



DEPARTMENT OF DEFENSE

Office of the Secretary

[Docket ID: DoD-2021-OS-0100]

Federal Register Notice of Request for Written Comments in support of the Department of Defense's One-Year Response to Executive Order 14017, "America's Supply Chains"

AGENCY: Office of the Deputy Assistant Secretary of Defense for Industrial Policy (IndPol), Department of Defense (DoD).

ACTION: Notice of request for public comments.

SUMMARY: On February 24, 2021, President Biden issued an Executive Order (EO) titled *America's Supply Chains*, which directs six Federal agencies to conduct a review of their respective industrial bases, with the objective to use this assessment to secure and strengthen America's supply chains. One of these directives is for the Secretary of Defense, in consultation with the heads of appropriate agencies, to submit a report on supply chains for the defense industrial base, including key vulnerabilities and potential courses of action to strengthen the defense industrial base. The effort will build on the EO report, *Assessing and Strengthening the Manufacturing and Defense Industrial Base and Supply Chain Resiliency of the United States* (released October 2018) and the Annual Industrial Capabilities Report, which is mandated by the Congress.

DATES: The due date for filing comments is [INSERT DATE 15 DAYS FROM PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: You may submit comments, identified by docket number and title, by any of the following methods:

Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.

Mail: DoD cannot receive written comments at this time due to the COVID-19 pandemic. Comments should be sent electronically to the docket listed above.

Instructions: All submissions received must include the agency name, docket number, and title for this Federal Register document. The general policy for comments and other submissions from members of the public is to make these submissions available for public viewing on the Internet at <http://www.regulations.gov> as they are received without change, including any personal identifiers or contact information.

FOR FURTHER INFORMATION CONTACT: Brennan Grignon, Office of the Under Secretary of Defense for Acquisition and Sustainment at (703) 692-4422 or osd.pentagon.ousd-a-s.mbx.industrial-policy@mail.mil.

SUPPLEMENTARY INFORMATION:

Background

On February 24, 2021, President Biden issued EO 14017, *America's Supply Chains* and it was published in the Federal Register on March 1, 2021 (86 FR 11849-11854) (available at <https://www.govinfo.gov/content/pkg/FR-2021-03-01/pdf/2021-04280.pdf>). EO 14017 focuses on the need for resilient, diverse, and secure supply chains to ensure U.S. economic prosperity and national security across six sectors of the economy. One of the EO 14017 directives is for the Secretary of Defense, in consultation with the heads of appropriate agencies, to submit a report within one year on supply chains for the defense industrial base. This report will provide an assessment of key supply chains, including their vulnerabilities and potential courses of action to strengthen the defense industrial base. The EO 14017 effort will build on the EO 13806 report, *Assessing and Strengthening the Manufacturing and Defense Industrial Base and Supply Chain*

Resiliency of the United State (released October 2018) and the Annual Industrial Capabilities Report, which is mandated by the Congress pursuant to 10 U.S.C. 2504.

This notice requests comments and information from the public to assist the DoD's assessment of defense industrial base supply chains. While conducting the assessment, the Secretary will consult with the heads of appropriate agencies, and be advised by all relevant DoD Components.

Written Comments

The DoD is interested in comments (both general inputs and specific responses to the questions at the end of this section) that will help the Department respond to EO 14017 by providing information about key supply chain vulnerabilities and opportunities to address these vulnerabilities. In particular, the Department selected the following four (4) topics to focus on in the one-year report, and seeks comments about supply chain vulnerabilities and opportunities in these areas. These topics were selected based on critical vulnerabilities identified through ongoing supply chain analysis efforts, including inputs from the Armed Services, and are in alignment with the operational priorities outlined in the Defense Planning Guidance for FY 2023 – FY 2027:

- i. Select kinetic capabilities: Includes Precision Guided Munitions (PGMs), Hypersonics, and Directed Energy (DE). Key components (e.g., critical energetics, microelectronics) are almost exclusively produced by foreign entities, including adversarial nations.
- ii. Energy storage/batteries: Energy storage is critical to all kinetic capabilities, and is an evolving requirement. Defense-unique requirements with low domestic production volumes create supply chain risk and high local costs.

iii. Microelectronics: Similar to energy storage, microelectronics are vital components used in nearly all defense systems. Defense-specific challenges arise from acquisition processes, obsolescence, and the need for secure suppliers. The one-year effort will focus on military-specific microelectronics requirements and the ongoing challenges between commercial and defense requirements.

iv. Castings and forgings: Manufacturing is dependent on casting and forging capabilities and capacity. An overall decrease in domestic capability and capacity limits the industrial base's ability to develop, sustain, or expand production. Expanding our domestic capabilities will reinforce efforts to onshore commercial manufacturing.

In addition to the topics listed above, the DoD requests input on the following five (5) systemic enablers, as they relate to the topics above. These enablers span all four (4) topic areas; they are critical to mission success, and gaps or fragility in each can create operational and strategic risk.

i. Workforce: Includes all persons needed for a focus area, from skilled trades to specialty engineering degrees;

ii. Cyber posture: Includes cybersecurity, industrial security, and counterintelligence;

iii. Interoperability: Requirements needed to support operations with our allies, as well as the requirements to further enhance our interoperability between and among DoD's systems and platforms;

iv. Small business: Focuses on addressing the barriers and challenges to small businesses to enter, and stay in, the defense ecosystem (both as primes and sub-contractors); and

v. Manufacturing: Includes core / traditional manufacturing modes and new manufacturing technology, such as additive manufacturing.

In regards to the four (4) topics and five (5) systemic enablers above, the DoD is particularly interested in soliciting information in response to the following questions:

Question 1. From your perspective, how has the globalization of the supply chain improved or complicated your ability to source DoD's requirements?

Question 2. What are the one or two greatest challenges your firm / association / industry faces operating in a distributed environment?

Question 3. Are there ways DoD can better support your efforts to mitigate such challenges?

Question 3. How does the federal government effectively mitigate supply chain risks?

Question 4. What can the government do differently to better address supply chain risks and vulnerabilities in our major weapon systems/platforms (e.g., PGMs) and critical components (e.g., microelectronics)?

Question 5. What can the government do differently to successfully implement industrial base cybersecurity processes or protocols, attract skilled labor, implement standards, and incentivize the adoption of manufacturing technology?

To assist the DoD in more easily reviewing and summarizing the comments received, the DoD encourages commenters to use the same text as above to identify the areas of inquiry to which their comments respond. For example, a commenter responding specifically to question 1 above would use "Question 1" as a heading followed by the commenter's response. Alternatively, a commenter submitting comments more broadly responsive to focus topic (i), "Select kinetic capabilities," would use that same text as a heading in the public comment followed by the commenter's specific response in this area. The Department encourages the use of an Executive Summary at the beginning of all comments to enable a more efficient review of the submitted documents. The DoD will review all comments but may not provide a formal response back to all commenters.

Requirements for Written Comments

The <http://www.regulations.gov> website allows users to provide comments by filling in a “Type Comment” field, or by attaching a document using an “Upload File” field. The DoD prefers that comments be provided in an attached document, preferably in Microsoft Word (.doc files) or Adobe Acrobat (.pdf files). If the submission is in a format other than Microsoft Word or Adobe Acrobat, please indicate the name of the application in the “Type Comment” field. Please do not attach separate cover letters to electronic submissions; rather, include any information that might appear in a cover letter within the comments or executive summary. Similarly, to the extent possible, please include any exhibits, annexes, or other attachments in the same file, so that the submission consists of one file instead of multiple files. Comments (both public comments and non-confidential versions of comments containing business confidential information) will be placed in the docket and open to public inspection. Comments may be viewed on <http://www.regulations.gov> by entering docket number DoD-2021-OS-0100 in the search field on the home page.

All filers should name their files using the name of the person or entity submitting the comments. Anonymous comments are also accepted. Communications from agencies of the United States Government will not be made available for public inspection.

Anyone submitting business confidential information should clearly identify the business confidential portion at the time of submission, file a statement justifying nondisclosure and referring to the specific legal authority claimed, and provide a non-confidential version of the submission. The non-confidential version of the submission will be placed in the public file on <http://www.regulations.gov>. For comments submitted electronically containing business confidential information, the file name of the business confidential version should begin with the characters “BC”. Any page containing business confidential information must be clearly marked “BUSINESS CONFIDENTIAL” on the top of that page. The non-confidential version must be

clearly marked “PUBLIC”. The file name of the non-confidential version should begin with the character “P”. The “BC” and “P” should be followed by the name of the person or entity submitting the comments or rebuttal comments. If a public hearing is held in support of this assessment, a separate Federal Register notice will be published providing the date and information about the hearing. The Office of the Deputy Assistant Secretary of Defense (Industrial Policy) does not maintain a separate public inspection facility. Requesters should first view the Departments’ web page, which can be found at [https:// open.defense.gov/](https://open.defense.gov/) (see “Electronic FOIA” heading). The records related to this assessment are made accessible in accordance with the regulations published in part 4 of title 15 of the Code of Federal Regulations (15 CFR 4.1 through 4.11).

Dated: September 23, 2021.

Aaron T. Siegel,

Alternate OSD Federal Register

Liaison Officer, Department of Defense.

[FR Doc. 2021-21046 Filed: 9/27/2021 8:45 am; Publication Date: 9/28/2021]