

## DATA ITEM DESCRIPTION

**Title:** SUPPLY CHAIN RISK MANAGEMENT (SCRM) PLAN

**Number:** DI-MGMT-82256

**Approval Date:** 20190304

**AMSC Number:** F10006

**Limitation:** N/A

**DTIC Applicable:** No

**GIDEP Applicable:** Yes

**Preparing Activity:** 11 (AFLCMC/LZSA)

**Project Number:** MGMT-2019-008

**Applicable Forms:** N/A

**Use/Relationship:** The Supply Chain Risk Management (SCRM) Plan defines the structured, contractor-proposed SCRM strategy relative to the products and services to be provided by the prime, its suppliers, and subcontractors. This information will be used by the Government to maintain oversight of the contractor's holistic approach to identify, manage and monitor the risks associated with unintended, adverse events and failure points within the supply chain, addressing both processes and products.

This Data Item Description (DID) contains the format, content, and intended use information for the data deliverable resulting from the work task described in the solicitation.

### Requirements:

1. Reference documents. None.
2. Format. The contractor's electronic format, Microsoft Word® Word version .docx, is acceptable.
3. Content. The SCRM plan shall contain the following:
  - 3.1 Cover and Title Page. This page shall identify the following:
    - a. SCRM Plan date of issue.
    - b. SCRM Plan document number/revision number or letter.
    - c. Contract number.
    - d. Contractor's name and address.
    - e. Title of plan.
    - f. Program title.
    - g. Security classification.
    - h. Distribution statement.
    - i. Destruction notice, if applicable.

DISTRIBUTION STATEMENT A. Approved for public release. Distribution is unlimited.
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3.2 Revision Control. The SCRM plan shall contain a list of all revisions identifying the following information:

- a. Each revision number or letter,
- b. Date of each revision,
- c. Pages affected by each revision, and
- d. Summary of major content changes.

3.3 Table of Contents. The table of contents shall identify each major section title, paragraph number, and starting page number for each major section.

3.4 Section Contents. The SCRM plan shall address, in depth, each major section identified below:

- a. Scope. This section shall include:
  - (1) Defining SCRM applicability to the prime and all suppliers, subcontractors, associated integrators, and vendors.
  - (2) Defining SCRM as the coordinated, holistic approach, involving all supply chain stakeholders, which identifies, analyzes, manages and monitors the risk of associated unintended, adverse events and failure points within the supply chain, addressing both process and product.
  - (3) Defining the supply chain as the linked activities associated with providing materiel from a raw material stage to an end user as a finished product.
- b. SCRM Strategy. This section shall provide an overview of the contractor's overall SCRM strategy. It will include how the contractor plans to identify and manage risks in the lifecycle supply chain that have the potential to jeopardize the integrity of assets or compromise related intellectual property, disrupt or halt the flow of critical goods or services needed for continued Department of Defense (DoD) operations, unexpectedly drive materiel cost increases to programs, or compromise national security.
- c. Responsible Organizational Component. This section shall include:
  - (1) Contractor's organizational SCRM construct.
  - (2) Contractor's primary and alternate focal points' contact information to include names, duty titles, addresses, telephone numbers, and email addresses.
- d. SCRM Processes and Procedures. This section shall describe:
  - (1) Processes for: Protecting products and services throughout the entire lifecycle; identifying, monitoring, assessing, and mitigating potential supply chain threats, susceptibilities, and vulnerabilities; and analyzing identified potential disruptions for the program/project/initiative's supply chain, suppliers, products, technologies, and services.
  - (2) Process for revising the SCRM plan at least every five years during the lifecycle of the program/project/initiative, and for providing a copy of the SCRM plan to the Government Product Support Manager.
- e. Supply Chain Risk Identification. This section shall describe in detail:
  - (1) Processes and tools utilized to identify supply chain risks and associated root

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causes as early as possible.

- (2) Intelligence-based and counter-intelligence-based techniques and commercial business tradecrafts employed to uncover and map supplier networks.
- (3) Types of supply chain risks requiring identification to include the following categories:
  - (a) Product/quality risk: unreported recalls, counterfeit parts, non-military specification parts, reliability, and manufacturability;
  - (b) Financial risk: financially distressed suppliers, insolvency, currency exchange volatility, and litigations/law suits;
  - (c) Political and regulatory risk: political unrest, terrorism, new laws and regulations, industrial disputes, and business ethics issues;
  - (d) Foreign influence risks: foreign intelligence services; foreign investment; and management with the potential to influence design, capabilities, or introduction of other risks in this section;
  - (e) Operational risk: transportation disruption, ports customs capacity issues, limited supply base, unresponsive supply chain, and disruption due to internal operations;
  - (f) Environmental risk: energy scarcity, earthquakes, fire, adverse weather, and other natural disasters;
  - (g) Technology risk: data breach, cyber breach, intellectual property loss, malicious technology insertion, risks to critical program information, and critical functions and components; and
  - (h) Human capital risk: health and safety issues, workforce shortages, pandemic, and loss of talent and skills.
- (4) Process for communicating supply chain risks to affected stakeholders and the Government Program Support Manager.

f. SCRM Analysis/Assessments. This section shall include:

- (1) Process to scan the contractor's full-spectrum supply chain network, applying customizable risk lenses, to assess supply chain risks that could impact the Government's program.
- (2) Contractor's methodology for assessing all vendors/sources of supply to identify potential threats.
- (3) Processes for analyzing root causes, impacts, and courses of action; assigning likelihood of occurrence; and determining severity of impact in terms of asset protection, continuity of DoD operations, and economic efficiency for the contractor's supply chain risks.
- (4) Process to focus attention on critical risks and produce detailed risk profiles.
- (5) Process to report risk profiles to the Government Product Support Manager monthly.

g. Supply Chain Risk Mitigation Planning. This section shall include:

- (1) Supply Chain Risk Response plans to combat identified and potential supply chain risks/disruptions. It shall include:

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- (a) A descriptive title for each supply chain risk.
- (b) Root causes of each risk.
- (c) Possible solutions to alleviate each risk.
- (d) Definition of events and activities intended to reduce or eliminate the risk, success criteria for each planned event, and subsequent "risk level if successful" values.
- (e) Risk status synopsis.

NOTE: If the contractor believes there are above and beyond SCRM risk mitigations with associated costs that need to be addressed, they shall identify them in the plan.

(2) Methodology to prioritize potential supply chain risks.

h. SCRM Risk Tracking. This section shall include:

- (1) Process for the persistent and comprehensive tracking, monitoring and re-evaluation of supply chain risks and corresponding mitigation actions.
- (2) Process for reporting risk tracking information to the Government Product Support Manager monthly.

i. SCRM Training. This section shall describe in detail:

- (1) SCRM training strategy that promotes an understanding of the basics of SCRM as a practice, the nature of risks facing supply chains, and the recommended approaches;
- (2) SCRM-related course numbers, titles, sources, and descriptions;
- (3) Number of personnel trained in each of the aforementioned courses; and
- (4) Duty titles of personnel trained.

End of DI-MGMT-82256.