

May 6, 2025

TO: U.S. Department of Commerce, Bureau of Industry and Security, Office of Strategic Industries and Economic Security

FROM: Council on Strategic Risks

SUBJECT: **Comments on XRIN 0694–XC120 Pharmaceuticals 232 Notice**

The Council on Strategic Risk (CSR) greatly appreciates the Department of Commerce (DoC) Bureau of Industry and Security (BIS) Office of Strategic Industries and Economic Security (SIES) investigating under section 232 of the Trade Expansion Act (19 U.S.C. 1862) how a reliance upon importing pharmaceuticals and pharmaceutical ingredients can adversely affect U.S. national security. To assist in this effort, CSR would like to provide two research and analysis articles written in 2024 by CSR visiting Senior Fellow Colonel Victor A. Suarez, USA, (ret.), which together help address three of the Department's stated interests, namely:

- the role of foreign supply chains, particularly of major exporters, in meeting United States demand for pharmaceuticals and pharmaceutical ingredients;
- the concentration of United States imports of pharmaceuticals and pharmaceutical ingredients from a small number of suppliers and the associated risks;
- the potential for export restrictions by foreign nations, including the ability of foreign nations to weaponize their control over pharmaceutical supplies;

The first article, on "[The National Security Rationale for Stockpiling Key Pharmaceutical Ingredients](#)," addresses the state of domestic pharmaceutical manufacturing and then captures why the U.S. should stockpile Key Pharmaceutical Ingredients (KPI).

The second article, titled "[The National Security Need to Optimize the Drug Supply Chain Security Act \(DSCSA\)](#)," identifies how the adverse effects of counterfeit, fake and illegally diverted medicines, which represent a threat to both U.S. military readiness and the overall U.S. healthcare system, can be addressed and minimized through the use of verification and decommissioning scanning of serial-numbered drug packages at or near the point of dispense.

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CSR greatly appreciates the Department of Commerce providing the opportunity for subject matter experts with critical national security experience to help inform this section 232 investigation. Follow up information can be provided by contacting info@csrisk.org.