

# GAO Highlights

Highlights of [GAO-20-511](#), a report to congressional requesters

## Why GAO Did This Study

Since 2010, DOD has identified climate change as a threat to its operations and installations. The department relies on contracted goods and services for its mission and installations. Climate change is projected to have broad effects that could affect DOD's supply chains, and any associated risks to contractors can have an impact on DOD. One way DOD assesses risk to its missions is through mission assurance, which is a process to protect or ensure the function of capabilities and assets critical to its missions.

GAO was asked to review potential threats to national security from the effects of climate change on defense contractors. GAO examined the extent to which DOD assesses the potential effects on its operations from climate change and extreme weather risks faced by its contractors through the department's (1) acquisition and supply processes, and (2) mission assurance process. GAO reviewed DOD acquisition, supply, and mission assurance documents and interviewed relevant DOD officials and contractor representatives.

## What GAO Recommends

GAO is making six recommendations, including that DOD incorporate climate adaptation into its acquisition and supply guidance and issue or update guidance on mission assurance-related assessments for commercial facilities. DOD concurred with three recommendations and partially concurred with three. GAO continues to believe that DOD should fully implement its recommendations.

View [GAO-20-511](#). For more information, contact Elizabeth A. Field at (202) 512-2775 or [field1@gao.gov](mailto:field1@gao.gov)

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## CLIMATE RESILIENCE

### Actions Needed to Ensure DOD Considers Climate Risks to Contractors as Part of Acquisition, Supply, and Risk Assessment

#### What GAO Found

The Department of Defense (DOD) has not routinely assessed climate-related risks faced by its contractors as part of its acquisition and supply processes, through which DOD obtains contracted goods and services. DOD's acquisition process includes long-term planning activities such as life-cycle sustainment planning. Its supply chain process includes steps to identify and assess potential disruptions, such as severe storms affecting transportation or energy systems, in order to mitigate risk. However, these processes in general do not systematically identify and consider climate-related risks to materiel acquisition and supply or the acquisition of weapon systems, according to Office of the Secretary of Defense (OSD) and military department officials. DOD's climate change adaptation directive indicates that OSD and the military departments should include climate considerations in acquisition and supply and integrate those considerations into relevant policy and guidance.

However, GAO's review of DOD and military department guidance on acquisition and supply found that the guidance did not implement DOD's climate change directive by including consideration of climate change or extreme weather. Until DOD and the military departments include these considerations in their guidance on acquisition and supply chain processes, they risk continuing to develop acquisition strategies and managing supply chains without building climate resilience into these processes and potentially jeopardizing their missions.

DOD guidance requires consideration of climate-related risks as part of the mission assurance process, when appropriate. However, GAO found that the department has not assessed risks—including those associated with climate change or extreme weather—to commercially owned facilities, which can support DOD installations as well as weapon systems, as part of this process. Assessing risks to commercial facilities has been a longstanding challenge for DOD, with the department noting in 2012 that it had paid inadequate attention to challenges outside of DOD-owned facilities and citing a limited understanding of supply chain risks as a pervasive problem. DOD's mission assurance guidance includes minimum requirements for assessments of certain non-DOD-owned facilities, such as completion of an all-hazards threat assessment. However, DOD officials stated that they had not conducted such assessments.

The officials noted that DOD is limited in its ability to conduct such assessments, as it does not have the same access to commercial facilities as it does to its own facilities. While DOD officials stated that they are exploring alternative ways of assessing risks to commercial facilities, they noted that these efforts are in the early stages. Without determining what approaches may be feasible for assessing risks to commercial facilities as part of the mission assurance process and issuing or updating guidance accordingly, DOD may not fully evaluate the risks to critical commercial facilities as part of the mission assurance process, leaving gaps in its knowledge of potential risks—to include climate and weather-related risks—to its ability to fulfill key missions dependent on such facilities.