

GAO Highlights

Highlights of [GAO-24-106227](#), a report to congressional committees

Why GAO Did This Study

According to the National Science Foundation, federal agencies obligated about \$1.4 billion for R&D with foreign entities in fiscal year 2020 (the most recent data available). However, some foreign entities may try to exploit U.S. openness in sharing R&D for nefarious purposes.

The Research and Development, Competition, and Innovation Act includes a provision for GAO to review research funding provided to foreign entities of concern. The act's definition of such entities includes foreign terrorist organizations and foreign entities subject to the control, ownership, and jurisdiction of Russia, China, North Korea, and Iran.

This report examines challenges in identifying R&D funds awarded to foreign entities of concern and requirements for awarding and monitoring such funding.

GAO searched USAspending.gov and reviewed documents from federal funding and law enforcement agencies. GAO also interviewed federal agency officials, including those from the five agencies that obligated the most R&D funding in fiscal year 2020.

What GAO Recommends

GAO is recommending that OSTP facilitate information sharing among agencies on identifying foreign ownership, control, or influence. OSTP concurred with this recommendation.

View [GAO-24-106227](#). For more information, contact Candice N. Wright at (202) 512-6888 or wrightc@gao.gov.

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RESEARCH SECURITY

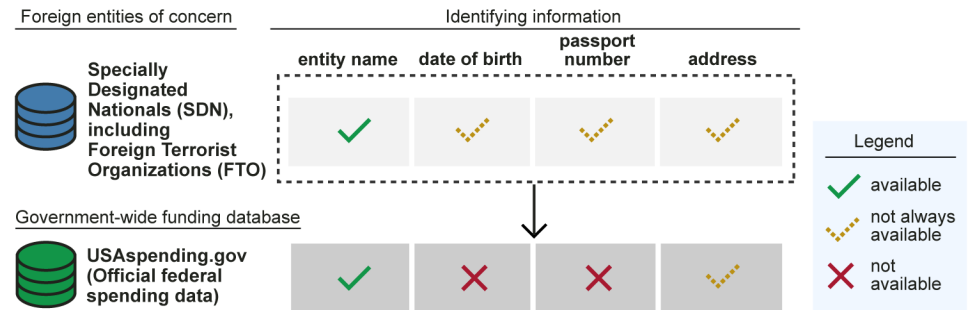
Strengthening Interagency Collaboration Could Help Agencies Safeguard Federal Funding from Foreign Threats

What GAO Found

GAO found that determining whether federal research and development (R&D) funds were provided to a foreign entity of concern is challenging. Such entities include foreign terrorist organizations and specially designated nationals, among others. Awarding agencies are generally prohibited from doing business with foreign terrorist organizations and specially designated nationals.

GAO found that government-wide databases which report on some of these entities lack common identifying information such as a unique identifier or personally identifiable information. For example, a physical address, date of birth, or other identifying information for entities on the foreign terrorist organization list is often unavailable as entities often try to conceal their identity or location, according to the Treasury Department. When personally identifiable information such as date of birth is available, similar information is not available in the public federal funding data source, USAspending.gov. Specifically, although awarding agencies collect other identifying information, such as phone numbers of entities seeking an award, not all such information is reported in USAspending.gov. Together, these challenges limit the ability to match foreign entities on certain lists with those receiving government-wide funding.

Example of Gaps in Crossmatching Identifying Information for Restricted Foreign Entities With Federal Spending Data



Source: GAO analysis of agency information and publicly available information on U.S. government websites; GAO (icons). | GAO-24-106227

GAO found that some requirements exist specific to R&D awards to foreign entities of concern. For example, agencies are generally required to vet potential awardees against the federal exclusions list, which includes foreign terrorist organizations and specially designated nationals. Agencies that GAO interviewed reported challenges in identifying foreign ownership, control, or influence. Officials from two agencies we reviewed said they use analytical tools and other available information to try to identify foreign ownership. Such efforts, however, are not shared across agencies. Recent guidance from the Office of Science and Technology Policy (OSTP)—the lead federal agency for interagency coordination on science and technology policies—does not address the issue of foreign ownership, control, or influence. OSTP officials told GAO that they handle this issue on a case-by-case basis and acknowledged the challenges that agencies face in addressing such risks. Information sharing on such complex matters would better position agencies to more fully safeguard R&D funds.