

118TH CONGRESS
1ST SESSION

S. 2454

To require reports on and investments in pharmaceutical supply chain resiliency to reduce reliance on the People’s Republic of China for finished pharmaceutical products and active pharmaceutical ingredients.

IN THE SENATE OF THE UNITED STATES

JULY 20, 2023

Mr. LANKFORD introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To require reports on and investments in pharmaceutical supply chain resiliency to reduce reliance on the People’s Republic of China for finished pharmaceutical products and active pharmaceutical ingredients.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Pharmaceutical Supply
5 Chain Security Act”.

1 **SEC. 2. REPORTS ON AND INVESTMENTS IN PHARMA-**
2 **CEUTICAL SUPPLY CHAIN RESILIENCY TO RE-**
3 **DUCE RELIANCE ON THE PEOPLE’S REPUB-**
4 **LIC OF CHINA.**

5 (a) REPORT ON PHARMACEUTICALS IMPORTED FROM
6 THE PEOPLE’S REPUBLIC OF CHINA.—

7 (1) IN GENERAL.—Not later than 180 days
8 after the date of the enactment of this Act, the
9 Commissioner of Food and Drugs, in consultation
10 with the United States Trade Representative, shall
11 submit to the appropriate congressional committees
12 a report that sets forth a list of—

13 (A) each finished pharmaceutical product
14 that is imported into the United States from
15 the People’s Republic of China in a quantity
16 that exceeds 20 percent of the quantity of the
17 product available for use in the United States;
18 and

19 (B) each active pharmaceutical ingredient
20 that is imported into the United States from
21 the People’s Republic of China in a quantity
22 that exceeds 20 percent of the quantity of the
23 ingredient available for use in the United
24 States.

1 (2) CONFIDENTIAL.—The report required by
2 paragraph (1) shall be confidential and may not be
3 disclosed to the public.

4 (b) STRATEGY FOR PHARMACEUTICAL SUPPLY
5 CHAIN RESILIENCY.—

6 (1) IN GENERAL.—The President shall develop
7 a comprehensive strategy to address the national se-
8 curity threat posed by the control by the People’s
9 Republic of China of the global supply of finished
10 pharmaceutical products and active pharmaceutical
11 ingredients.

12 (2) ELEMENTS.—The strategy required by
13 paragraph (1) shall include efforts to develop a more
14 reliable and secure supply chain for finished phar-
15 maceutical products and active pharmaceutical in-
16 gredients, including manufacturing and production
17 projects that—

18 (A) contribute to the development of a
19 more reliable and secure supply chain for such
20 products and ingredients;

21 (B) reduce reliance on the People’s Repub-
22 lic of China for such products and ingredients;
23 and

24 (C) facilitate cooperation with the govern-
25 ments of other countries in a concerted effort to

1 make significant strategic investments in re-
2 search, development, and manufacturing of
3 such products and ingredients.

4 (3) REPORT REQUIRED.—

5 (A) IN GENERAL.—Not later than 180
6 days after the date of the enactment of this
7 Act, the President shall submit to the appro-
8 priate congressional committees a report on the
9 strategy required by paragraph (1).

10 (B) ELEMENTS.—The report required in
11 paragraph (1) shall include—

12 (i) a description of the extent of the
13 engagement of the United States Inter-
14 national Development Finance Corporation
15 with the governments of other countries to
16 promote shared investment in and develop-
17 ment of finished pharmaceutical products
18 and active pharmaceutical ingredients; and

19 (ii) a description of the work of the
20 United States Trade Representative to en-
21 gage with the governments of those coun-
22 tries to decrease trade barriers for the de-
23 velopment, production, refinement, and
24 transportation of such products and ingre-
25 dients.

1 (c) INVESTMENTS IN PHARMACEUTICAL SUPPLY
2 CHAIN RESILIENCY.—

3 (1) IN GENERAL.—In support of the strategy
4 required by subsection (b), the United States Inter-
5 national Development Finance Corporation shall
6 prioritize providing support under title II of the Bet-
7 ter Utilization of Investments Leading to Develop-
8 ment Act of 2018 (22 U.S.C. 9621 et seq.) for man-
9 ufacturing and production of finished pharma-
10 ceutical products and active pharmaceutical ingredi-
11 ents, including projects that—

12 (A) contribute to the development of a
13 more reliable and secure supply chain for such
14 products and ingredients;

15 (B) reduce reliance on the People’s Repub-
16 lic of China for such products and ingredients;
17 and

18 (C) facilitate cooperation with the govern-
19 ments of other countries in a concerted effort to
20 make significant strategic investments in re-
21 search, development, and manufacturing of
22 such products and ingredients.

23 (2) CERTIFICATION REQUIREMENT.—The
24 United States International Development Finance
25 Corporation may not provide support under para-

1 graph (1) for a project relating to the manufac-
2 turing or production of a finished pharmaceutical
3 product unless the entity receiving the support cer-
4 tifies that—

5 (A) not more than 25 percent of the active
6 pharmaceutical ingredients used in the product
7 are sourced from a single country of origin that
8 is a nonmarket economy country, as defined by
9 the Secretary of Commerce; and

10 (B) the entity is not controlled, in whole or
11 in part, by an entity organized under the laws
12 of, or otherwise subject to the jurisdiction of, a
13 nonmarket economy country.

14 (d) APPROPRIATE CONGRESSIONAL COMMITTEES
15 DEFINED.—In this section, the term “appropriate con-
16 gressional committees” means—

17 (1) the Committee on Health, Education,
18 Labor, and Pensions, the Committee on Commerce,
19 Science, and Transportation, the Committee on For-
20 eign Relations, and the Committee on Finance of the
21 Senate; and

22 (2) the Committee on Energy and Commerce,
23 the Committee on Foreign Affairs, and the Com-

- 1 mittee on Ways and Means of the House of Rep-
- 2 resentatives.

