

GAO Highlights

Highlights of [GAO-22-105860](#), a report to congressional committees

Why GAO Did This Study

The U.S. government has maintained an economic and commercial diplomacy program to help advance its national interests abroad in the global economy. State and Commerce have key roles in supporting U.S. businesses on foreign markets. The Championing American Business Through Diplomacy Act of 2019 includes provisions focused on the efforts of these agencies to support U.S. businesses abroad through economic and commercial diplomacy.

The act includes a provision for GAO to report on several issues related to State's and Commerce's efforts to support U.S. commercial interests abroad. This report examines the coordination and effectiveness of State's and Commerce's efforts. To examine these efforts, GAO assessed them against leading collaboration practices and federal standards. GAO also reviewed documentation; interviewed agency officials; reviewed program data; and analyzed State and Commerce performance data.

This is a public version of a sensitive report that GAO issued in February 2022. Information that State deemed sensitive has been omitted.

What GAO Recommends

GAO is making 11 recommendations to State and Commerce to more fully incorporate leading collaboration practices into their MOU and joint cables, and one recommendation to State to consistently collect and record performance data. State and Commerce concurred with the recommendations.

View [GAO-22-105860](#). For more information, contact Kimberly Gianopoulos at (202) 512-8612 or GianopoulosK@gao.gov.

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ECONOMIC AND COMMERCIAL DIPLOMACY

State and Commerce Could Build on Efforts to Improve Coordination and Effectiveness

What GAO Found

The Departments of State and Commerce coordinate on economic and commercial diplomacy efforts to support the work of U.S. businesses to enter or expand in foreign markets through various programs. Through these programs, State provides Commerce services to U.S. businesses abroad in countries where Commerce's Global Markets and U.S. and Foreign Commercial Service does not have a presence and both agencies work together to help U.S. companies secure business deals overseas.

State and Commerce signed a memorandum of understanding (MOU) and issued joint cables to formalize and facilitate their collaboration. As shown below, they incorporated some, but not all, of the leading collaboration practices into the MOU and cables. For example, the MOU indicates a broad agreement on shared roles and responsibilities, but does not clarify how the agencies will sustain leadership over the long term, which can weaken the effectiveness of the MOU. The cables document decisions at a broad level regarding leadership, resources, and roles and responsibilities, but do not establish a method for routinely monitoring and updating the cables. Without regular updating, the guidance in the cables may become outdated. More fully incorporating these and other leading practices could help State and Commerce build on their existing efforts to support the sale of goods and services of U.S. businesses overseas.

Extent to Which State and Commerce Have Incorporated Leading Collaboration Practices

Leading Collaboration Practices	Memorandum	Cables
Defining outcomes and monitoring accountability	●	◐
Bridging organizational cultures	◐	◐
Identifying and sustaining leadership	◐	◐
Clarifying roles and responsibilities	◐	◐
Including relevant participants	◐	◐
Identifying and leveraging resources	●	◐
Developing/updating guidance and agreements	●	◐

Legend: Partially incorporates leading practice ◐. Fully incorporates leading practice ●.
Source: GAO analysis of Departments of State and Commerce documents. | GAO-22-105860

State and Commerce have established performance measures to assess the effectiveness of their economic and commercial diplomacy efforts. However, State did not collect sufficient data to determine how well it performed. State did not consistently record two pieces of information relevant to assessing its performance—a target performance level and an actual performance level. For example, State's scorecard did not include any target data for 10 of the 16 performance measures. Consequently, GAO could not evaluate State's performance for those aspects of its economic and commercial diplomacy efforts. Commerce uses nine performance measures to assess the effectiveness of its economic and commercial diplomacy and met most of its performance targets for fiscal years 2016 to 2020. For example, Commerce met its target for the percentage of U.S. exporter clients that achieved their export objectives for the last 5 years.