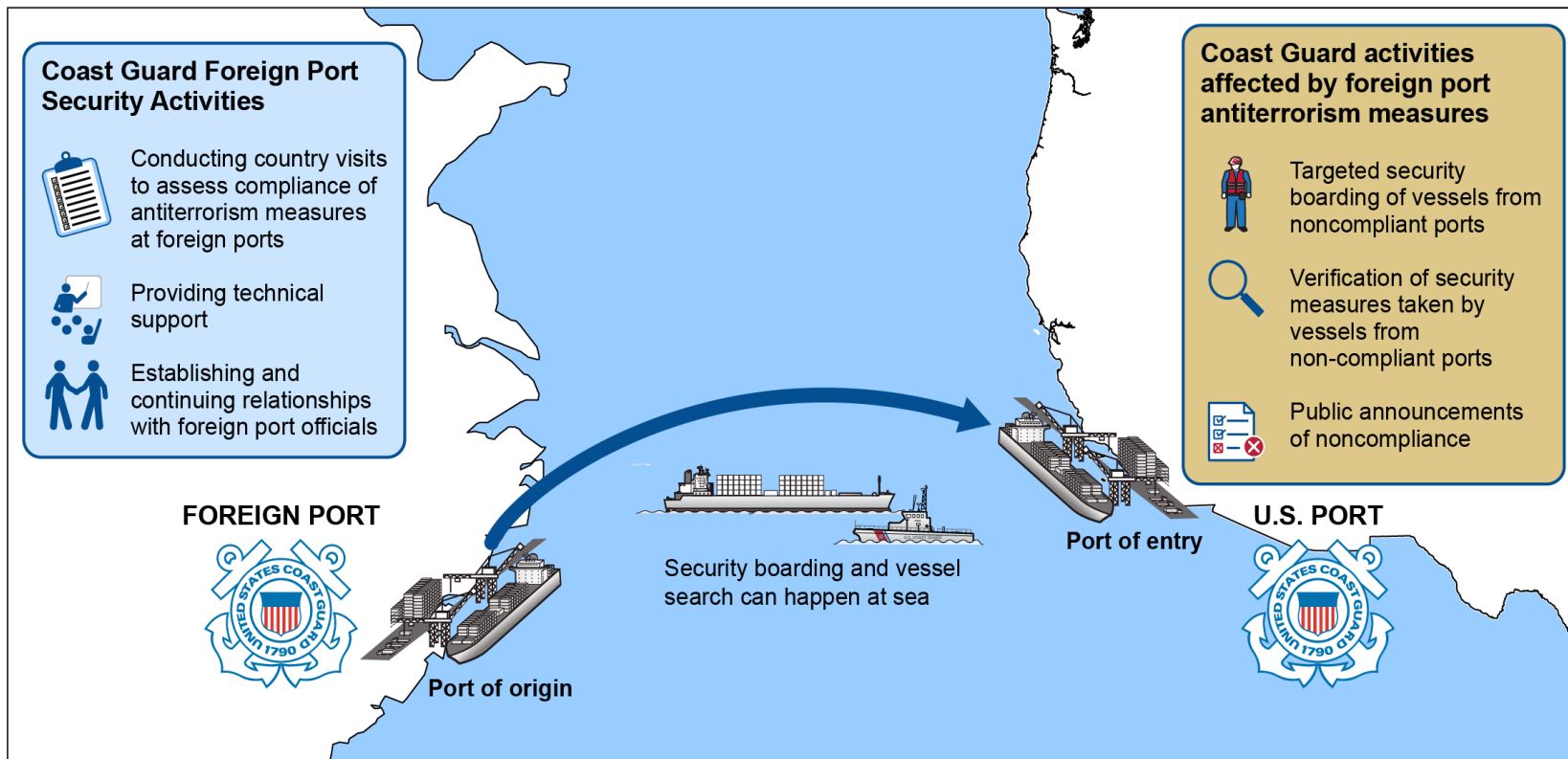


“Trade industry officials we met with generally spoke positively of the CTPAT program and of CBP staffs’ efforts... However, some trade industry officials we met with have also expressed the desire for C-TPAT to improve and add member benefits. (GAO-17-84)

“Members of international trade community that we met with viewed the new virtual security revalidation process as an innovative and efficient way to revalidate CTPAT members’ security procedures.” (GAO-22-105803)

# Overseas Security: Coast Guard International Port Security Program

- Key findings: forthcoming



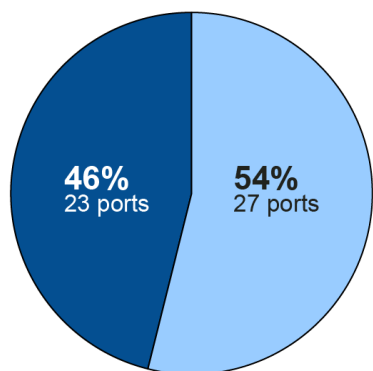
Source: GAO analysis of U.S. Coast Guard information; GAO (illustrations); U.S. Coast Guard (logo). | GAO-23-105385

# Overseas Security: CBP Container Security Initiative

- Key finding: CBP had not regularly assessed foreign ports for risks to cargo

We met with officials from private industry, the World Shipping Council, and the World Customs Organization

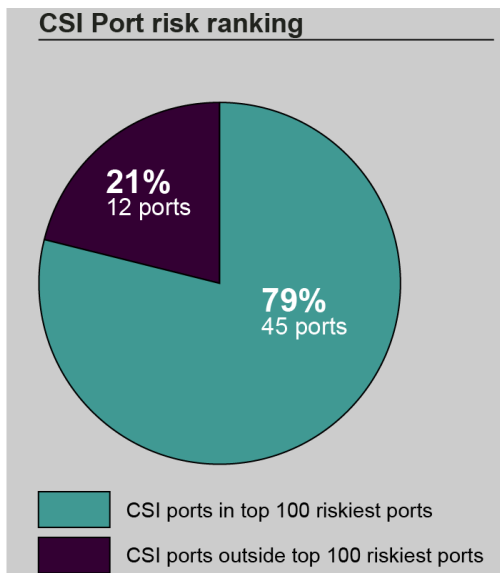
Top 50 riskiest ports



■ Container Security Initiative (CSI) port  
■ Non-CSI port

Source: GAO analysis of CBP data.

CSI Port risk ranking



■ CSI ports in top 100 riskiest ports  
■ CSI ports outside top 100 riskiest ports



Source: United States Customs and Border Protection. | GAO-22-105803

## Overseas Security: TSA Aviation Programs

- TSA foreign airport assessments and air carrier inspections
  - Key finding: TSA had not evaluated the effectiveness of its programs
- Air cargo advanced screening
  - CBP and TSA could better share risk data

Air carriers we met with confirmed that TSA regularly inspects their cargo operations at foreign airports to ensure compliance with screening and other security requirements



Source: U.S. Customs and Border Protection. | GAO-19-162



Source: GAO. | GAO-21-105192





## Overseas Security: TSA Aviation Programs (cont'd)

- Security Directives
  - Key finding: TSA's process does not clearly define when or how to involve stakeholders

“Representatives from 6 air carriers and 2 associations indicated that TSA has issued revised directives that are vague or difficult to implement.”

Regarding directive on cargo from Egypt:  
“Although TSA verbally shared anticipated changes, representatives from the association were not clear what the new language would say or what it meant.”



Source: Transportation Security Administration. | GAO-20-7

# Domestic Security: CBP Non-containerized Cargo

- Key finding: seaports we reviewed did not consistently examine crated cargo.

“Officials representing two maritime stakeholders in the region with the documented crated cargo policy stated that...the requirements... are time-intensive.

They said that these requirements and the added examination costs have the potential to divert trade away from the region as cargo carriers and importers seek to avoid them by shipping to seaports located in areas with less stringent requirements.”



Source: U.S. Customs and Border Protection. | GAO-22-104210

## Domestic Security: Transportation Workers Identification Card (TWIC)

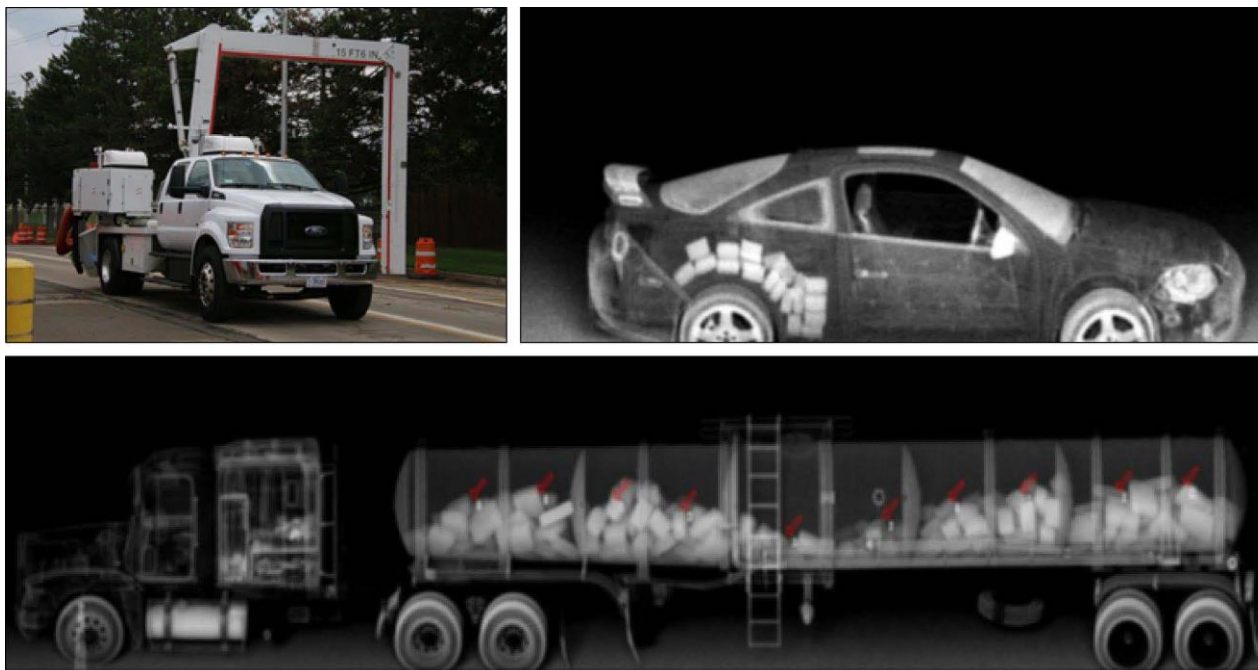
- Key finding: DHS had not assessed TWIC's effectiveness
- Key finding: programmatic internal control weaknesses
  - During covert tests, GAO's investigators were successful in accessing ports using counterfeit TWICs and authentic TWICs acquired through fraudulent means.

GAO met with maritime and transportation industry associations to discuss potential implementation challenges.



## Domestic Security: CBP Land Ports of Entry

- Key finding: CBP's inspection policies are outdated and don't reflect new technology or threats.



Source: GAO (top left photo); U.S. Customs and Border Protection. | GAO-19-658

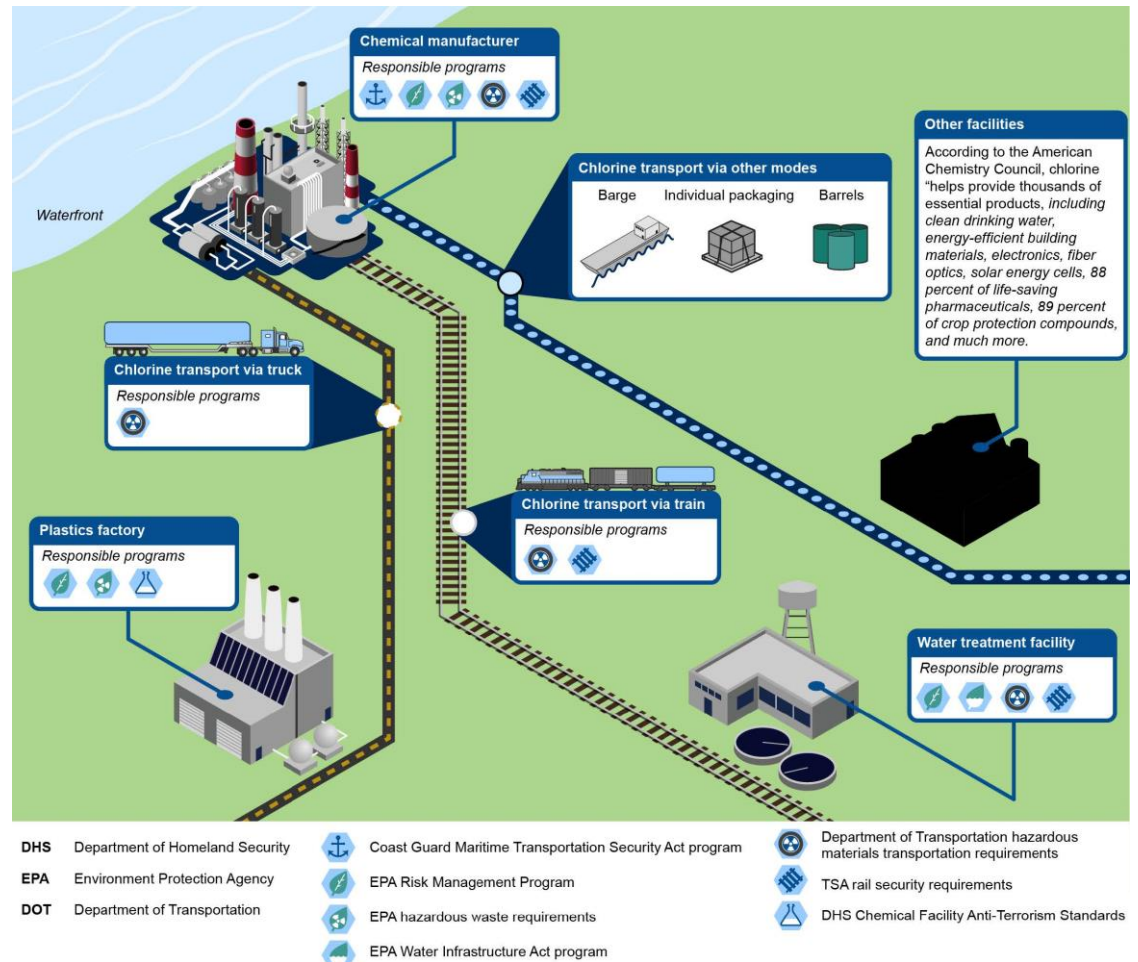


# Domestic Security: Chemical Facility Security

- Key finding: Facilities may be developing duplicative information to comply with multiple security programs.

Industry associations we interviewed told us that there is some interagency coordination among chemical safety and security programs, but agencies could better coordinate to address overlapping requirements.

Industry stakeholders stated that there were challenges in complying with multiple regulatory programs.



Source: GAO analysis of DHS, DOT, and EPA data and information. | GAO-21-12

## Domestic Security: Surface Transportation

- **Key finding: TSA did not ensure surface inspectors were targeting program resources to high-risk modes and locations**

During the review, GAO observed TSA conducting security outreach activities with highway stakeholders



Source: GAO. | GAO-20-558

# Questions?



## Resources

---

- *Disaster Resilience Framework: Principles for Analyzing Federal Efforts to Facilitate and Promote Resilience to Natural Disasters* ([GAO-20-100SP](#), Oct. 23, 2019)
- *Coast Guard Shore Infrastructure: Applying Leading Practices Could Help Better Manage Backlogs of at least \$2.6 Billion.* ([GAO-19-82](#), Feb. 21, 2019)
- *Coast Guard Shore Infrastructure: Processes for Improving Resilience Should Fully Align with DHS Risk Management Framework.* ([GAO-19-675](#), Sept. 25, 2019)
- *Coast Guard: Initiatives to Address Aids to Navigation Challenges Could be Enhanced to Better Ensure Effective Implementation.* ([GAO-20-107](#), Feb. 5, 2020)
- *Coast Guard: Additional Actions Needed to Improve Tsunami Emergency Planning in the Pacific Northwest* ([GAO-22-105220](#), Sept. 7, 2022)



---

## GAO on the Web

Connect with GAO on [LinkedIn](#), [Facebook](#), [Flickr](#), [Twitter](#), [YouTube](#) and our Web site: <https://www.gao.gov/>  
Subscribe to our [RSS Feeds](#) or [Email Updates](#). Listen to our [Podcasts](#) and read [The Watchblog](#)

## Congressional Relations

A. Nicole Clowers, Managing Director, [ClowersA@gao.gov](mailto:ClowersA@gao.gov)  
(202) 512-4400, U.S. Government Accountability Office  
441 G Street, NW, Room 7125, Washington, DC 20548

## Public Affairs

Chuck Young, Managing Director, [youngc1@gao.gov](mailto:youngc1@gao.gov)  
(202) 512-4800, U.S. Government Accountability Office  
441 G Street, NW, Room 7149, Washington, DC 20548

## Strategic Planning and External Liaison

Stephen J. Sanford, Managing Director, [spel@gao.gov](mailto:spel@gao.gov),  
(202) 512-4707, U.S. Government Accountability Office,  
441 G Street NW, Room 7814, Washington, DC 20548

## Copyright

This is a work of the U.S. government and is not subject to copyright protection in the United States. The published product may be reproduced and distributed in its entirety without further permission from GAO. However, because this work may contain copyrighted images or other material, permission from the copyright holder may be necessary if you wish to reproduce this material separately.