

# Withdrawn Draft

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The attached draft document has been withdrawn, and is provided solely for historical purposes. It has been superseded by the document identified below.

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2                   **Revision 1**

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3                   **Cybersecurity Supply Chain Risk**  
4                   **Management Practices for Systems**  
5                   **and Organizations**

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**Public comment period: October 28, 2021 through December 10, 2021**

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96

## Reports on Computer Systems Technology

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105 outreach efforts in information system security, and its collaborative activities with industry,  
106 government, and academic organizations.

107

108

### Abstract

109 Organizations are concerned about the risks associated with products and services that may  
110 contain potentially malicious functionality, are counterfeit, or are vulnerable due to poor  
111 manufacturing and development practices within the supply chain. These risks are associated  
112 with an enterprise's decreased visibility into, and understanding of, how the technology they  
113 acquire is developed, integrated, and deployed, as well as the processes, procedures, and  
114 practices used to ensure the security, resilience, reliability, safety, integrity, and quality of the  
115 products and services.

116

117 This publication provides guidance to organizations on identifying, assessing, and mitigating  
118 cybersecurity risk in the supply chain at all levels of their organizations. The publication  
119 integrates cybersecurity supply chain risk management (C-SCRM) into risk management  
120 activities by applying a multi-level, C-SCRM-specific approach, including guidance on  
121 development of C-SCRM strategy implementation plans, C-SCRM policies, C-SCRM plans, and  
122 C-SCRM risk assessments for products and services.

123

### Keywords

124 C-SCRM; cybersecurity supply chain risk management; acquire; information and  
125 communication technology; supply chain; cybersecurity supply chain; supply chain assurance;  
126 supply chain risk; supply chain risk assessment; supply chain security; risk management;  
127 supplier.

128

129

130

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141 also like to thank the C-SCRM community, which has provided the authors invaluable insight  
142 and diverse perspectives to managing the supply chain, especially the Departments and Agencies  
143 who provided us with their experience and documentation on NIST SP 800-161 implementation  
144 since its release in 2015 as well as the public and private members of the Enduring Security  
145 Framework who collaborated to provide input into Appendix F.

146

## Note to Reviewers

147

148 Revision 1 of this foundational NIST publication represents a multi-year effort to incorporate the  
149 requisite next-generation C-SCRM controls to accomplish the above objectives. It includes the  
150 changes necessary to make the SP increasingly modular based, and expand alignment to [NIST  
151 800-37], *Risk Management Framework for Information Systems and Organizations: A System  
152 Life Cycle Approach for Security and Privacy* as well as NIST [800-39], *Managing Information  
153 Security Risk: Organization, Mission, and Information System View*. Changes also focus on  
154 making implementation guidance more accessible to various, often diverse, audiences, including  
155 acquirers, suppliers, developers, system integrators, external system service providers, and other  
156 ICT/OT-related service providers as well as increasing enablement through the inclusion of C-  
157 SCRM Strategy & Implementation Plan, C-SCRM Policy, C-SCRM Plan, and Cybersecurity  
158 Supply Chain Risk Assessment Templates.

159

160

161 Questions to reviewers:

162

- 163 • Does the revised structure of the document with added Audience Profiles fill the need to  
164 account for different audiences who may read the document?
- 165 • Within Appendix G C-SCRM Activities in the Risk Management Process – Does the  
166 discussion of materiality in the Criticality Analysis section sufficiently address the topic  
167 as an issue or key aspect to many organizations?
- 168 • Does the EO Appendix strike the right level of guidance given NIST's directive to  
169 publish “*preliminary guidelines, based on the consultations described in subsection (b) of  
170 this section and drawing on existing documents as practicable, for enhancing software  
171 supply chain security and meeting the requirements of this section*”?

172

173 Major changes include:

174

- Added Figure 3-1, *C-SCRM Metrics Development Process*

- 175     • Updated Risk Appetite & Tolerance Figure G-4 and moved to Appendix G: *C-SCRM*  
176       *Activities in the Risk Management Process*

177  
178     Additional major changes per section / appendix include:

179  
180     Section 1, Introduction

- 181     • Added Section 1.3: *Audience Profiles and Document Use Guidance*  
182     • Added discussion of the terms “enterprise” vs. “organization” and the use of terms in the  
183       context of SP 800-161  
184     • Added discussion of the concept of tailoring C-SCRM to Section 1.1: *Purpose*  
185     • Revised Section 1.4: *Background* along with Fig. 1-1: *Dimensions of C-SCRM*

186  
187     Section 2, Integration of C-SCRM into Enterprise-wide Risk Management

- 188     • Added *Section 2.1, The Business Case for C-SCRM* (previously in Section 1 in 1st Public  
189       Draft)  
190     • Added *Cybersecurity Risks in Supply Chains* (previously in Section 1 in 1st Public Draft)  
191     • Revised and streamlined discussion of Multi-level Risk Management

192  
193     Section 3, (NEW) Critical success factors

- 194     • Section 3.4, *C-SCRM Key Practices* (previously in Section 1 of 1st public draft)  
195       ○ Added foundational, sustaining, and enabling practices to guide organizations  
196       effort to adopt C-SCRM practices described in this document  
197     • Added *Section 3.5.1, Measuring C-SCRM Through Performance Measures*, offering  
198       guidance on the development of C-SCRM metrics (NEW to 2nd Public Draft)

199  
200     Appendix A – C-SCRM Controls

- 201     • C-SCRM Controls – (previously section 4 in 1st Public Draft)  
202     • Added discussion of EO related topics (e.g., SBOM into NIST SP 800-53 Rev. 5 controls  
203       supplemental guidance

204  
205     Appendix B – C-SCRM Control Summary

206  
207     Appendix C – Risk Response Framework

- 208     • Added Scenario 6

209  
210     Appendix D – C-SCRM Templates

- 211     • Added references to Executive Order 14028

212  
213     Appendix E – FASCSA (NEW)

- 214     • Augments NIST SP 800-161, Revision 1 and provides additional guidance to specific  
215       federal agencies related to FASCSA

216  
217     Appendix F – Response to Executive Order 14028’s Call to Publish Preliminary Guidelines for  
218       Enhancing Software Supply Chain Security (NEW)

- 219     • Added NIST response to Section 4(c) of Executive Order 14028's directive to establish  
220       preliminary guidelines for enhancing software supply chain security

221  
222   Appendix G – C-SCRM ACTIVITIES IN THE RISK MANAGEMENT PROCESS

223  
224   Appendix H – Glossary

- 225     • Updated glossary based on comments received on Initial Public Draft

226  
227   Appendix I – Acronyms

228  
229   Appendix J – References

- 230     • Moved *Relationship to Other Programs and Publications* from Section 1  
231     • Moved *Section 1.7 Implementing C-SCRM* in the context of SP 800-37 Rev. 2 from  
232       Section 1  
233     • Moved *METHODOLOGY FOR BUILDING C-SCRM GUIDANCE USING SP 800-39,  
234       SP 800-37 REVISION 2, AND NIST SP 800-53 REVISION 5* from Section 1

235  
236  
237 Your feedback on this draft publication is important to us. We appreciate each contribution from  
238 our reviewers. The insightful comments from both the public and private sectors, nationally and  
239 internationally, continue to help shape the final publication to ensure it meets the needs and  
240 expectations of our customers. NIST anticipates publishing the final version no later than April  
241 2022. These dates are subject to change.

242  
243 - JON BOYENS, NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

246

## Call for Patent Claims

247 This public review includes a call for information on essential patent claims, (claims whose use  
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268 future transfers with the goal of binding each successor-in-interest.

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271 Such statements should be addressed to: [scrm-nist@nist.gov](mailto:scrm-nist@nist.gov)

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## 473 1. INTRODUCTION

474 Information, communications, and operational technology (ICT/OT) rely on a complex,  
475 globally distributed and interconnected supply chain ecosystem that is extensive, comprised  
476 of geographically diverse routes, and consists of multiple levels of outsourcing. This  
477 ecosystem is composed of public and private sector entities (e.g., acquirers, suppliers,  
478 developers, system integrators, external system service providers, and other ICT/OT-related  
479 service providers)<sup>1</sup> and technology, law, policy, procedures, and practices that interact to conduct  
480 research and development, design, manufacture, acquire, deliver, integrate, operate, maintain,  
481 dispose of, and otherwise utilize or manage ICT/OT products and services. This ecosystem has  
482 evolved to provide a set of highly refined, cost-effective, and reusable solutions. Public and  
483 private sector entities have rapidly adopted this ecosystem of solutions options and increased  
484 their reliance on commercially available products, system integrator support for custom-built  
485 systems, and external service providers. This, in turn, has resulted in increased complexity,  
486 diversity, and scale of these entities.

487

488 In this document, the term ***supply chain*** refers to the linked set of resources and processes  
489 between and among multiple levels of an enterprise, each of which is an acquirer that begins  
490 with the sourcing of products and services and extends through the product and service life  
491 cycle.

492

493 Given the definition of supply chain, a ***cybersecurity risk in supply chains*** is the potential for  
494 harm or compromise resulting from the cybersecurity risk posed by suppliers, their supply  
495 chains, and their products or services. Cybersecurity risk in the supply chain arise from threats  
496 that exploit vulnerabilities or exposures within products and services traversing the supply chain  
497 as well as threats exploiting vulnerabilities or exposures within the supply chain itself.

498

499 Note for the purposes of NIST publications SCRM and C-SCRM refer to the same concept.  
500 This is because NIST is addressing only the cybersecurity aspects of SCRM. Other  
501 organizations may employ a different definition of SCRM outside the scope of this publication.  
502 This publication does not address many of the non-cybersecurity aspects of SCRM. Also, note  
503 that ICT SCRM is a term no longer being utilized for the purposes of this publication.

504

505 Technology solutions provided through the supply chain present significant benefits including  
506 low cost, interoperability, rapid innovation, product feature variety sourced across a landscape of  
507 competing vendors. These solutions, whether proprietary, government-developed, or open  
508 source, can meet the needs of a global base of public and private sector customers. However, the  
509 same globalization, enterprise interdependency, and reliance on supplied products and services  
510 that allows for such benefits can also increase the risk of a threat event that can directly or  
511 indirectly affect the supply chain. Cybersecurity risk in the supply chain is often undetected and  
512 arise in a manner resulting in risks to both the acquirer and the end-user. For example, deployed  
513 software is typically COTS software components, which in turn include smaller COTS  
514 components at multiple tiers. Deployed software updates often fail to update the smaller COTS  
515 components with known vulnerabilities—even when those vulnerabilities are exploitable in the

<sup>1</sup> See definitions suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers in Appendix F, Glossary.

516 larger deployed software. Software users may be unable to detect the smaller known-vulnerable  
517 components in larger COTS software (e.g., due to complete lack of SBOMs).

518  
519 Currently, enterprises and many private sector suppliers, developers, system integrators, external  
520 system service providers, and other ICT/OT-related service providers use varied and  
521 insufficiently standardized practices, which make it difficult to consistently measure and manage  
522 cybersecurity risk in the supply chain across different enterprises.  
523

524 In this document, the practices and controls described for Cybersecurity Supply Chain Risk  
525 Management (C-SCRM) apply to both information technology (IT) and OT environments, and  
526 is inclusive of IoT. Similar to IT environments relying on ICT products and services, OT  
527 environments rely on OT and ICT products and services, which create a cyber risk from  
528 ICT/OT products, services, suppliers, and their supply chains. Enterprises should include OT-  
529 related suppliers, developers, system integrators, external system service providers, and other  
530 ICT/OT-related service providers within the scope of their C-SCRM activities.

531  
532 When engaging with suppliers, developers, system integrators, external system service providers,  
533 and other ICT/OT-related service providers, agencies should carefully consider the breadth of the  
534 Federal government's footprint and the high likelihood that individual agencies may enforce  
535 varying and conflicting C-SCRM requirements. Overcoming this complexity requires  
536 interagency coordination and partnerships. The passage of the Federal Acquisition Supply Chain  
537 Security Act (FASCSA) of 2018 aimed to address this concern by creating a government-wide  
538 approach to the problem of supply chain security in federal acquisitions by establishing the  
539 Federal Acquisition Security Council (FASC). The FASC therefore serves as a focal point of  
540 coordination and information sharing and a harmonized approach to acquisition security that  
541 addresses C-SCRM in acquisition processes and procurements across the federal enterprise. In  
542 addition, the law incorporated SCRM into FISMA by requiring reporting on progress and  
543 effectiveness of the agency's supply chain risk management consistent with guidance issued by  
544 the Office of Management and Budget and the Council.  
545

546 Note that this publication uses the term "enterprise" to describe Level 1 of the risk management  
547 hierarchy. In practice, an organization is defined as an entity of any size, complexity, or  
548 positioning within a larger enterprise structure (e.g., a federal agency or company). An enterprise  
549 is an organization by this definition, but it exists at the top level of the hierarchy where  
550 individual senior leaders have unique risk management responsibilities [NISTIR 8286]. Several  
551 organizations may comprise an enterprise. In these cases, an enterprise may have multiple Level  
552 1s with stakeholders and activities defined at both the enterprise and the organization levels.  
553 Level 1 activities conducted at the enterprise level should inform those activities completed  
554 within the subordinate organizations. Enterprises and organizations tailor the C-SCRM practices  
555 described in this publication as applicable and appropriate based on their own unique enterprise  
556 structure. There are cases in this publication in which the term "organization" is inherited from a  
557 referenced source (e.g., other NIST Publication, regulatory language). Refer to NISTIR 8286  
558 *Integrating Cybersecurity and Enterprise Risk Management (ERM)* for further guidance on this  
559 topic.  
560

## 561    1.1. Purpose

562  
563 Cybersecurity Supply Chain Risk Management (C-SCRM) is a systematic process for managing  
564 exposures to cybersecurity risks, threats, and vulnerabilities throughout the supply chain and  
565 developing appropriate response strategies presented by the supplier, the supplied products,  
566 services, and the supply chain. The purpose of this publication is to provide guidance to  
567 enterprises on how to identify, assess, select, and implement risk management processes and  
568 mitigating controls across the enterprise to help manage cybersecurity risk in the supply chain.  
569

570 The C-SCRM guidance provided in this document is not one-size-fits-all. Instead, the guidance  
571 throughout this publication should be adopted and tailored to the unique size, resources, and risk  
572 circumstances of each enterprise. Enterprises adopting this guidance may vary in state of  
573 progress toward implementing and adopting C-SCRM practices internally. To that end, this  
574 publication describes key practices observed in enterprises, and offers a general prioritization of  
575 C-SCRM practices (i.e., Foundational, Sustaining, Enabling), for enterprises to consider as they  
576 implement and mature C-SCRM. However, this publication does not offer a specific roadmap  
577 for enterprises to follow in order to reach various states of capability.  
578

579 The processes and controls identified in this document can be modified or augmented with  
580 enterprise-specific requirements from policies, guidelines, response strategies, and other sources.  
581 This publication empowers enterprises to develop C-SCRM strategies tailored to their specific  
582 mission/business needs, threats, and operational environments.  
583

## 584    1.2. Target Audience

585  
586 C-SCRM is an enterprise-wide activity that should be directed under the overall enterprise and/or  
587 enterprise governance, regardless of the specific enterprise structure.  
588

589 This publication is intended to serve a diverse audience involved in C-SCRM, including:

- 590    • Individuals with system, information security, privacy, or risk management and oversight  
591    responsibilities, including authorizing officials (AOs), chief information officers, senior  
592    information security officers, and senior officials for privacy;
- 593    • Individuals with system development responsibilities, including mission or business owners,  
594    program managers, system engineers, system security engineers, privacy engineers, hardware  
595    and software developers, system integrators, and acquisition or procurement officials;
- 596    • Individuals with acquisition and procurement-related responsibilities, including acquisition  
597    officials and contracting officers;
- 598    • Individuals with logistical or disposition-related responsibilities, including program  
599    managers, procurement officials, system integrators, and property managers;
- 600    • Individuals with security and privacy implementation and operations responsibilities,  
601    including mission or business owners, system owners, information owners or stewards,  
602    system administrators, continuity planners, and system security or privacy officers;

- 603 • Individuals with security and privacy assessment and monitoring responsibilities, including  
604 auditors, Inspectors General, system evaluators, control assessors, independent verifiers and  
605 validators, and analysts; and  
606 • Commercial entities, including industry partners, that produce component products and  
607 systems, create security and privacy technologies, or provide services or capabilities that  
608 support information security or privacy.

609 **1.3. Audience Profiles and Document Use Guidance**

610  
611 Given the wide audience of this publication, several reader profiles have been defined to point  
612 readers to the sections of the document which most closely pertain to their use case. Some  
613 readers will belong to multiple profiles and therefore should consider reading all applicable  
614 sections. Any reader accountable for the implementation of a C-SCRM capability or function  
615 within their enterprise, regardless of role, should consider the entire document applicable to their  
616 use case.

617  
618 **1.3.1. Enterprise Risk Management and C-SCRM Owners and Operators**

619  
620 These readers are those responsible for enterprise risk management and cybersecurity supply  
621 chain risk management within the enterprise. These readers may help develop C-SCRM policies  
622 and standards, perform assessments of cybersecurity risk in supply chains, and serve as subject  
623 matter experts to the rest of the enterprise. The entire document is relevant to and recommended  
624 for readers fitting this profile.

625  
626 **1.3.2. Enterprise, Agency, Mission and Business Process Owners and Operators**

627  
628 These readers are the personnel responsible for the activities that create and/or manage risk  
629 within the enterprise. These personnel may also own the risk as part of their duties within the  
630 mission or business process. These personnel may have responsibilities for managing  
631 cybersecurity risk in the supply chain across the enterprise. These readers may seek general  
632 knowledge and guidance on Cybersecurity Supply Chain Risk Management. Recommended  
633 reading includes:

- 634  
635 • Section 1: Introduction  
636 • Section 2: Integration of C-SCRM into Enterprise-wide Risk Management  
637 • Section 3.3: C-SCRM Awareness and Training  
638 • Section 3.4: C-SCRM Key Practices  
639 • Section 3.6: Dedicated Resources  
640 • Appendix A: C-SCRM Security Controls  
641 • Appendix B: C-SCRM Control Summary

642  
643 **1.3.3. Acquisition and Procurement Owners and Operators**

644  
645 These readers are those with C-SCRM responsibilities as part of their role in the procurement or  
646 acquisition function of an enterprise. Acquisition personnel may execute C-SCRM activities as a

647 part of their general responsibilities in the acquisition and procurement life cycle. These  
648 personnel will collaborate closely with the enterprise's C-SCRM personnel to execute C-SCRM  
649 activities with acquisition and procurement. Recommended reading includes:  
650

- 651 • Section 1: Introduction
- 652 • Section 2.1: The Business Case for C-SCRM
- 653 • Section 2.2: Cybersecurity Risk in Supply Chains
- 654 • Section 3.1: C-SCRM in Acquisition
- 655 • Section 3.3: C-SCRM Awareness and Training
- 656 • Appendix A: C-SCRM Security Controls
  - 657 ○ These readers should pay special attention to requisite controls for supplier  
658 contracts and include in agreements with both primary and sub-tier contractor  
659 parties

#### 661 **1.3.4. Information Security, Privacy, or Cybersecurity operators**

662 These readers are those with responsibility for protecting the confidentiality, integrity, and  
663 availability of the enterprise's critical processes and information systems. As part of those  
664 responsibilities, these readers may find themselves directly or indirectly involved with  
665 conducting Cybersecurity Supply Chain Risk Assessments and/or the selection and  
666 implementation of C-SCRM controls. In smaller enterprises, these personnel may bear the  
667 responsibility of implementing C-SCRM in their enterprise, and as such should refer to section  
668 1.3.1 for guidance. Recommended reading includes:  
669

- 670 • Section 1: Introduction
- 671 • Section 2.1: The Business Case for C-SCRM
- 672 • Section 2.2: Cybersecurity Risk in Supply Chains
- 673 • Section 3.2: Supply Chain Information Sharing
- 674 • Section 3.4: C-SCRM Key Practices
- 675 • Appendix A: C-SCRM Security Controls
- 676 • Appendix B: C-SCRM Control Summary
- 677 • Appendix C: Risk Exposure Framework
- 678 • Appendix D: C-SCRM Activities in the Risk Management Process

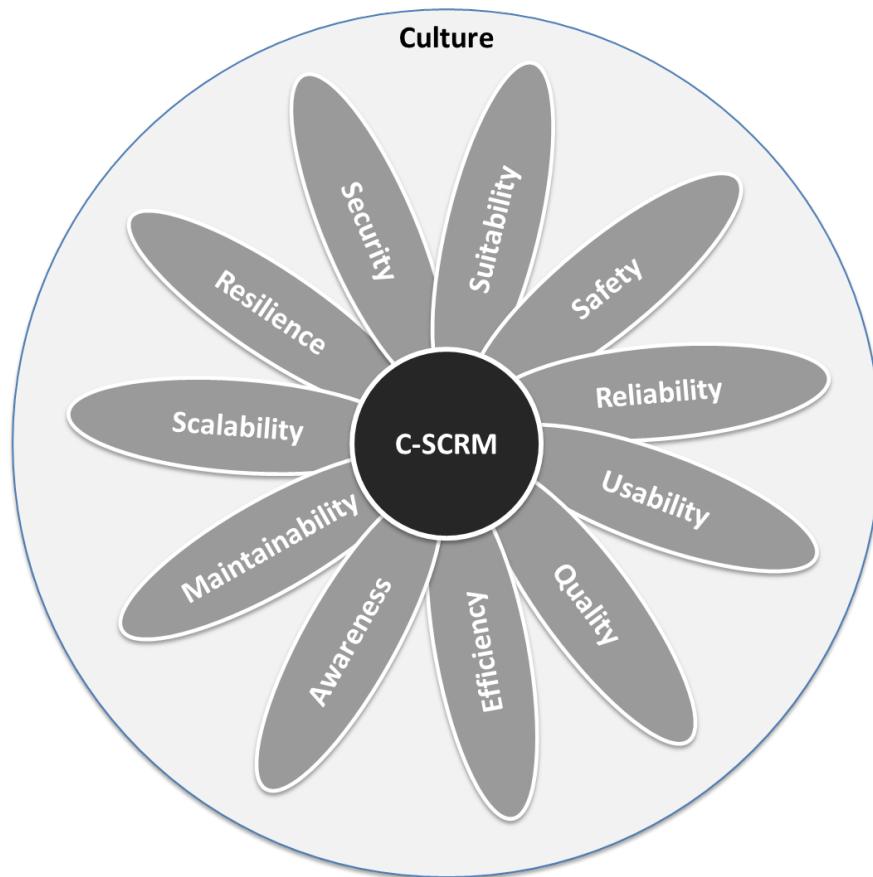
### 681    1.3.5. Systems development, system engineering, and system implementation personnel

682  
683    These readers are those with responsibilities for executing activities within an information  
684    system's SDLC. As part of their SDLC responsibilities, these readers will be responsible for the  
685    execution of operational-level C-SCRM activities. Specifically, these personnel may be  
686    concerned with implementing C-SCRM controls to manage cybersecurity risk that arises from  
687    products and services provided through the supply chain within the scope of their information  
688    system(s). Recommended reading includes:

- 690       • Section 1: Introduction
- 691       • Section 2.1: The Business Case for C-SCRM
- 692       • Section 2.2: Cybersecurity Risk in Supply Chains
- 693       • Section 2.3.3: Level 3 - Operational
- 694       • Appendix A: C-SCRM Security Controls
- 695       • Appendix B: C-SCRM Control Summary
- 696       • Appendix C: Risk Exposure Framework
- 697       • Appendix D: C-SCRM Activities in the Risk Management Process

### 700    1.4. Background

701  
702    C-SCRM encompasses activities spanning the entire system development life cycle, (SDLC),  
703    including research and development, design, manufacturing, acquisition, delivery, integration,  
704    operations and maintenance, disposal, and overall management of an enterprise's products and  
705    services. Many enterprises already perform certain C-SCRM related-activities as a part of these  
706    SDLC functions. Addressing cybersecurity risk in the supply chain within the SDLC is a factor  
707    that determines the success of C-SCRM. C-SCRM is the organized and purposeful management  
708    of cybersecurity risk in the supply chain. C-SCRM requires enterprise recognition and awareness  
709    and lies at the intersection of security, suitability, safety, reliability, usability, quality, efficiency,  
710    maintainability, scalability, and resilience as depicted in Figure 1-1. These dimensions are layers  
711    of consideration for enterprises as they approach C-SCRM and should be considered the outputs  
712    of effective C-SCRM.



715

**Fig. 1-1: Dimensions of C-SCRM**

- 716 • Culture is the set of shared values, practices, goals, and attitudes of the organization that  
717 set the stage for successful C-SCRM;
- 718 • Awareness is focused on a learning process that sets the stage for training by changing  
719 individual and enterprise attitudes to realize the importance of C-SCRM and the adverse  
720 consequences of its failure;<sup>2</sup>
- 721 • Security provides the confidentiality, integrity, and availability of information that (a)  
722 describes the supply chain (e.g., information about the paths of products and services,  
723 both logical and physical), or (b) traverses the supply chain (e.g., intellectual property  
724 contained in products and services), as well as information about the parties participating  
725 in the supply chain (anyone who touches a product or service throughout its life cycle);
- 726 • Suitability is focused on the supply chain as well as the provided products and services  
727 being right and appropriate for the enterprise and its purpose;
- 728 • Safety is focused on ensuring the product or service are free from conditions that can  
729 cause death, injury, occupational illness, damage to or loss of equipment or property, or  
730 damage to the environment;<sup>3</sup>
- 731 • Reliability is focused on the ability of a product or service to function as defined for a  
732 specified period of time in a predictable manner;<sup>4</sup>

<sup>2</sup> NIST SP 800-16<sup>3</sup> NIST SP 800-160 Vol.2<sup>4</sup> NIST SP 800-160 Vol.2

- 733 • Usability is focused on the extent to which a product or services can be used by specified  
734 users to achieve specified goals with effectiveness, efficiency, and satisfaction in a  
735 specified context of use;<sup>5</sup>
- 736 • Quality is focused on meeting or exceeding performance, technical, and functional  
737 specifications while ensuring vulnerabilities are mitigated that may limit the intended  
738 function of a component or delivery of a service, lead to component or service failure, or  
739 provide opportunities for exploitation;
- 740 • Efficiency is focused on the timeliness of the intended result delivered by a product or  
741 service;
- 742 • Maintainability is focused on the ease of a product or service to accommodate change and  
743 improvements based on past experience in support of expanding future derived benefits;
- 744 • Scalability is the capacity of a product or service to handle increased growth and demand;
- 745 • Resilience is focused on ensuring a product, service, or the supply chain supports the  
746 enterprise's ability to prepare for and adapt to changing conditions and withstand and  
747 recover rapidly from disruptions. Resilience includes the ability to withstand and recover  
748 from deliberate attacks, accidents, or naturally occurring threats or incidents.

#### 750 1.4.1. Enterprise's Supply Chain

751 Contemporary enterprises run complex information systems and networks to support their  
752 missions. These information systems and networks are composed of ICT/OT<sup>6</sup> products and  
753 components made available by *suppliers, developers, and system integrators*. Enterprises also  
754 acquire and deploy an array of services, that include but are not limited to:

- 755 • Custom software for information systems built to be deployed within the enterprise, made  
756 available by *developers*;
- 757 • Operations, maintenance, and disposal support for information systems and networks  
758 within and outside of the enterprise's boundaries,<sup>7</sup> made available by *system integrators*  
759 or other *ICT/OT-related service providers*; and
- 760 • External services to support the enterprise's operations that are positioned both inside and  
761 outside of the authorization boundaries, made available by *external system service*  
762 *providers*.

763 These services may span the entire SDLC for an information system or service and may be:

- 764 • Performed by the staff employed by the enterprise, developer, system integrator, or  
765 external system service provider;

---

<sup>5</sup> NIST SP 800-63-3

<sup>6</sup> NIST SP 800-37 Rev. 2 defines Operational Technology as:

*Programmable systems or devices that interact with the physical environment (or manage devices that interact with the physical environment). These systems/devices detect or cause a direct change through the monitoring and/or control of devices, processes, and events. Examples include industrial control systems, building management systems, fire control systems, and physical access control mechanisms.*

<sup>7</sup> For federal information systems, this is the Authorization Boundary, defined in NIST SP 800-53 Rev. 5 as:

*All components of an information system to be authorized for operation by an authorizing official. This excludes separately authorized systems to which the information system is connected.*

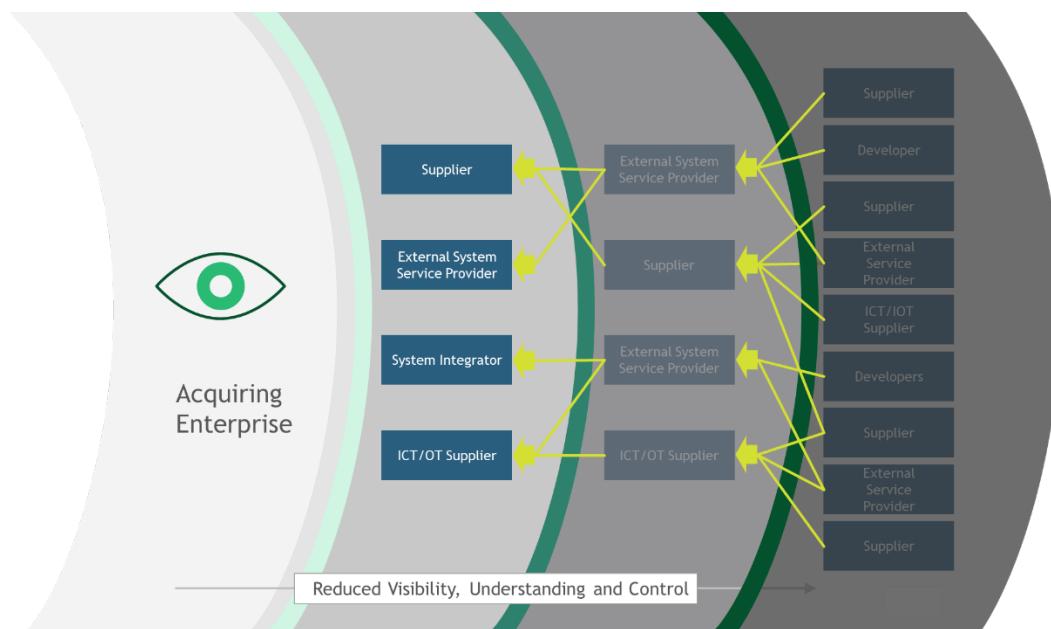
- 770     • Physically hosted by the enterprise or by the developer, system integrator, or external  
771        system service provider;  
772     • Supported or comprised of development environments, logistics/delivery environments  
773        that transport information systems and components, or applicable system and  
774        communications interfaces;  
775     • Proprietary, open source, or commercial off-the-shelf (COTS) hardware and software.

777 The responsibility and accountability for the services and associated activities performed by  
778 different parties within this ecosystem are usually defined by agreement documents between the  
779 enterprise and suppliers, developers, system integrators, external system service providers, and  
780 other ICT/OT-related service providers.

#### 782 **1.4.2. Supplier Relationships within Enterprises**

784 Enterprises depend on the supply chain to provide a variety of products and services enabling the  
785 enterprise to achieve its strategic and operational objectives. Identifying cybersecurity risk in  
786 supply chains is complicated by the information asymmetry that exists between acquiring  
787 enterprises and their suppliers and service providers. Acquirers often lack visibility and  
788 understanding of how acquired technology is developed, integrated, and deployed, and how  
789 services they acquire are delivered. Cybersecurity risk in the supply chain also arises as a result  
790 of the inadequacy or absence of processes, procedures, and practices used to ensure the security,  
791 safety, integrity, quality, reliability, trustworthiness or authenticity of a technology product,  
792 service, or source of the products and services. The level of cybersecurity risk in the supply chain  
793 to which an enterprise is exposed depends largely on the relationship between the products and  
794 services provided and the criticality of the missions, business processes, and systems they  
795 support. Enterprises have a variety of relationships with their suppliers, developers, system  
796 integrators, external system service providers, and other ICT/OT-related service providers.  
797 Figure 1-3 depicts how these diverse relationships affect an enterprise's visibility and control of  
798 the supply chain.

801



**Fig. 1-2: An Enterprise's Visibility, Understanding, and Control of its Supply Chain**

803 Some supply chain relationships are tightly intermingled, such as the development by a system  
 804 integrator of a complex information system operating within the federal agency's authorization  
 805 boundary, or the management of federal agency information systems and resources by an  
 806 external service provider. These relationships are usually guided by an agreement, (e.g.,  
 807 contract), that establishes detailed functional, technical, and security requirements and may  
 808 provide for custom development or significant customization of products and services. For these  
 809 relationships, system integrators and external service providers are likely able to work with the  
 810 enterprise to implement such processes and controls, (listed within this document), which are  
 811 deemed appropriate based on the results of a criticality and risk assessment and cost/benefit  
 812 analysis. This may include floating requirements upstream in the supply chain to ensure higher  
 813 confidence in the satisfaction of necessary assurance objectives. The decision to extend such  
 814 requirements must be balanced with an appreciation of what is feasible and cost-effective. The  
 815 degree to which system integrators and external service providers are expected to implement C-  
 816 SCRM processes and controls should be weighed against the risks to the enterprise posed by not  
 817 adhering to those additional requirements. Often, working directly with the system integrators  
 818 and external service providers to proactively identify appropriate mitigation processes and  
 819 controls will help create a more cost-effective strategy.

820  
 821 Procuring ICT/OT products directly from suppliers establishes a direct relationship between  
 822 those suppliers and the acquirers. This relationship is also usually guided by an agreement  
 823 between the acquirer and the supplier. However, commercial ICT/OT developed by suppliers are  
 824 typically designed for general purposes for a global market and are not typically tailored to an  
 825 individual customer's specific operational or threat environments. Enterprises should perform  
 826 due diligence research regarding their specific C-SCRM requirements to determine if an IT  
 827

828 solution is “fit for purpose”<sup>8</sup>, includes requisite security features and capabilities, will meet  
829 quality and resiliency expectations, and requires support by the supplier for the product—or  
830 product components—over its life cycle.

831  
832 An assessment of the findings of an acquirer’s research about a product—which may include  
833 engaging in a dialog directly with suppliers whenever possible—will help acquirers understand  
834 the characteristics and capabilities of existing ICT/OT products and services, set expectations  
835 and requirements for suppliers, and identify C-SCRM needs not yet satisfied by the market. It  
836 can also help identify emerging solutions that may at least partially support the acquirer’s needs.  
837 Overall, such research and engagement with a supplier will allow the acquirer to better articulate  
838 their requirements to align with and drive market offerings and make risk-based decisions about  
839 product purchases, configurations, and usages within their environment.  
840

### 841 **Managing Cost and Resources**

842  
843 Balancing cybersecurity risk in supply chains with the costs and benefits of C-SCRM controls  
844 should be a key component of the acquirer’s overall approach to C-SCRM.  
845

846 Enterprises should be aware that implementing C-SCRM controls necessitates additional  
847 financial and human resources. Requiring a greater level of testing, documentation, or security  
848 features from suppliers, developers, system integrators, external system service providers, and  
849 other ICT/OT-related service providers may increase the price of a product or service which may  
850 result in increased cost to the acquirer. This is especially true for those products and services  
851 developed for general-purpose applications and not tailored to the specific enterprise security or  
852 C-SCRM requirements. When deciding whether to require and implement C-SCRM controls,  
853 acquirers should consider both the costs of implementing these controls and the risks of not  
854 implementing them.  
855

856 To mitigate cost, and when appropriate, acquirers should allow suppliers, developers, system  
857 integrators, external system service providers, and other ICT/OT-related service providers the  
858 opportunity to reuse applicable existing data and documentation that may provide evidence to  
859 support C-SCRM, e.g., existing standards.  
860

### 861 **1.5. Relationship to Other Publications and Publication Summary**

862  
863 This publication builds on the concepts promoted within other NIST publications and tailors  
864 those concepts for use within Cybersecurity Supply Chain Risk Management. As a result of this  
865 relationship, this publication inherits many of the concepts and looks to those other NIST  
866 publications to continue to advance the base frameworks, concepts, and methodologies. Those  
867 NIST publications include:  
868  
869

---

<sup>8</sup> “Fit for purpose” is a term used informally to describe a process, configuration item, IT service, etc., capable of meeting its objectives or service levels. Being fit-for-purpose requires suitable design, implementation, control, and maintenance. (Adapted from Information Technology Infrastructure Library (ITIL) Service Strategy [ITIL Service Strategy].)

870

- 871 • **NIST Cybersecurity Framework (CSF) Version 1.1:** voluntary guidance, based on  
872 existing standards, guidelines, and practices for organizations to better manage and  
873 reduce cybersecurity risk. In addition to helping organizations manage and reduce risks, it  
874 was designed to foster risk and cybersecurity management communications amongst both  
875 internal and external organizational stakeholders;
- 876 • **FIPS 199, Standards for Security Categorization of Federal Information and  
877 Information Systems:** a standard for categorizing federal information and information  
878 systems according to an agency's level of concern for confidentiality, integrity, and  
879 availability and the potential impact on agency assets and operations should their  
880 information and information systems be compromised through unauthorized access, use,  
881 disclosure, disruption, modification, or destruction;
- 882 • **NIST SP 800-30, Revision 1, Guide for Conducting Risk Assessments:** guidance for  
883 conducting risk assessments of federal information systems and organizations, amplifying  
884 the guidance in Special Publication 800-39. Risk assessments, carried out at all three tiers  
885 in the risk management hierarchy, are part of an overall risk management process—  
886 providing senior leaders/executives with the information needed to determine appropriate  
887 courses of action in response to identified risks;
- 888 • **NIST SP 800-37, Revision 2, Risk Management Framework for Information Systems  
889 and Organizations: A System Life Cycle Approach for Security and Privacy:** describes  
890 the Risk Management Framework (RMF) and provides guidelines for applying the RMF  
891 to information systems and organizations. The RMF provides a disciplined, structured,  
892 and flexible process for managing security and privacy risk that includes information  
893 security categorization; control selection, implementation, and assessment; system and  
894 common control authorizations; and continuous monitoring;
- 895 • **NIST SP 800-39, Managing Information Security Risk: Organization, Mission, and  
896 Information System View:** provides guidance for an integrated, organization-wide  
897 program for managing information security risk to organizational operations (i.e.,  
898 mission, functions, image, and reputation), organizational assets, individuals, other  
899 organizations, and the Nation resulting from the operation and use of federal information  
900 systems;
- 901 • **NIST SP 800-53 Revision 5, Security and Privacy Controls for Information Systems  
902 and Organizations:** provides a catalog of security and privacy controls for information  
903 systems and organizations to protect organizational operations and assets, individuals,  
904 other organizations, and the Nation from a diverse set of threats and risks, including  
905 hostile attacks, human errors, natural disasters, structural failures, foreign intelligence  
906 entities, and privacy risks;
- 907 • **NIST SP 800-53B Revision 5, Control Baselines for Information Systems and  
908 Organizations:** provides security and privacy control baselines for the Federal  
909 Government. There are three security control baselines (one for each system impact  
910 level—low-impact, moderate-impact, and high-impact), as well as a privacy baseline that  
911 is applied to systems irrespective of impact level;
- 912 • **NIST SP 800-160 Vol. 1, Systems Security Engineering:** addresses the engineering-  
913 driven perspective and actions necessary to develop more defensible and survivable

- systems, inclusive of the machine, physical, and human components comprising the systems, capabilities and services delivered by those systems;
- **NIST SP 800-160 Vol. 2, *Developing Cyber Resilient Systems: A Systems Security Engineering Approach*:** a handbook for achieving the identified cyber resiliency outcomes based on a systems engineering perspective on system life cycle processes in conjunction with risk management processes, allowing the experience and expertise of the organization to help determine what is correct for its purpose;
  - **NIST SP 800-181 Revision 1, *National Initiative for Cybersecurity Education (NICE) Cybersecurity Workforce Framework*:** a fundamental reference for describing and sharing information about cybersecurity work. It expresses that work as Task statements and describes Knowledge and Skill statements that provide a foundation for learners including students, job seekers, and employees;
  - **NISTIR 7622, *Notional Supply Chain Risk Management Practices for Federal Information Systems*:** provides a wide array of practices that, when implemented, will help mitigate supply chain risk to federal information systems. It seeks to equip federal departments and agencies with a notional set of repeatable and commercially reasonable supply chain assurance methods and practices that offer a means to obtain an understanding of, and visibility throughout, the supply chain;
  - **NISTIR 8179, *Criticality Analysis Process Model: Prioritizing Systems and Components*:** helps organizations identify those systems and components that are most vital, and which may need additional security or other protections;
  - **NISTIR 8276, *Key Practices in Cyber Supply Chain Risk Management: Observations from Industry*:** provides the ever-increasing community of digital businesses a set of Key Practices that any organization can use to manage cybersecurity risks associated with their supply chains. The Key Practices presented in this document can be used to implement a robust C-SCRM function at an organization of any size, scope, and complexity. These practices combine the information contained in existing C-SCRM government and industry resources with the information gathered during the 2015 and 2019 NIST research initiatives; and

- 944 • **NISTIR 8286, Identifying and Estimating Cybersecurity Risk for Enterprise Risk**  
945 **Management (ERM):** helps individual organizations within an enterprise improve their  
946 cybersecurity risk information, which they provide as inputs to their enterprise's ERM  
947 processes through communications and risk information sharing.

949 This publication also draws upon concepts and work from other regulations, government reports,  
950 standards, guidelines, and best practices. A full list of those references can be found in the  
951 *Appendix H: References* section of this document.

### Key Takeaways

956 **The Supply Chain.** ICT/OT relies on a globally distributed, interconnected supply chain  
957 ecosystem that consists of public and private sector entities (e.g., acquirers, suppliers,  
958 developers, system integrators, external system service providers, and other ICT/OT-related  
959 service providers).

961 **Supply Chain Products and Services.** Products and services that enterprises rely on the supply  
962 chain for include, but are not limited to, provision of systems and system components, custom  
963 software, operational support services, hosting systems and services, and performing system  
964 support roles.

966 **Supply Chain Benefits and Risks.** This ecosystem offers benefits including low cost,  
967 interoperability, rapid innovation, product feature variety and ability to choose between  
968 competing vendors, but the same mechanisms that provide those benefits also introduce a variety  
969 of cybersecurity risk in supply chains such as a supplier disruption that causes a reduction in  
970 service levels and leads to dissatisfaction from the enterprise's customer base.

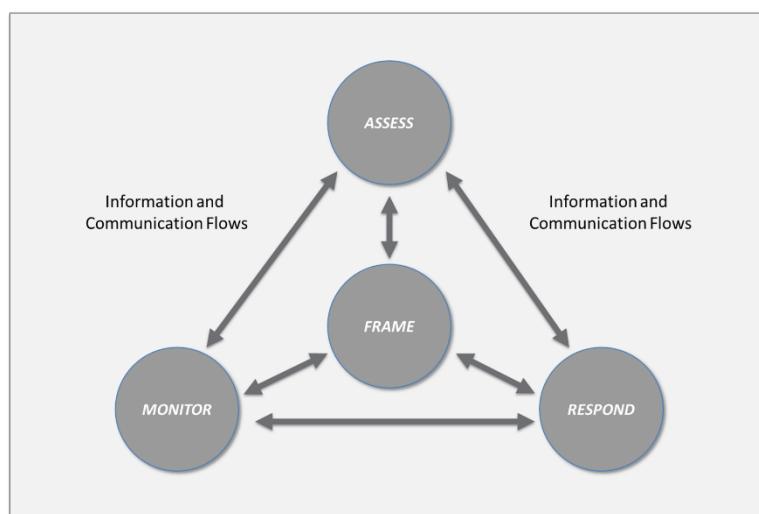
972 **Cybersecurity Supply Chain Risk Management (C-SCRM).** C-SCRM, as is described in this  
973 document, is a systematic process which aims to help enterprises manage cybersecurity risk in  
974 the supply chain. Enterprises should identify, adopt, and tailor practices described in this  
975 document to best suit their unique strategic, operational, and risk context.

977 **Scope of C-SCRM.** C-SCRM encompasses a wide array of stakeholder groups that include, but  
978 are not limited to, information security and privacy, system developers and implementers,  
979 acquisition, and procurement, as well as legal and HR. C-SCRM covers activities that span the  
980 entire system development life cycle (SDLC), from initiation to sunset and disposal. In addition,  
981 C-SCRM risks should be aggregated and contextualized as part of enterprise risk management  
982 processes to ensure the enterprise understands its total risk exposure of its critical operations to  
983 different risk types (e.g., financial risk, strategic risk).

## 2. INTEGRATION OF C-SCRM INTO ENTERPRISE-WIDE RISK MANAGEMENT

C-SCRM should be integrated into enterprise-wide risk management processes described in [NIST SP 800-39] and depicted in Figure 2-1. This process includes the following continuous and iterative steps:

- (i) Frame risk. Establish the context for risk-based decisions and the current state of the enterprise's information and communications technology and services, and the associated supply chain;
- (ii) Assess risk. Review and interpret criticality, threat, vulnerability, likelihood<sup>9</sup>, impact, and related information;
- (iii) Respond to risk. Select, tailor, and implement mitigation controls based upon risk assessment findings; and
- (iv) Monitor risk exposure and effectiveness in mitigating risk, on an ongoing basis, including tracking changes to an information system or supply chain, using effective enterprise communications and a feedback loop for continuous improvement.



**Fig. 2-1: Risk Management Process**

Managing cybersecurity risk in the supply chain is a complex undertaking that requires cultural transformation and a coordinated, multidisciplinary approach across an enterprise. Effective cybersecurity supply chain risk management (C-SCRM) requires engagement from stakeholders inside the enterprise (e.g., departments, processes) as well as outside the enterprise (e.g., suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers) to actively collaborate, communicate, and take actions to secure favorable C-SCRM outcomes. Successful cybersecurity supply chain risk management requires enterprises to purposefully pursue a cultural shift to raise the state of awareness across the enterprise of the potential business ramifications of cybersecurity risk in the supply chain.

<sup>9</sup> In mathematics, likelihood and probability are fundamental different concepts but the difference between the two is considered outside the scope of this publication. For C-SCRM purposes likelihood is defined as the probability of a threat exploiting a vulnerability within a given timeframe.

1016 Enterprises should aim to infuse perspectives from multiple disciplines and processes (e.g.,  
1017 information security, procurement, enterprise risk management, engineering, software  
1018 development, IT, legal, HR, etc.) into their approaches to managing cybersecurity risk in the  
1019 supply chain. Enterprises may define explicit roles to bridge and integrate these processes as a  
1020 part of an enterprise's broader risk management activities. This orchestrated approach is an  
1021 integral part of an enterprise's effort to identify C-SCRM priorities, develop solutions, and  
1022 incorporate C-SCRM into overall risk management decisions. Enterprises should perform C-  
1023 SCRM activities as a part of the acquisition, SDLC, and broader enterprise risk management  
1024 processes. Embedded C-SCRM activities involve determining the criticality of functions and  
1025 their dependency on the supplied products and services, identifying, and assessing applicable  
1026 risks, determining appropriate mitigating actions, documenting selected risk response actions,  
1027 and monitoring performance of C-SCRM activities. As exposure to supply chain risk differs  
1028 across (and sometimes within) enterprises, business and mission-specific strategies and policies  
1029 should set the tone and direction for C-SCRM across the enterprise.  
1030

1031 Organizations should ensure that tailored C-SCRM plans are designed to:  
1032

- 1033 • Manage, rather than eliminate risk as risk is integral to the pursuit of value;
- 1034 • Ensure that operations are able to adapt to constantly emerging or evolving threats;
- 1035 • Be responsive to changes within their own organization, programs, and the supporting  
1036 information systems; and
- 1037 • Adjust to the rapidly evolving practices of the private sector's global ICT supply  
1038 chain.

1039 Section 2.1 describes the three-level risk management approach in terms of C-SCRM. Generally,  
1040 senior leaders provide the strategic direction, mid-level leaders plan and manage programs and  
1041 projects, and individuals on the front lines procure, develop, implement, and operate the products  
1042 and perform the services in their supply chain. As part of a multifaceted approach, enterprises  
1043 may rely on a centralized, interdisciplinary team or program management office (PMO) to lead,  
1044 perform, and coordinate Level 1 and Level 2 C-SCRM processes that inform C-SCRM processes  
1045 at the Level 3 operational level. Section 2.1 describes Multi-level Risk Management as it applies  
1046 to C-SCRM. The foundational concepts are described in greater detail in [NIST SP 800-39].  
1047

1048 Note that Section 2 provides an overview of the governance, organizational structure, roles and  
1049 responsibilities, and high-level activities performed across the three-cybersecurity supply chain  
1050 risk management levels. Appendix D provides a detailed discussion of the specific activities  
1051 within the cybersecurity supply chain risk management process.

## 1052 **2.1. The Business Case for C-SCRM**

1053 Today, every enterprise heavily relies on digital technology to fulfill its business and mission.  
1054 Digital technology is comprised of ICT/OT products and is delivered through and supported by  
1055 services. C-SCRM is a critical capability that every enterprise needs to have to address cyber  
1056 risks posed by the use of digital technology to support its business and mission. The depth,  
1057 extent, and maturity of a C-SCRM capability for each enterprise should be based on the

1055 uniqueness of business or mission, enterprise-specific compliance requirements, operational  
1056 environment, risk appetite, and risk tolerance.

1057  
1058 Establishing and sustaining a C-SCRM capability creates a number of significant benefits:  
1059

- 1060 • An established C-SCRM program will allow agencies to know which systems on their  
1061 networks are most critical;
- 1062 • Reduced likelihood of supply chain compromise by a cybersecurity threat. Well-  
1063 designed C-SCRM processes and controls achieve this by enhancing an enterprise's  
1064 ability to effectively detect, respond, and recover from events that result in significant  
1065 business disruptions, should a C-SCRM compromise occur;
- 1066 • Operational and enterprise efficiencies achieved through clear structure, purpose, and  
1067 alignment of C-SCRM capabilities and prioritization, consolidation, and streamlining of  
1068 existing C-SCRM processes;
- 1069 • Greater assurance that products acquired are of high quality, authentic, reliable, resilient,  
1070 maintainable, secure, and safe;
- 1071 • Greater assurance that suppliers and service providers, as well as the technology products  
1072 and services they provide, are trustworthy and can be relied upon to meet their  
1073 performance requirements.

1074  
1075 Enterprises should carefully consider the potential costs of applying C-SCRM processes and  
1076 controls, weighing such costs against the risk to the enterprise were they not applied.

1077 Implementing C-SCRM processes and controls will require financial and human resources, as  
1078 well as tools and infrastructure investments, not only from the enterprises themselves, but also  
1079 from their suppliers, developers, system integrators, external system service providers, and other  
1080 ICT/OT-related service providers which may also result in increased costs to the acquirer. Such  
1081 costs may be realized through required staff upskilling or hiring, vendor switching, impacts on  
1082 contingency planning, supplier diversity, and procurement timeline delays.

1083  
1084 The passage of the 2018 SECURE Technology Act, formation of the Federal Acquisition  
1085 Security Council (FASC), and the observations from the 2015 and 2019 Case Studies in Cyber  
1086 Supply Chain Risk Management captured in the National Institute of Standards and Technology  
1087 Interagency Report (NISTIR) 8276, *Key Practices in Cyber Supply Chain Risk Management*,  
1088 point to a broad public and private sector consensus: C-SCRM capabilities are a critical and  
1089 foundational component of any enterprise's risk posture.

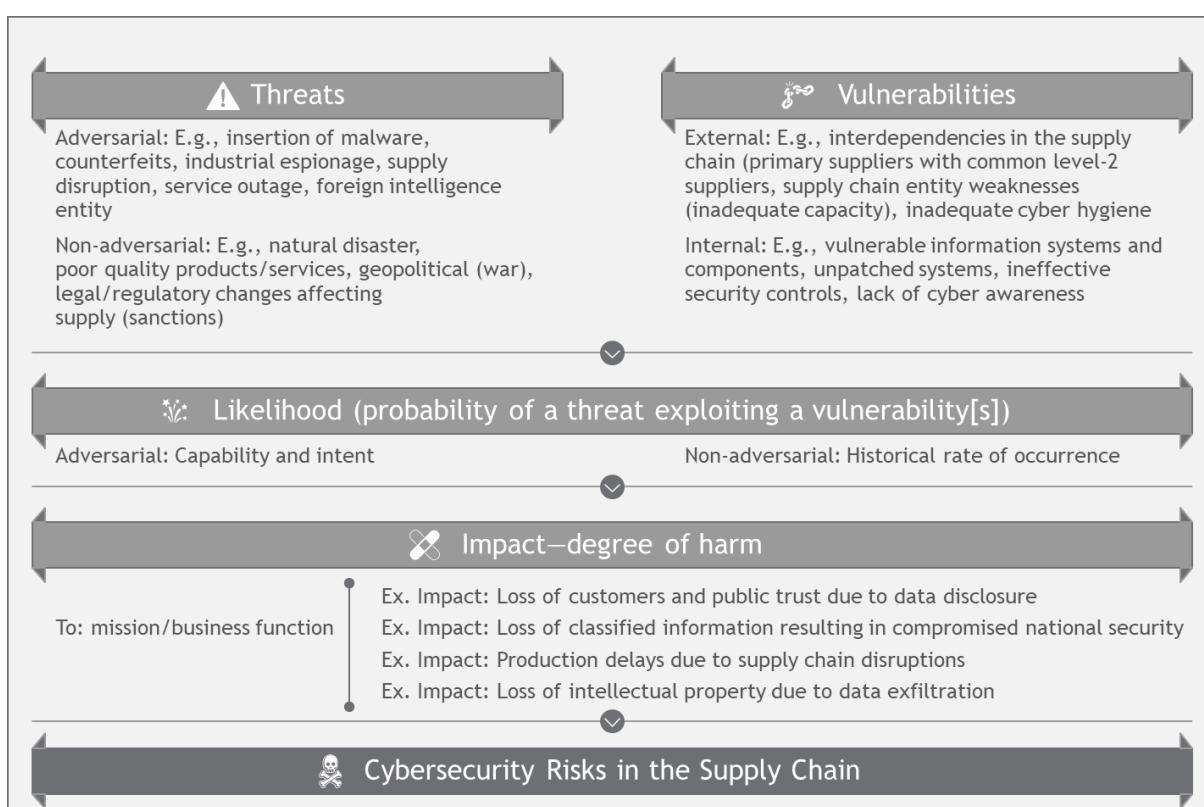
1090  
1091 **2.2. Cybersecurity Risk in Supply Chains**

1092  
1093 Cybersecurity risk in the supply chain is the potential for harm or compromise that arises from  
1094 the cybersecurity risks posed by suppliers, their supply chains, and their products or services.  
1095 Examples of cybersecurity risk in the supply chain includes, but is not limited to:

- 1096  
1097 • An organized criminal enterprise introduces counterfeit products into the market resulting  
1098 in a loss of customer trust and confidence;

- Insiders working on behalf of a system integrator steal sensitive intellectual property resulting in loss of a major competitive advantage;<sup>10</sup>
- A proxy working on behalf of a nation-state inserts malicious software into supplier-provided product components used in systems sold to government agencies. A breach occurs and results in loss of several government contracts; and
- A system integrator working on behalf of an agency reuses vulnerable code leading to a breach of mission critical data with national security implications.

Risks such as these are realized when threats in the cybersecurity supply chain exploit existing vulnerabilities. Figure 2-3 depicts cybersecurity risk in the supply chain resulting from the likelihood that relevant threats may exploit applicable vulnerabilities and the consequential potential impact.



**Fig. 2-2: Cybersecurity Risk in the Supply Chain**

Supply chain cybersecurity vulnerabilities may lead to persistent negative impact on an enterprise's missions ranging from reduction in service levels leading to customer dissatisfaction to the theft of intellectual property or degradation of critical mission and business processes. It may, however, take years for such vulnerability to be exploited or discovered. It may also be difficult to determine whether an event was the direct result of a supply chain vulnerability.

<sup>10</sup> To qualify as a cybersecurity risk in the supply chain, insider threats specifically deal with instances of 3<sup>rd</sup> party insider threats and not 1<sup>st</sup> party insider threats.

1119 Vulnerabilities in the supply chain are often interconnected and may also expose enterprises to  
 1120 cascading cybersecurity risk in the supply chain. For example, a large-scale service outage at a  
 1121 major cloud services provider may cause service or production disruptions for multiple entities  
 1122 within an enterprise's supply chain and lead to negative effects within multiple mission and  
 1123 business processes.

1124

Ownership and accountability for cybersecurity risks in the supply chain ultimately lies with the head of the organization:

- Decision-makers are informed by an organization's risk profile, risk appetite, and risk tolerance levels; processes should address when and how escalation of risk decisions needs to occur.
- Ownership should be delegated to authorizing officials within the agency based on their executive authority over organizational missions, business operations or information systems.
- Authorizing officials may further delegate responsibilities to designated officials who are responsible for the day-to-day management of risk.

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### 2.3. Multi-level Risk Management

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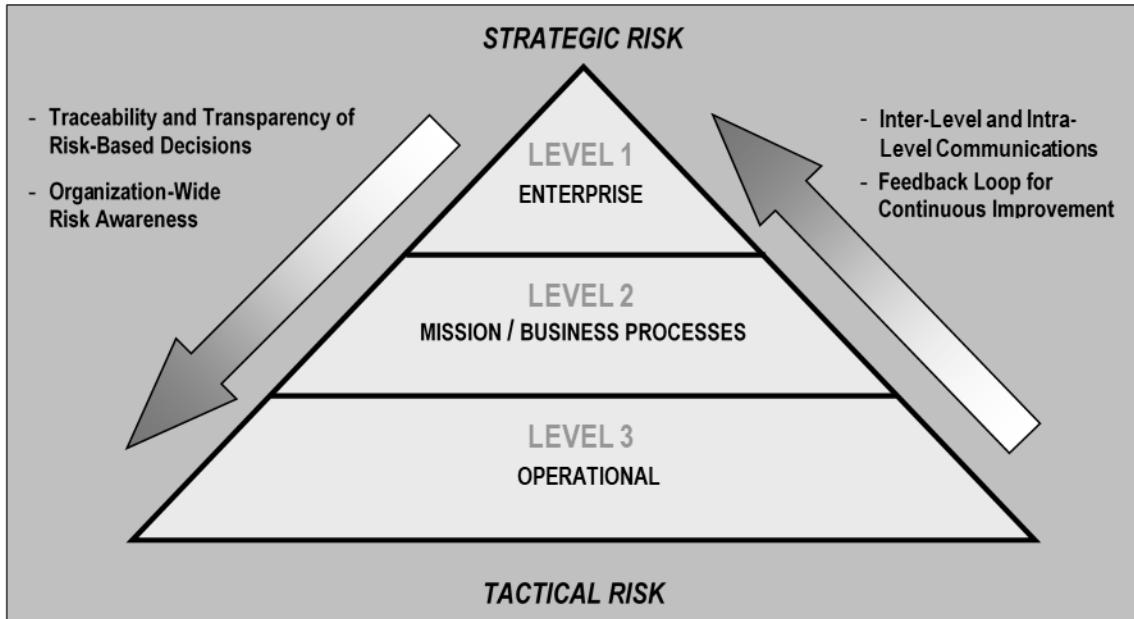
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1132

1133

To integrate risk management throughout an enterprise, [NIST SP 800-39] describes three levels, depicted in Figure 2-4, that address risk from different perspectives: (i) enterprise-level; (ii) mission/business process level; and (iii) operational level. C-SCRM requires the involvement of all three levels.



1135

**Fig. 2-3: Multileveled Enterprise-Wide Risk Management<sup>11</sup>**

1136

<sup>11</sup> Further information about the concepts depicted in Figure 2-2 can be found in [NIST SP 800-39].

1137 In multitiered risk management, the C-SCRM process is carried out seamlessly across the three  
1138 tiers with the overall objective of continuous improvement in the enterprise's risk-related  
1139 activities and effective inter- and intra-tier communication among stakeholders with a vested  
1140 interest in C-SCRM.

1141

1142 C-SCRM activities can be performed by a variety of individuals or groups within an enterprise  
1143 ranging from a single individual to committees, divisions, centralized program offices, or any  
1144 other enterprise structure. C-SCRM activities will be distinct for different enterprises depending  
1145 on their structure, culture, mission, and many other factors. C-SCRM activities at each of three  
1146 tiers/levels include the production of different high-level C-SCRM deliverables:

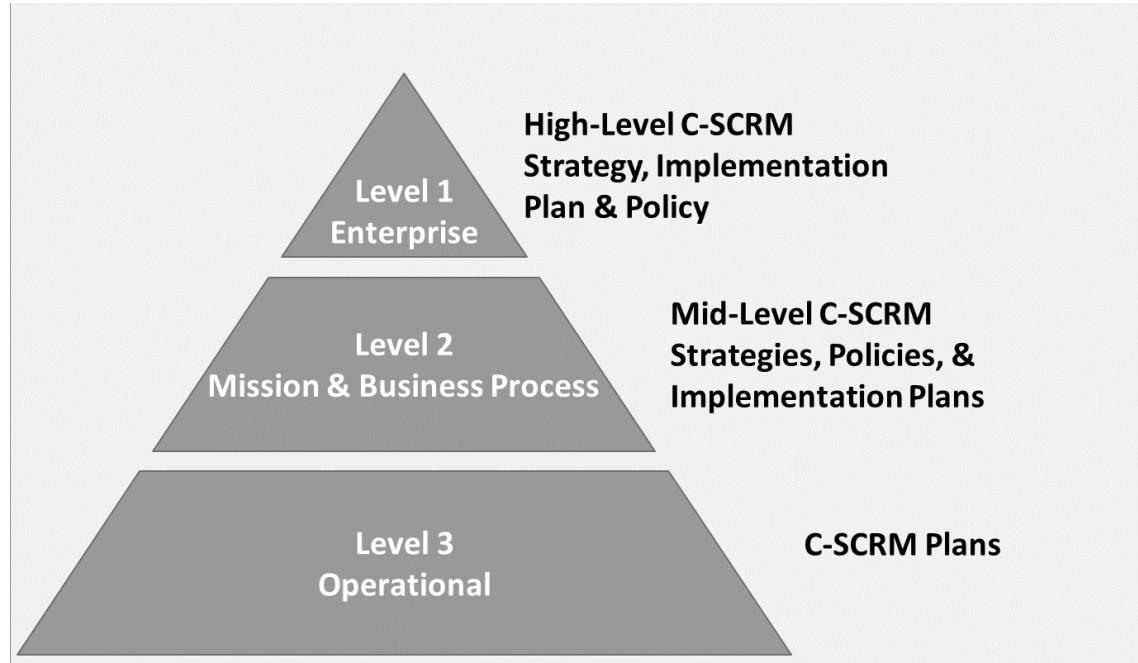
1147

- At Level 1, the overall C-SCRM strategy, policy, and implementation plan set the tone, governance structure, and boundaries for how C-SCRM is managed across the enterprise and guide C-SCRM activities performed at the mission and business process levels.
- At Level 2, the Mid-Level C-SCRM strategies, policies, and implementation plans assume the context and direction set forth at the enterprise level and tailor it to the specific mission and business process.
- At Level 3, the C-SCRM plans provide the basis for determining whether an information system meets business, functional, and technical requirements and includes appropriately tailored controls. These plans are heavily influenced by the context and direction provided by Level 2.

1148

1149 Figure 2-5 provides an overview of the multitiered risk management structure as well as the  
1150 associated strategies, policies and plans developed at each level. Refer to sections 2.3.1 through  
1151 2.3.5 for a more in-depth discussion of the specific activities at each level.

1152



1164

**1165 Fig. 2-4: C-SCRM Documents in Multi-level Enterprise-wide Risk Management**

1166

**1167 2.3.1. Roles and Responsibilities Across the Three Levels**

1168

1169 Implementing C-SCRM requires enterprises to establish a coordinated team-based approach and  
1170 a shared-responsibility model to effectively manage cybersecurity risk in the supply chain.  
1171 Enterprises should establish and adhere to C-SCRM-related policies, develop, and follow  
1172 processes (often cross-enterprise in nature), as well as employ programmatic and technical  
1173 mitigation techniques. The coordinated team approach, either ad hoc or formal, enables  
1174 enterprises to effectively conduct a comprehensive, multi-perspective analysis of their supply  
1175 chain and to respond to risks, communicate with external partners/stakeholders, and gain broad  
1176 consensus regarding appropriate resources for C-SCRM. The C-SCRM team should work  
1177 together to make decisions and take actions deriving from the input and involvement of multiple  
1178 perspectives and expertise. The team leverages, but does not replace, those C-SCRM  
1179 responsibilities and processes that should be specifically assigned to an individual enterprise or  
1180 disciplinary area. Effective implementations of C-SCRM often include the adoption of a shared-  
1181 responsibility model which distributes responsibilities and accountabilities for C-SCRM related  
1182 activities and risk across this diverse group of stakeholders. Examples of C-SCRM activities in  
1183 which enterprises benefit from a multidisciplinary approach include but are not limited to  
1184 developing a strategic sourcing strategy; incorporating C-SCRM requirements into a solicitation;  
1185 and determining options about how best to mitigate an identified supply chain risk, especially  
1186 one assessed to be significant.

1187

1188 Members of the C-SCRM team should be a diverse group of people involved in the various  
1189 aspects of the enterprise's critical processes including but not limited to information security,  
1190 procurement, enterprise risk management, engineering, software development, IT, legal, and HR.  
1191 Collectively, to aid in C-SCRM, these individuals should have an awareness of, and provide  
1192 expertise in, enterprise processes and practices specific to their discipline area, vulnerabilities,  
1193 threats, and attack vectors, as well as an understanding of the technical aspects and inter-  
1194 dependencies of systems or information flowing through systems. The C-SCRM team may be an  
1195 extension of an enterprise's existing enterprise risk management function, grown as part of an  
1196 enterprise's cybersecurity risk management function, or operate out of a different department.

1197

1198 The key to forming multidisciplinary C-SCRM teams is breaking down barriers between  
1199 otherwise disparate functions within the enterprise. Many enterprises begin this process from the  
1200 top by establishing a working group or council of senior leaders with representation from the  
1201 necessary and appropriate functional areas. A charter should be established outlining the goals,  
1202 objectives, authorities, meeting cadences, and responsibilities of the working group. Once this  
1203 council is formed, decisions can be made on how to operationalize the interdisciplinary approach  
1204 at mission and business process as well as operational levels. Often this takes the form of  
1205 working groups consisting of mission and business process representatives who can meet at more  
1206 regular cadences and address more operational and tactically focused C-SCRM challenges.

1208 Table 2-1 shows a summary of C-SCRM stakeholders for each level with the specific C-SCRM  
1209 activities performed within the corresponding level. These activities are either direct C-SCRM  
1210 activities or have an impact on C-SCRM.

1211

**Table 2-1: Cybersecurity Supply Chain Risk Management Stakeholders<sup>12</sup>**

<b>Levels</b>	<b>Level Name</b>	<b>Generic Stakeholder</b>	<b>Activities</b>
1	Enterprise	Executive Leadership: CEO, CIO, COO, CFO, CISO, Chief Technology Officer (CTO), CRO etc.	<ul style="list-style-type: none"> <li>• Define Enterprise C-SCRM strategy</li> <li>• Form governance structures and operating model</li> <li>• Frame risk for the enterprise and set the tone for our risk is managed (e.g., set risk appetite)</li> <li>• Define high-level implementation plan, policy, goals, and objectives</li> <li>• Make enterprise-level C-SCRM Decisions</li> <li>• Form a C-SCRM PMO</li> </ul>
2	Mission/Business Process	Business Management: Program Management [PM], Research and Development [R&D], Engineering [SDLC oversight], Acquisition and Supplier Relationship Management/Cost Accounting, and other management related to reliability, safety, security, quality, C-SCRM PMO, etc.	<ul style="list-style-type: none"> <li>• Develop mission and business process- specific strategy</li> <li>• Develop policies and procedures, guidance, and constraints</li> <li>• Develop C-SCRM implementation plan(s)</li> <li>• Tailor enterprise risk frame to the mission/ business process (e.g., set risk tolerances)</li> <li>• Manage risk within mission and business processes</li> <li>• Form and/or collaborate with a C-SCRM PMO</li> <li>• Report on C-SCRM to Level 1 and act on reporting from Level 3</li> </ul>

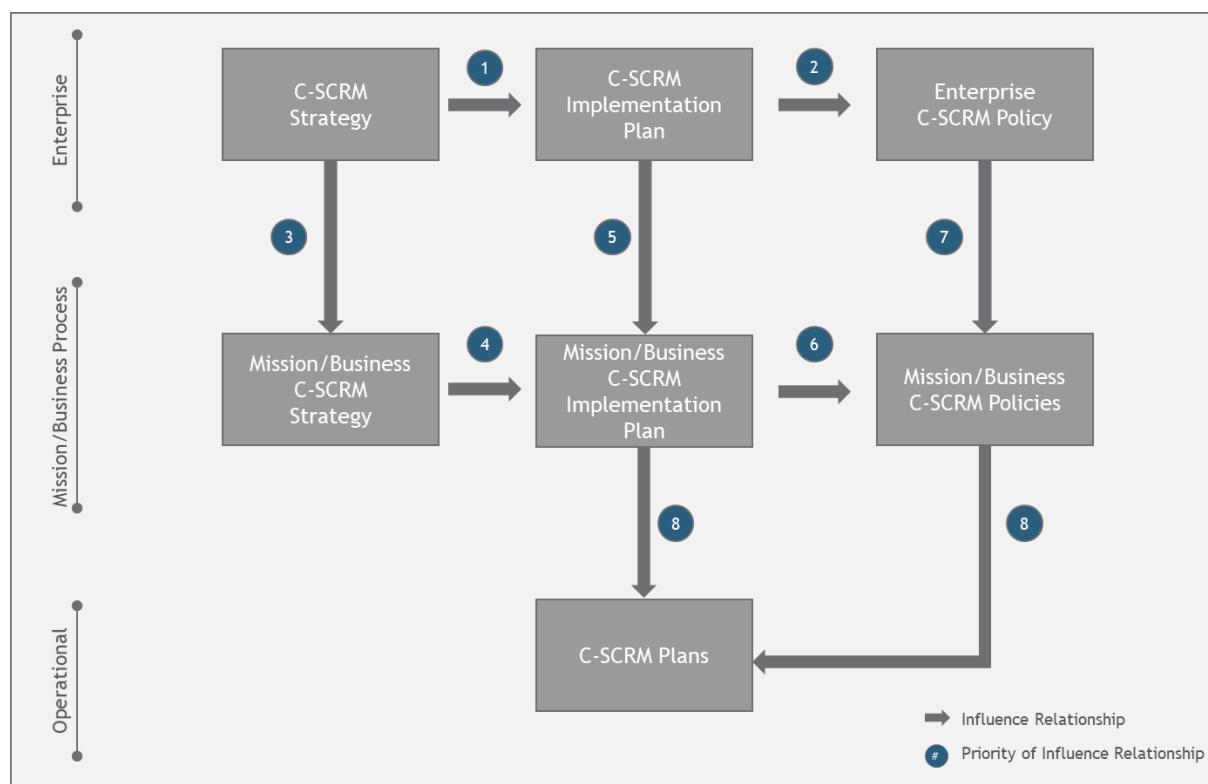
1212

<sup>12</sup> Small and Midsized Businesses may not see such a high-degree of differentiation in their C-SCRM stakeholders.

3	Operational	<p>Systems Management: Architects, Developers, System Owners, QA/QC, Test, Contracting Personnel, C-SCRM PMO staff, control engineer and/or control system operator, etc.</p> <ul style="list-style-type: none"> <li>• Develop C-SCRM plans</li> <li>• Implement C-SCRM policies and requirements</li> <li>• Adhere to constraints provided by Levels 1 and 2</li> <li>• Tailor C-SCRM to the context of the individual system and apply it throughout the SDLC</li> <li>• Report on C-SCRM to Level 2</li> </ul>
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The C-SCRM process should be carried out across the three risk management levels with the overall objective of continuous improvement in the enterprise's risk-related activities and effective inter- and intra-level communication, thus integrating both strategic and tactical activities among all stakeholders with a shared interest in the mission/business success of the enterprise. Whether addressing a component, a system, a process, a mission process, or a policy, it is important to engage the relevant C-SCRM stakeholders at each level to ensure that risk management activities are as informed as possible. Figure 2-6 illustrates the relationship between key C-SCRM documents across the 3 levels.



1224

**Fig. 2-5: Relationship Between C-SCRM Documents**

1225

1226 The next few sections provide example roles and activities in each level. Because every  
1227 enterprise is different, however, activities may be performed at different levels than listed and as  
1228 individual enterprise context requires.  
1229

Section 4.5 provides a number of mission/business C-SCRM controls that organizations can utilize in a tailored capacity to help guide Level 1, Level 2, and Level 3 C-SCRM activities. Note that the tailoring should be scoped to the organization's risk management needs and organizations should analyze the cost of not implementing C-SCRM policies, capabilities, and controls when evaluating alternative risk response courses of action. These costs may include but are not limited to poor quality or counterfeit products; supplier misuse of intellectual property; supplier tampering with or compromise of mission-critical information; and exposure to cyber attacks through vulnerable supplier information systems.

1230  
1231

### 1232 **2.3.2. Level 1—Enterprise**

1233  
1234 Level 1 (Enterprise) sets the tone and direction for enterprise-wide C-SCRM activities by  
1235 providing an overarching C-SCRM strategy, C-SCRM policy, and High-Level Implementation  
1236 Plan that shapes how C-SCRM is implemented across the enterprise. Within Level-1, governance  
1237 structures are formed to enable senior leaders and executives to collaborate on C-SCRM with the  
1238 risk executive (function) in which leaders make C-SCRM decisions, delegate decisions to Levels  
1239 2 and 3, and prioritize enterprise-wide resource allocation for C-SCRM. Level 1 activities help to  
1240 ensure that C-SCRM mitigation strategies are consistent with the strategic goals and objectives  
1241 of the enterprise. Level 1 activities culminate in the C-SCRM Strategy, Policy, and High-Level  
1242 Implementation Plan that shape and constrain how C-SCRM is carried out at Levels 2 and 3.  
1243

1244 At Level 1, the risk executive functional role is responsible and accountable for serving as a  
1245 common C-SCRM resource for executive leadership and authorizing officials across the  
1246 enterprise. Effective C-SCRM requires the risk executive to collaborate and gather perspectives  
1247 from leaders such as the chief executive officer (CEO), chief risk officer (CRO), chief  
1248 information officer (CIO), chief legal officer (CLO)/general counsel, chief information security  
1249 officer (CISO), and chief acquisition officer (CAO). Enterprises may form a multidisciplinary C-  
1250 SCRM council which includes as members the aforementioned leaders or designated  
1251 representatives from the functions they oversee (e.g., CRO /enterprise risk management). The C-  
1252 SCRM council serves as a forum to collaborate on setting priorities and managing cybersecurity  
1253 risk in the supply chain for the enterprise. The C-SCRM council or other C-SCRM-oriented body  
1254 are responsible for setting the direction for and approving the enterprise's C-SCRM enterprise-  
1255 wide strategy. The C-SCRM strategy makes explicit the enterprise's assumptions, constraints,  
1256 risk tolerances, and priorities/trade-offs. These leaders are also responsible and accountable for  
1257 developing and promulgating a holistic set of policies that span the enterprise's missions and  
1258 business processes, guiding the establishment and maturation of a C-SCRM capability and the  
1259 implementation of a cohesive set of C-SCRM activities. Leaders should establish a C-SCRM  
1260 PMO or other dedicated C-SCRM-related function to drive C-SCRM activities and serve as a  
1261 fulcrum for coordinated, C-SCRM-oriented services and guidance to the enterprise. Leaders  
1262 should also clearly articulate lead roles at the mission and business process level responsible and

1263 accountable for detailing action plans and being accountable for the execution of C-SCRM  
1264 activities.

1265

1266 The C-SCRM governance structures and operational model dictate authority, responsibility, and  
1267 decision-making power for C-SCRM and define *how* C-SCRM processes are accomplished  
1268 within the enterprise. The best C-SCRM governance and operating model is one that meets  
1269 business and functional requirements of the enterprise. For example, an enterprise facing strict  
1270 budgetary constraints or stiff C-SCRM requirements may consider governance and operational  
1271 models which centralize decision-making authority and rely on a C-SCRM PMO to consolidate  
1272 responsibilities for resource-intensive tasks such as vendor risk assessments. In contrast,  
1273 enterprises which have mission/business processes governed with a high degree of autonomy or  
1274 possess highly differentiated C-SCRM requirements may opt for decentralized authority,  
1275 responsibilities, and decision-making power.

1276

1277 In addition to defining C-SCRM governance structures and operating models, Level 1 carries out  
1278 the activities necessary to frame C-SCRM for the enterprise. C-SCRM framing is the process by  
1279 which the enterprise makes explicit the assumptions about cybersecurity risk in the supply chain  
(e.g., threats, vulnerabilities, risk impact, risk likelihood), constraints (e.g., enterprise policies,  
1280 regulations, resource limitation, etc.), appetite and tolerance, and priorities and tradeoffs that  
1281 guide C-SCRM decisions across the enterprise. The risk framing process provides the inputs  
1282 necessary to establish the C-SCRM strategy that dictates how the enterprise plans to assess,  
1283 respond to, and monitor cybersecurity risk in the supply chain across the enterprise. A high-level  
1284 implementation plan should also be developed to guide execution against the enterprise's C-  
1285 SCRM strategy. The risk framing process is discussed in further detail within Appendix C of this  
1286 document.

1287

1288

1289 Informed by the risk framing process and the C-SCRM strategy, Level 1 provides the  
1290 enterprise's C-SCRM policy. The C-SCRM policy establishes the C-SCRM program's purpose,  
1291 outlines the enterprise's C-SCRM responsibilities, defines and grants authority to C-SCRM roles  
1292 across the enterprise, and outlines applicable C-SCRM compliance and enforcement expectations  
1293 and processes. Appendix C of this document provides example templates for the C-SCRM  
1294 Strategy and C-SCRM Policy.

1295

1296 Risk assessment activities performed at Level 1 focus on assessing, responding to, and  
1297 monitoring cybersecurity risk in the supply chain to the enterprise's portfolio of operations,  
1298 assets, and personnel. Level 1 risk assessments may be based on the enterprise's Level 1 Frame  
1299 step (i.e., assumptions, constraints, appetite, tolerances, priorities, and tradeoffs), or may be  
1300 aggregated enterprise-level assumptions based on risk assessments completed across multiple  
1301 mission and business processes. For example, a Level 1 risk assessment may analyze the  
1302 exposure of the enterprise's primary mission or business objective to a threat scenario affecting a  
1303 specific product or service provided through the supply chain. The enterprise-level risk  
1304 determination may be based on an analysis of similar other analyses conducted within several  
1305 mission and business processes as well as the relative criticality of those processes to the  
1306 enterprise's primary objective.

1307

1308 Reporting plays an important role in equipping Level 1 decision-makers with the context  
1309 necessary to make informed decisions on how to manage cybersecurity risk in the supply chain.  
1310 Reporting should focus on enterprise-wide trends and include coverage of the extent to which C-  
1311 SCRM has been implemented across the enterprise, the effectiveness of C-SCRM, and the  
1312 conditions related to cybersecurity risk in the supply chain. C-SCRM reports should highlight  
1313 any conditions that require urgent leadership attention and/or action and may benefit from  
1314 highlighted C-SCRM risk and performance trends over a period of time. Those responsible and  
1315 accountable for C-SCRM within the enterprise should work with leaders to identify reporting  
1316 requirements which include, but are not limited to frequency, scope, and format. Reporting  
1317 should include metrics discussed further in Section 3.5.1.

1318

1319 Level 1 activities ultimately provide the overarching context and boundaries within which the  
1320 enterprise's mission and business processes manage cybersecurity risk in the supply chain.  
1321 Outputs from Level 1 (e.g., C-SCRM Strategy, C-SCRM Policy, Governance, and Operating  
1322 Model) are further tailored and refined within Level 2 to fit the context of each mission and  
1323 business process. Level 1 outputs should also be iteratively informed by—and updated as a result  
1324 of—C-SCRM outputs at lower levels.

1325

1326 Note in complex enterprises that Tier 1 activities may be completed at an enterprise level as well  
1327 as at an individual organization level. Enterprise Level 1 activities should shape and guide  
1328 Organization Level 1 activities.

1329

1330 *Additional information can be found in: SR-1, SR-3, PM-2, PM-6, PM-7, PM-9, PM-28, PM-29,*  
1331 *PM-30, and PM-31*

1332

**2.3.3. Level 2—Mission/Business Process**

Level 2 addresses how the enterprise assesses, responds to, and monitors cybersecurity risk in the supply chain within mission and business processes. Level 2 activities are performed in accordance with the C-SCRM strategy, and policies provided by Level 1.<sup>13</sup> In this level, process-specific C-SCRM strategies, policies, and implementation plans dictate how the enterprise’s C-SCRM goals and requirements are met within each mission and business process. Here, specific C-SCRM program requirements are defined and managed and include cost, schedule, performance, security, and a variety of critical non-functional requirements. These nonfunctional requirements include concepts such as reliability, dependability, safety, security, and quality.

Level 2 roles include but are not limited to representatives of each mission/business process such as program managers, research and development, and acquisitions/procurement. Level 2 C-SCRM activities address C-SCRM within the context of the enterprise’s mission and business process. Mission and business process-specific strategies, policies, and procedures should be developed to tailor the C-SCRM implementation to fit the specific requirements of each mission and business process. Aligning to and further developing the high-level Enterprise Strategy and Implementation Plan, the enterprise should generate its own mission/business-level strategy and implementation plan and ensure C-SCRM execution within the constraints of its defined C-SCRM strategies, as well as awareness of and conformance to its C-SCRM policies. To facilitate the development and execution of Level 2 Strategy and Implementation plan(s), enterprises may benefit from forming a committee with representation from each mission/business process. This coordination and collaboration can help to identify cybersecurity risk in the supply chain within and across respective mission/business areas and develop an enterprise and C-SCRM architecture that lends itself to risk-aware mission and business processes. A C-SCRM PMO may also assist in the implementation of C-SCRM at Level 2 through the provision of services (e.g., policy templates, C-SCRM subject matter expert (SME) support).

Many threats *to* and *through* the supply chain are addressed at Level 2 in the management of third-party relationships with suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers. Because C-SCRM can both directly and indirectly impact mission and processes, understanding, integrating, and coordinating C-SCRM activities at this level are critical for ensuring successful mission and business process operations. Level 2 activities focus on tailoring and applying the enterprise’s C-SCRM frame to fit the specific mission and business process threats, vulnerabilities, impacts, and likelihoods. Informed by outputs from Level 1 (e.g., C-SCRM strategy), mission and business processes will adopt a C-SCRM strategy which tailors the enterprise’s overall strategy to a specific mission and business process. At Level 2, the enterprise may also issue mission- and business process-specific policies which contextualize the enterprise’s policy for the process.

In accordance with the C-SCRM strategy, enterprise leaders for specific mission and business processes should develop and execute a C-SCRM implementation plan. The C-SCRM implementation plan provides a more detailed roadmap for operationalizing the C-SCRM strategy(ies) within the mission and business process. Within the C-SCRM implementation

<sup>13</sup> For more information, see [NIST SP 800-39 Section 2.2].

1377 plans, the mission and business process will specify C-SCRM roles and responsibilities,  
1378 implementation milestones and dates, as well as processes for monitoring and reporting.  
1379 Appendix D of this document provides example templates for the C-SCRM Strategy and  
1380 Implementation Plan, as well as the C-SCRM Policy.  
1381

1382 C-SCRM activities performed at Level 2 focus on assessing, responding to, and monitoring risk  
1383 exposure arising from the mission and business process dependencies on suppliers, developers,  
1384 system integrators, external system service providers, and other ICT/OT-related service  
1385 providers. Risk exposures to the supply chain may occur as a result of primary dependencies on  
1386 the supply chain or from secondary dependencies of the process on individual information  
1387 systems or other mission and business processes. For example, risk exposure may arise due to a  
1388 supplier providing critical system components or services to multiple information systems on  
1389 which critical processes depend. Risk may also arise from vendor-sourced products and services  
1390 unrelated to information systems as well as the role these products and services play in the  
1391 overall mission and business process objectives. Enterprises should consider non-traditional  
1392 cybersecurity risk in the supply chain that may circumvent or escape C-SCRM processes such as  
1393 open source software. Enterprises should establish policies and controls to manage risk  
1394 associated with non-traditional cybersecurity risk in the supply chain.

1395

1396 Reporting at Level 2 plays an important role in equipping mission and business process leaders  
1397 with the context necessary to manage C-SCRM within the scope of their mission and business  
1398 process. Topics covered at Level 2 will reflect those covered for Level 1 but should be reshaped  
1399 to focus on the specific mission and business process they correspond to. Level 2 reporting  
1400 should include metrics that demonstrate the mission and business process performance in  
1401 contrast to the risk appetite and risk tolerance thresholds defined at Levels 1 and 2. Similar to  
1402 Level 1, reporting requirements should be defined to fit the needs of the mission and business  
1403 process leaders as well as leaders at Level 1.

1404

1405 Outputs from Level 2 activities will have a significant impact in shaping how C-SCRM activities  
1406 are carried out within Level 3. For example, risk tolerance and common control baseline  
1407 decisions may be defined at Level 2, then tailored and applied within the context of individual  
1408 information systems within Level 3. Level 2 outputs should also be used to iteratively influence  
1409 and further refine Level 1 outputs.

1410

1411 *Additional information can be found in: SR-1, SR-3, SR-6, PM-2, PM-6, PM-7, PM-30, PM-31,*  
1412 *and PM-32.*

1413

1414 **2.3.4. Level 3—Operational**

1415

1416 Level 3 is comprised of personnel responsible and accountable for operational activities,  
1417 including conducting procurements and executing system-related C-SCRM activities as part of  
1418 the enterprise's SDLC, which includes research and development, design, manufacturing,  
1419 delivery, integration, operations and maintenance, and disposal/retirement of systems. These  
1420 personnel include but are not limited to system owners, contracting officers, contracting officer  
1421 representatives, architects, system engineers, information security specialists, system integrators,  
1422 and developers. These personnel are responsible for developing C-SCRM plans which address

1423 the management, implementation assurance, and monitoring of C-SCRM controls (to include  
1424 those applicable to external parties, such as contractors) and the acquisition, development, and  
1425 sustainment of systems across the SDLC to support mission and business processes. In  
1426 enterprises where a C-SCRM PMO has been established, activities such as product risk  
1427 assessments may be provided as a centralized, shared service.

1428  
1429 Within Level 3, outputs provided by C-SCRM activities completed at Levels 1 and 2 prepare the  
1430 enterprise to execute C-SCRM at the operational level in accordance with the RMF [NIST 800-  
1431 37r2]. C-SCRM is applied to information systems through the development and implementation  
1432 of C-SCRM plans. These plans are heavily influenced by assumptions, constraints, risk appetite  
1433 and tolerance, and priorities and tradeoffs defined by Levels 1 and 2. C-SCRM plans dictate how  
1434 C-SCRM activities are integrated into all systems in the SDLC: acquisition (both custom and off-  
1435 the-shelf), requirements, architectural design, development, delivery, installation, integration,  
1436 maintenance, and disposal/retirement. In general, C-SCRM plans are implementation-specific,  
1437 and provide policy implementation, requirements, constraints, and implications for systems that  
1438 support mission and business processes.

1439  
1440 Level 3 activities focus on managing operational-level risk exposure resulting from any ICT/OT-  
1441 related products and services provided through the supply chain that are in use by the enterprise  
1442 or fall within the scope of the systems authorization boundary. Level 3 C-SCRM activities begin  
1443 with an analysis of the likelihood and impact of potential supply chain cybersecurity threats  
1444 exploiting an operational-level vulnerability (e.g., in a system or system component). Where  
1445 applicable, these risk assessments should be informed by risk assessments completed in Levels 1  
1446 and 2. In response to determining risk, enterprises should evaluate alternative courses of action  
1447 for reducing risk exposure (e.g., accept, avoid, mitigate, share, and/or transfer). Risk response is  
1448 achieved by selecting, tailoring, implementing, and monitoring C-SCRM controls throughout the  
1449 SLDC in accordance with the RMF [NIST 800-37r2]. Selected C-SCRM controls often consist  
1450 of a combination of inherited common controls from Levels 1 and 2 as well as information  
1451 system-specific controls.

1452  
1453 Reporting at Level 3 should focus on the C-SCRM's implementation, efficiency, effectiveness,  
1454 as well as the overall level of exposure to cybersecurity risks in the supply chain for the  
1455 particular system. System-level reporting should provide system owners with tactical-level  
1456 insights enabling them to make rapid adjustments and respond to risk conditions. Level 3  
1457 reporting should include metrics which demonstrate performance against the risk appetite and  
1458 risk tolerance thresholds defined at Levels 1, 2 and 3.

1459  
1460 A critical Level 3 activity is the development of the C-SCRM plan. Along with applicable  
1461 security control information, the C-SCRM plan includes information on the system, its  
1462 categorization, operational status, related agreements, architecture, critical system personnel,  
1463 related laws, regulations and policies, and contingency plan. This plan is a living document that  
1464 should be maintained and used as the reference for continuous monitoring of implemented C-  
1465 SCRM controls. C-SCRM plans are intended to be referenced regularly and should be reviewed  
1466 and refreshed periodically. These are not intended to be documents developed to satisfy a  
1467 compliance requirement. Rather, enterprises should be able to demonstrate how they have

1468 historically and continue to effectively employ their plans to shape, align, inform, and take C-  
1469 SCRM actions and decisions across all three levels.

1470  
1471 Information gathered as part of Level 3 C-SCRM activities should iteratively inform C-SCRM  
1472 activities completed within Levels 1 and 2 to further refine C-SCRM strategies and  
1473 implementation plans.

1474  
1475 *Additional information can be found in: SR-1, SR-2, SR-6, PL-2, PM-31, and PM-32.*

### 1477 2.3.5. C-SCRM PMO

1478  
1479 A variety of operating models (e.g., centralized, decentralized, hybrid) are available to  
1480 enterprises that facilitate C-SCRM activities across the enterprise and its missions/business  
1481 processes. One such model involves concentrating and assigning responsibilities for certain C-  
1482 SCRM activities to a central PMO. In this model, the C-SCRM PMO acts as a service provider  
1483 to other missions/business processes. Missions/business processes are then responsible for  
1484 selecting and requesting services from the C-SCRM PMO as part of their responsibilities to meet  
1485 the enterprise's C-SCRM goals and objectives. There are a variety of beneficial services that a  
1486 PMO may provide:

- 1488 • Advisory services and subject matter expertise
- 1489 • Chair for internal C-SCRM working groups, council, or other coordination bodies
- 1490 • Centralized hub for tools, job aids, awareness, and training templates
- 1491 • Supplier/product risk assessments
- 1492 • Liaison to external stakeholders
- 1493 • Information sharing management (e.g., intra department/agency as well as to/from  
FASC)
- 1494 • Management of C-SCRM risk register
- 1495 • Secretariat/staffing function for enterprise C-SCRM governance
- 1496 • C-SCRM project and performance management
- 1497 • C-SCRM briefings, presentations, and reporting

1499  
1500 A C-SCRM PMO typically consists of C-SCRM SMEs who help drive the C-SCRM strategy  
1501 and implementation across the enterprise and its mission and business processes. A C-SCRM  
1502 PMO may include or report to a dedicated executive-level official responsible and accountable  
1503 for overseeing C-SCRM activities across the enterprise. A C-SCRM PMO should consist of  
1504 dedicated personnel or include matrixed representatives with responsibilities for C-SCRM from  
1505 several of the enterprise's processes including but not limited to information security,  
1506 procurement, risk management, engineering, software development, IT, legal, and HR.  
1507 Regardless of whether a C-SCRM PMO sits at Level 1 or Level 2, it is critical that the C-SCRM  
1508 PMO include cross-disciplinary representation.

1509  
1510 The C-SCRM PMO responsibilities may include providing services to the enterprise's leaders  
1511 that help set the tone for how C-SCRM is applied throughout the enterprise. The C-SCRM PMO  
1512 may provide SME support to guide Level 1 stakeholders through the risk framing process which

1513 includes establishing the enterprise appetite and tolerance for cybersecurity risk in the supply  
1514 chain. In addition, accountable risk executives may delegate responsibility of drafting the  
1515 enterprise's C-SCRM strategy and policy to the PMO. C-SCRM PMOs may also coordinate C-  
1516 SCRM information sharing internally or with external entities. Finally, the PMO may conduct C-  
1517 SCRM-focused executive-level briefings (e.g., to the risk executive function, board of directors)  
1518 to help Level 1 stakeholders develop an aggregated picture of the state of cybersecurity risk in  
1519 the supply chain across the enterprise.

1520  
1521 At Level 2, C-SCRM PMO may develop C-SCRM starter kits that contain a base strategy, set of  
1522 policies, procedures and guidelines which can be further customized within specific mission and  
1523 business processes. This PMO may also provide SME consulting support to stakeholders within  
1524 mission and business processes as they create process-specific C-SCRM strategies and develop  
1525 C-SCRM implementation plans. As part of this responsibility, the C-SCRM PMO may advise on  
1526 or develop C-SCRM common control baselines within the enterprise mission and business  
1527 processes. The C-SCRM PMO may also perform C-SCRM risk assessments focused on  
1528 suppliers, developers, system integrators, external system service providers, and other ICT/OT-  
1529 related service providers of both technology and non-technology related products and services.  
1530

1531 The responsibility of a C-SCRM PMO at Levels 1 and 2 would ultimately influence C-SCRM  
1532 activities at the Level 3 operational level. A C-SCRM PMO may advise teams throughout the  
1533 SDLC on C-SCRM control selection, tailoring, and monitoring. Ultimately a C-SCRM PMO  
1534 may be responsible for activities that produce C-SCRM outputs across the risk management  
1535 levels. Centralizing C-SCRM services offers enterprises an opportunity to capitalize on  
1536 specialized skill sets within a consolidated team offering high-quality C-SCRM services to the  
1537 rest of the enterprise. By centralizing risk assessment services, enterprises may achieve a level of  
1538 standardization not otherwise possible (e.g., in a decentralized model). Enterprises may also  
1539 realize cost efficiencies in cases where PMO resources are dedicated to C-SCRM activities  
1540 versus resources in decentralized models which may perform multiple roles in addition to C-  
1541 SCRM responsibilities.  
1542

1543 A C-SCRM PMO model will typically favor larger, more complex enterprises requiring  
1544 standardization of C-SCRM practices across a disparate set of mission and business processes.  
1545 Ultimately, enterprises should select a C-SCRM operating model that is applicable and  
1546 appropriate relative to their available resources and context.  
1547

**Key Takeaways**

**Business Case for C-SCRM.** C-SCRM provides enterprises with a number of benefits which include but are not limited to an understanding of critical systems, reduced likelihood of supply chain compromise, operational and enterprise efficiencies, fewer product quality and security issues, and more reliable and trustworthy supplied services.

**Cybersecurity Risk in Supply Chains.** The potential for harm or compromise arising from a relationship with suppliers, their supply chains, and their supplied products or services. These adverse impacts materialize when a human or non-human threat successfully exploits a vulnerability tied to a system, product, service, or the supply chain ecosystem.

**Multilevel, Multidisciplinary C-SCRM.** As described in [NIST SP 800-39], multitiered risk management is the purposeful execution and continuous improvement of cybersecurity supply chain risk management activities at the enterprise (e.g., CEO, COO), mission and business process (e.g., business management, R&D), and operational (e.g., systems management) levels. Each level contains stakeholders from multiple disciplines (e.g., information security, procurement, enterprise risk management, engineering, software development, IT, legal, HR, etc.) which collectively execute and continuously improve C-SCRM

**IC-SCRM PMO.** A dedicated office known as a C-SCRM PMO may support the enterprise's C-SCRM activities by providing support products (e.g., policy templates) and services (e.g., vendor risk assessments) to the rest of the enterprise. A C-SCRM PMO may provide support across the three levels and sit at Level 1 or 2 depending on the enterprise.

### 1574 3. CRITICAL SUCCESS FACTORS

1575 To successfully address evolving cybersecurity risk in the supply chain, enterprises need to  
1576 engage multiple internal processes and capabilities, communicate and collaborate across  
1577 enterprise levels and mission areas, and ensure that all individuals within the enterprise  
1578 understand their role in managing cybersecurity risk in the supply chain. Enterprises need  
1579 strategies for communicating, determining how best to implement, and monitoring the  
1580 effectiveness of their supply chain cybersecurity controls and practices. In addition to  
1581 communicating cybersecurity supply chain risk management controls internally, enterprises  
1582 should engage with peers to exchange cybersecurity supply chain risk management insights.  
1583 These insights will aid enterprises in continuously evaluating how well they are doing and  
1584 identify where they need to improve and how to take steps to mature their C-SCRM program.  
1585 This section addresses the requisite enterprise processes and capabilities in making C-SCRM  
1586 successful. While this publication has chosen to highlight these critical success factors, this  
1587 represents a non-exhaustive set of factors that contribute to an enterprise's successful execution  
1588 of C-SCRM. Critical success factors are fluid and will evolve over time as the environment and  
1589 the enterprise's own capability advances.

1590

#### 1591 3.1. C-SCRM in Acquisition

1592

1593 Integrating C-SCRM considerations into acquisition activities is essential to improving  
1594 management of cybersecurity risk in the supply chain at every step of the procurement and  
1595 contract management process. This life cycle begins with a purchaser identifying a need and  
1596 includes the processes to plan for and articulate requirements, conduct research to identify and  
1597 assess viable sources of supply, solicit bids, and evaluate offers to ensure conformance to C-  
1598 SCRM requirements and assess C-SCRM risk associated with the bidder and the proposed  
1599 product and/or service offering. After contract award, ensure the supplier satisfies the terms and  
1600 conditions articulated in their contractual agreement and the products and services conform as  
1601 expected and required. C-SCRM considerations need to be addressed at every step in this life  
1602 cycle.

1603

1604 Enterprises rely heavily on commercial products and outsourced services to perform operations  
1605 and fulfill their missions and business objectives. However, it is important to highlight that  
1606 products and services can also be obtained outside of the procurement process, as is the case with  
1607 open source software, relying on an in-house provider for shared services, or by repurposing an  
1608 existing product to satisfy a new need. C-SCRM must also be addressed for these other  
1609 "acquiring" processes.

1610

1611 In addition to addressing cybersecurity risk in the supply chain and performing C-SCRM  
1612 activities during each phase of the acquisition process, enterprises should develop and execute an  
1613 acquisition strategy driving reductions in their overall exposure to cybersecurity risk in supply  
1614 chains. By applying such strategies, enterprises can reduce cybersecurity risk in the supply chain  
1615 within specific procurement processes as well as for the overall enterprise. By adopting  
1616 acquisition policies and processes integrating C-SCRM into acquisition activities, enterprises  
1617 will aid, direct, and inform efforts to realize targeted risk reducing outcomes.

1618

1619 Additionally, adopting C-SCRM controls aligned to an industry-recognized set of standards and  
1620 guidelines (e.g., NIST 800-53 Rev.5, NIST CSF), the enterprise can ensure holistic coverage of  
1621 cybersecurity risk in the supply chain and corresponding C-SCRM practices. C-SCRM controls  
1622 may apply to different participants of the supply chain to include the enterprise itself, prime  
1623 contractors, and sub-contractors. Because enterprises heavily rely on prime contractors and their  
1624 subcontractors to develop and implement ICT/OT products and services, those controls  
1625 implemented within the SDLC are likely to flow down to subcontractors. Establishing C-SCRM  
1626 controls applicable throughout the supply chain and the SDLC will aid the enterprise in  
1627 establishing a common lexicon and set of expectations with suppliers and sub-suppliers to aid all  
1628 participants in managing cybersecurity risk in the supply chain.  
1629

### 1630 **3.1.1. Acquisition in the C-SCRM Strategy and Implementation Plan**

1631  
1632 An enterprise's C-SCRM Strategy and Implementation Plan serve as a roadmap to guide the  
1633 enterprise toward the achievement of long-term, sustainable reductions in exposure to  
1634 cybersecurity risk in the supply chain. As a core part of the C-SCRM Strategy and  
1635 Implementation Plan, enterprises should address how cybersecurity risk is managed throughout  
1636 the acquisition process.

1637 Cybersecurity risk in the supply chain include those arising from the supplier's enterprise,  
1638 products, or services, as well as the supplier's own suppliers and supply chains. The C-SCRM  
1639 PMO may be helpful in developing specific strategies and implementation plans for integrating  
1640 C-SCRM considerations into acquisitions. Acquisition activities relevant to C-SCRM include but  
1641 are not limited to:

- 1642 • Promoting awareness and communicating C-SCRM expectations as part of supplier  
1643 relationship management efforts;
- 1644 • Establishing a checklist of acquisition security requirements that must be completed as  
1645 part of procurement requests to ensure necessary provision and protections are in place;
- 1646 • Leveraging an external shared service provider or utilize the C-SCRM PMO to provide  
1647 supplier, product, and/or services assessment activities as a shared service to other  
1648 internal processes including acquisition;
- 1649 • Conducting due diligence to inform determinations about a bidder's responsibility and to  
1650 identify and assess bidders' risk posture or risk associated with a given product or service  
1651 offering;
- 1652 • Obtaining open source software from vetted and approved libraries;
- 1653 • Including C-SCRM criteria in source selection evaluations;
- 1654 • Establishing and referencing a list of prohibited suppliers, if appropriate, per applicable  
1655 regulatory and legal references; and
- 1656 • Establishing and procuring from an approved products list or list of preferred or qualified  
1657 suppliers who have demonstrated conformance with the enterprise's security  
1658 requirements through a rigorous process defined by the enterprise or another acceptable  
1659 qualified list program activity.

1660 The C-SCRM Strategy and Implementation Plan should address the acquisition security-relevant  
1661 foundational elements necessary to implement a C-SCRM program. To support the strategy,

1662 enterprise leaders should promote the value and importance of C-SCRM within acquisitions and  
1663 ensure sufficient, dedicated funding is in place for necessary activities. Doing so will help  
1664 enterprises ensure responsibility for program or business processes and accountability for  
1665 progress toward the attainment of results. Enterprises should also assign roles and  
1666 responsibilities, some of which will be cross-enterprise in nature and team-based, while others  
1667 will be specific to acquisition processes. Finally, relevant training should be provided to  
1668 members of the acquisition workforce to ensure roles and responsibilities are understood and  
1669 executed in alignment with leader expectations.

1670 The enterprise's capabilities, resources, operational constraints, and existing portfolio of supplier  
1671 relationships, contracts, acquired services, and products provide the baseline context necessary to  
1672 lay out a strategic path both realistic and achievable. This baseline starting point also serves as a  
1673 marker by which performance progress and outcomes can be tracked and assessed.

1674 A critical first step is to ensure there is a current and accurate inventory of the enterprise's  
1675 supplier relationships and contracts as well as an understanding of the products or services those  
1676 suppliers provide. This information allows for a mapping of these suppliers into strategically  
1677 relevant groupings as determined by the organization. For example, an assessment of these  
1678 suppliers might result in groupings of multiple categories (e.g., "strategic/innovative," "mission-  
1679 critical," "sustaining" or "standard/non-essential"). This segmentation facilitates further analysis  
1680 and understanding of the exposure to cybersecurity risk in the supply chain throughout the  
1681 enterprise and helps to focus attention and assign priority to those critical suppliers of the most  
1682 strategic or operational importance to the enterprise and its mission and business processes. It is  
1683 useful to identify which products and services require a higher level of confidence in risk  
1684 mitigation, and can be helpful in identifying areas of risk, such as overreliance on a single source  
1685 of supply. This inventory and mapping also facilitates the selection and tailoring of C-SCRM  
1686 contract language and evaluation criteria.

1687 *Additional information can be found in: SA-1, SA-2, SA-4, SR-5, SR-13, and [NISTIR 8179]*

### 1689 3.1.2. The Role of C-SCRM in the Acquisition Process

1691 When conducting a procurement, enterprises should designate experts from different subject  
1692 matter areas to participate in the acquisition process as members of the Acquisition Team.  
1693 While procurement requirements address and are tailored to satisfying a specific purpose and  
1694 ensure compliance mandates are met, contextual factors such as mission criticality, the  
1695 sensitivity of data, and the operational environment must also be considered to effectively  
1696 address cybersecurity risk in supply chains.

1697 This contextual basis sets the stage for the Acquisition Team to be able to effectively gauge their  
1698 tolerance for risk as it pertains to a specific procurement requirement and determine which of the  
1699 [NIST SP 800-161 Rev 1] and [NIST SP 800-53 Rev 5] controls are relevant and necessary to  
1700 consider for specific acquisitions. The program office or requiring official should consult with  
1701 information security personnel to complete this control selection process and work with their  
1702 procurement official to incorporate these controls into requirements documents and contracts.  
1703 Security is a critical factor in procurement decisions.

- 1704 Acquisition policies and processes need to incorporate C-SCRM considerations into each step of  
1705 the procurement and contract management life cycle management process (i.e., plan  
1706 procurement, define/develop requirements, perform market analysis, complete procurement,  
1707 ensure compliance, monitor performance and for changes that affect C-SCRM risk status) as  
1708 described in [NISTIR 7622]. This includes ensuring cybersecurity risk in the supply chain is  
1709 addressed when making ICT/OT-related charge card purchases.
- 1710 During the ‘plan procurement’ step, the need for and the criticality of the good or service to be  
1711 procured needs to be identified, along with a description of the factors that are driving the  
1712 determination of the need and level of criticality as this informs how much risk may be tolerated,  
1713 who should be involved in the planning and the development of the specific requirements that  
1714 will need to be satisfied. This activity is typically led by the acquirer mission/business process  
1715 owner or a designee in collaboration with the procurement official or contracting officer  
1716 representative
- 1717 During the planning phase , the enterprise should develop and define requirements to address  
1718 cybersecurity risk in the supply chain, in addition to specifying performance, schedule, and cost  
1719 objectives. This process is typically initiated by the acquirer mission/business process owner or a  
1720 designee in collaboration with the procurement official and other members of the C-SCRM team.
- 1721 With requirements defined, enterprises will typically complete a market analysis for potential  
1722 suppliers. Market research and analysis activities will explore the availability of potential or pre-  
1723 qualified sources of supply. This step is typically initiated by the acquirer mission and business  
1724 process owner or a designated representative. Enterprises should use this phase to conduct more  
1725 robust due diligence research on potential suppliers and/or products in order to generate a  
1726 supplier risk profile. As part of due diligence, the enterprise may consider the market  
1727 concentration for the sought-after product or service as a means of identifying interdependencies  
1728 within the supply chain. The enterprise may also use a request for information (RFIs), sources  
1729 sought notice (SSNs), and/or due diligence questionnaires for the initial screening and collection  
1730 of evidence from potential suppliers. Enterprises should not treat the initial C-SCRM due  
1731 diligence risk assessment as exhaustive. Results of this research can also be helpful in shaping  
1732 the sourcing approach and refining requirements.
- 1733 Finally, the enterprise will complete the procurement step by releasing a statement of work  
1734 (SOW), performance work statement (PWS), or statement of objective (SOO) for the release of a  
1735 request for proposal (RFP) or request for quotes (RFQ). As part of selection, any bidders  
1736 responding to the RFP or RFQ should be evaluated against relevant, critical C-SCRM criteria.  
1737 The RFP review process should also include any procurement-specific supplier risk assessment.  
1738 The assessment criteria will be heavily informed by the defined C-SCRM requirements and  
1739 include coverage over but not limited to information about the enterprise, its security processes,  
1740 and its security track record. The response review process involves multiple C-SCRM  
1741 stakeholders including procurement, the mission and business process owner, as well as  
1742 appropriate information system owners and technical experts. Prior to purchase enterprises  
1743 should identify and assess product or system components’ quality, vulnerability(ies),  
1744 authenticity and other relevant cybersecurity-supply chain risk factors and complete this risk  
1745 assessment prior to deployment,

1746 Once the contract is executed, the enterprise should monitor for change that alters its exposure to  
 1747 cybersecurity risk in the supply chain. Change that alters exposure to cybersecurity risk in the  
 1748 supply chain may include but is not limited to internal enterprise or system changes, supplier  
 1749 operational or structural changes, product updates, as well as geopolitical or environmental  
 1750 changes. An enterprise should continuously apply lessons learned collected during the  
 1751 acquisition process to enhance its ability to assess, respond to and monitor cybersecurity risk in  
 1752 the supply chain.

1753 Table 3-1 shows a summary of where C-SCRM assessments may take place within the various  
 1754 steps of the procurement process.

1755 **Table 3-1: C-SCRM in the Procurement Process**

<b>Procurement Process</b>	<b>Service Risk Assessment</b>	<b>Supplier Risk Assessment</b>	<b>Product Risk Assessment</b>
<b>Plan Procurement</b>	Service Risk Assessment Criticality of Needed Service Other Context (functions performed; access to systems/data, etc.) Fit for Purpose	Fit for Purpose	Criticality of Needed Product Other Context (Operating Environment, Data, Users, etc.) Fit for Purpose
<b>Define/Develop Requirements</b>	Identify relevant C-SCRM controls/requirements	Identify relevant C-SCRM controls/requirements	Identify relevant C-SCRM controls/requirements
<b>Perform Market Analysis</b>		Initial Risk Assessment (e.g., Due-Diligence Questionnaires)	Research product options and risk factors
<b>Solicit Bids/Complete Procurement</b>		Complete Risk Assessment	Pre-Deployment Risk Assessment
<b>Operate &amp; Maintain</b>	Continuous Risk Monitoring	Continuous Risk Monitoring	Continuous Risk Monitoring

1756  
 1757 In addition to process activities, there are many useful acquisition security-enhancing tools and  
 1758 techniques available, including obscuring the system end use or system component, using blind  
 1759 or filtered buys, requiring tamper-evident packaging, or using trusted or controlled distribution.  
 1760 The results from a supply chain cybersecurity risk assessment can guide and inform the  
 1761 strategies, tools, and methods that are most applicable to the situation. Tools and techniques may  
 1762 provide protections against unauthorized production, theft, tampering, insertion of counterfeits,  
 1763 insertion of malicious software or backdoors, and poor development practices throughout the  
 1764 system development life cycle.

1765 To ensure effective and continued management of cybersecurity risk in the supply chain  
 1766 throughout the acquisition life cycle, contractual agreements and contract management should  
 1767 include:

- 1768 • The satisfaction of applicable security requirements in contracts and mechanisms as a  
 1769 qualifying condition for award;

- 1770 • Flow-down control requirements to sub-contractors, if and when applicable, including C-  
1771 SCRM performance objectives, linked to the method of inspection, in a Quality Assurance  
1772 Surveillance Plan or equivalent method for monitoring performance;
- 1773 • Periodic revalidation of supplier adherence to security requirements to ensure continual  
1774 compliance;
- 1775 • Processes and protocols for communication and reporting of information about  
1776 vulnerabilities, incidents, and other business disruptions, to include acceptable deviations if  
1777 the business disruption is deemed serious, and baseline criteria to determine whether a  
1778 disruption qualifies as serious; and
- 1779 • Terms and conditions that address government, supplier, and other applicable third  
1780 party(ies) roles, responsibilities, and actions for responding to identified supply chain  
1781 risk(s), or risk incident(s) in order to mitigate risk exposure, minimize harm, and support  
1782 timely corrective action or recovery from an incident.

1783  
1784 There are a variety of acceptable validation and revalidation methods, such as requisite  
1785 certifications, site visits, third-party assessment, or self-attestation. The type and rigor of the  
1786 required methods should be commensurate to the criticality of the service or product being  
1787 acquired and the corresponding assurance requirements.  
1788

1789 Additional guidance for integrating C-SCRM into the acquisition process is provided in  
1790 Appendix C that demonstrates the enhanced overlay of C-SCRM into the [NIST SP 800-39] Risk  
1791 Management Process. In addition, enterprises should refer to and follow acquisition/procurement  
1792 policies, regulations, and best practices that are specific to their domain (e.g., critical  
1793 infrastructure sector, state government, etc.)

1794 *Additional information can be found in: SA-1, SA-2, SA-3, SA-4, SA-9, SA-19, SA-20, SA-22, SR-  
1795 5, SR-6, SR-10, and SR-11*

### 1796 3.2. Supply Chain Information Sharing 1797

1798 Enterprises are continuously exposed to risk originating from their supply chains. An effective  
1799 information-sharing process helps to ensure enterprises can gain access to information critical to  
1800 understanding and mitigating cybersecurity risk in the supply chain, and also share relevant  
1801 information to others that may benefit from or require awareness of these risks.  
1802

1803 To aid in identifying, assessing, monitoring, and responding to cybersecurity risk in the supply  
1804 chain, enterprises should build information-sharing processes and activities into their C-SCRM  
1805 programs. This may include establishing information-sharing agreements with peer enterprises,  
1806 as well as with business partners and suppliers. By exchanging supply chain risk information  
1807 within a sharing community, enterprises can leverage the collective knowledge, experience, and  
1808 capabilities of that sharing community to gain a more complete understanding of the threats the  
1809 enterprise may face. Additionally, sharing of supply chain risk information allows enterprises to  
1810 better detect campaigns that target specific industry sectors and institutions. However, the  
1811 enterprise should be sure that information sharing occurs through formal sharing structures; for  
1812 example, Information Sharing and Analysis Centers (ISACs). Informal or unmanaged  
1813 information sharing can expose enterprises to potential legal risks.

1814

1815 Federal enterprises should establish processes to be able to effectively engage with the FASC's  
1816 information-sharing agency, which is responsible for facilitating information sharing among  
1817 government agencies and acting as a central, government-wide facilitator for C-SCRM  
1818 information-sharing activities.

1819

1820 NIST SP 800-150 describes key practices for establishing and participating in supply chain risk  
1821 information-sharing relationships as follows:

- 1822 • Establish information-sharing goals and objectives that support business processes and  
1823 security policies
- 1824 • Identify existing internal sources of supply chain risk information
- 1825 • Specify the scope of information-sharing activities
- 1826 • Establish information sharing rules
- 1827 • Join and participate in information-sharing efforts
- 1828 • Actively seek to enrich indicators by providing additional context, corrections, or  
1829 suggested improvements
- 1830 • Use secure, automated workflows to publish, consume, analyze, and act upon supply  
1831 chain risk information
- 1832 • Proactively establish supply chain risk information-sharing agreements
- 1833 • Protect the security and privacy of sensitive information
- 1834 • Provide ongoing support for information sharing activities

1835 As shown in Table 3-2, below, supply chain risk information describes or identifies  
1836 cybersecurity supply chain relevant characteristics and risk factors associated with a product or  
1837 service or source of supply. It may exist in various forms (e.g., raw data, a supply chain network  
1838 map, risk assessment report, etc.) and should be accompanied with the metadata that will  
1839 facilitate an assessment of a level of confidence in and credibility of the information. Enterprises  
1840 should follow established processes and procedures that describe whether and when sharing or  
1841 reporting of certain information is mandated or voluntary and if there are any necessary  
1842 requirements with which to adhere regarding information handling, protection, and classification.  
1843

1844  
1845**Table 3-2: Supply Chain Characteristics and Cybersecurity Risk Factors Associated with a Product, Service, or Source of Supply<sup>14</sup>**

Source of Supply, Product, or Service Characteristics	Risk Indicators, Analysis, and Findings
<ul style="list-style-type: none"> <li>• Features and functionality;</li> <li>• Access to data and information, including system privileges;</li> <li>• Installation or operating environment;</li> <li>• Security, authenticity, and integrity of a given product or service and the associated supply and compilation chain;</li> <li>• The ability of the source to produce and deliver a product or service, as expected;</li> <li>• Foreign control of, or influence over, the source (e.g., foreign ownership, personal and professional ties between the source and any foreign entity, legal regime of any foreign country in which the source is headquartered or conducts operations);</li> <li>• Market alternatives to the source; and</li> <li>• Potential risk factors such as geo-political, legal, managerial/internal controls, financial stability, cyber incidents, personal and physical security, or any other information that would factor into an analysis of the security, safety, integrity, resilience, reliability, quality, trustworthiness, or authenticity of a product, service, or source.</li> </ul>	<ul style="list-style-type: none"> <li>• Threat information includes indicators (system artifacts or observables associated with an attack), tactics, techniques, and procedures (TTPs);</li> <li>• Security alerts, threat intelligence reports;</li> <li>• Implications to national security, homeland security, and/or national critical infrastructure and/or processes associated with the use of the product or service;</li> <li>• Vulnerability of federal systems, programs, or facilities;</li> <li>• Threat level and vulnerability level assessment/score;</li> <li>• Potential impact or harm caused by the possible loss, damage, or compromise of a product, material, or service to an enterprise's operations or mission and the likelihood of a potential impact or harm, or the exploitability of a system; and</li> <li>• Capacity to mitigate risks identified.</li> </ul>

1846

1847

1848

**3.3. C-SCRM Training and Awareness**

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1850

1851

1852

Numerous individuals within the enterprise contribute to the success of C-SCRM. These may include but are not limited to information security, procurement, risk management, engineering, software development, IT, legal, HR. Examples of these groups' contributions include:

---

<sup>14</sup> Supply Chain Characteristics and Cybersecurity Risk Factors Associated with a Product, Service, or Source of Supply is non-exhaustive.

- 1853     • System Owners are responsible for multiple facets of C-SCRM at the operational level as  
1854       part of their responsibility for the development, procurement, integration, modification,  
1855       operation, maintenance, and/or final disposition of an information system;
- 1856     • Human Resources defines and implements background checks and training policies  
1857       which help ensure that individuals are trained in appropriate C-SCRM processes and  
1858       procedures;
- 1859     • Legal helps draft or review C-SCRM-specific contractual language that is included by  
1860       procurement in contracts with suppliers, developers, system integrators, external system  
1861       service providers, and other ICT/OT-related service providers;
- 1862     • Acquisition/procurement defines the process for implementing supplier assurance  
1863       practices embedded in the acquisition process;
- 1864     • Engineering designs products and must understand existing requirements for use of open  
1865       source components;
- 1866     • Software developers ensure software vulnerabilities are identified and addressed as early  
1867       as possible, including testing and fixing code;
- 1868     • Shipping and receiving ensures that boxes containing critical components have not been  
1869       tampered with en route or at the warehouse.

1870 Everyone within an enterprise, including the end users of information systems, has a role in  
1871 managing cybersecurity risk in the supply chain. The enterprise should foster an overall culture  
1872 of security including C-SCRM as an integral part. The enterprise can use a variety of  
1873 communication methods to foster the culture, of which traditional awareness and role-based  
1874 training are only one component.

1875 Every individual within an enterprise should receive appropriate training to enable them in  
1876 understanding the importance of C-SCRM to their enterprise, their specific roles, and  
1877 responsibilities, and as it relates to processes and procedures for reporting incidents. This  
1878 training can be integrated into the overall cybersecurity awareness training. Enterprises should  
1879 define baseline training requirements at a broad scope within Level 1, and those requirements  
1880 should be tailored and refined based on the specific context within Levels 2 and 3.

1881 Those individuals who have more significant roles in managing cybersecurity risk in the supply  
1882 chain should receive tailored C-SCRM training that helps them understand the scope of their  
1883 responsibilities, specific process, and procedure implementation for which they are responsible,  
1884 and the actions to take in the event of an incident, disruption, or another C-SCRM-related event.  
1885 The enterprises should establish specific role-based training criteria and develop role-specific C-  
1886 SCRM training to address specific C-SCRM roles and responsibilities. The enterprise may also  
1887 consider adding C-SCRM content into preexisting role-based training for some specific roles.  
1888 Refer to the Awareness and Training controls in Section 4.5 for more detail.

1889 Enterprises are encouraged to utilize the NIST National Initiative for Cybersecurity Education  
1890 (NICE) Framework<sup>15</sup> as a means of forming a common lexicon on C-SCRM workforce topics.  
1891 This will aid enterprises in developing training linked to role-specific C-SCRM responsibilities  
1892 and communicating cybersecurity workforce-related topics. The NICE Framework outlines

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<sup>15</sup> NIST Special Publication 800-181: National Initiative for Cybersecurity Education (NICE) Cybersecurity Workforce Framework

1893 Categories, Specialty Areas, Work Roles, Knowledge, Skills, and Abilities (KSAs), and Tasks  
1894 which describe cybersecurity work.

1895

### 1896 **3.4. C-SCRM KEY PRACTICES**

1897

1898 Cybersecurity Supply Chain risk management builds on existing standardized practices in  
1899 multiple disciplines, as well as ever-evolving C-SCRM capabilities. Enterprises should prioritize  
1900 achieving a base-level maturity in key practices prior to specifically focusing on advanced C-  
1901 SCRM capabilities. Enterprises should tailor their implementation of these practices to what is  
1902 applicable and appropriate given unique context, e.g., based on available resources and risk  
1903 profile. Those key practices are described in NIST standards and guidelines, such as [NISTIR  
1904 8276], as well as other applicable national and international standards and best practices. They  
1905 include integrating C-SCRM across the enterprise; establishing a formal program; knowing and  
1906 managing critical products, services, and suppliers; understanding an enterprise's supply chain;  
1907 closely collaborating with critical suppliers; including critical suppliers in resilience and  
1908 improvement activities; assessing and monitoring throughout the supplier relationship; and,  
1909 planning for the full life cycle.

1910

#### 1911 **3.4.1. Foundational Practices**

1912

1913 Having foundational practices in place is critical to successfully and productively interacting  
1914 with system integrators. Suppliers may be at varying levels themselves regarding having the  
1915 standardized practices in place. The following are specific examples of the recommended  
1916 multidisciplinary foundational practices that can be implemented incrementally to improve an  
1917 enterprise's ability to develop and execute more advanced C-SCRM practices:

- 1919 • Establish a core, dedicated multi-disciplinary C-SCRM Program Management Office  
1920 and/or C-SCRM team;
- 1921 • Implement a risk-management hierarchy and risk-management process (in accordance  
1922 with NIST SP 800-39, *Managing Information Security Risk* [NIST SP 800-39]) including  
1923 an enterprise-wide risk assessment process (in accordance with NIST SP 800-30 Revision  
1924 1, *Guide for Conducting Risk Assessments* [NIST SP 800-30 Rev. 1]);
- 1925 • Establish an enterprise governance structure that integrates C-SCRM requirements and  
1926 incorporates these requirements into the enterprise policies;
- 1927 • Develop a process for identifying and measuring the criticality of the enterprise's  
1928 suppliers, products, and services;
- 1929 • Raise awareness and foster understanding of what C-SCRM is and why it is critically  
1930 important;
- 1931 • Develop and/or integrate C-SCRM into acquisition/procurement policies and procedures  
1932 (including Federal Information Technology Acquisition Reform Act (FITARA)  
1933 processes, applicable to federal agencies) and purchase card processes. Supervisors and  
1934 managers should also ensure their staff aims to build cybersecurity competencies;
- 1935 • Establish consistent, well-documented, repeatable processes for determining [Federal  
1936 Information Processing Standards (FIPS) 199] impact levels;

- 1937     • Establish and begin using supplier risk-assessment processes on a prioritized basis  
1938        (inclusive of criticality analysis, threat analysis, and vulnerability analysis) after the  
1939        [FIPS 199] impact level has been defined;  
1940     • Implement a quality and reliability program that includes quality assurance and quality  
1941        control process and practices;  
1942     • Establish explicit collaborative and discipline-specific roles, accountabilities, structures,  
1943        and processes for supply chain, cybersecurity, product security, and physical security  
1944        (and other relevant) processes (e.g., Legal, Risk Executive, HR, Finance, Enterprise IT,  
1945        Program Management/System Engineering, Information Security,  
1946        Acquisition/Procurement, Supply Chain Logistics, etc.);  
1947     • Ensure that adequate resources are dedicated and allocated to information security and C-  
1948        SCRM to ensure proper implementation of policy, guidance, and controls;  
1949     • Ensure sufficient cleared personnel, with key C-SCRM roles and responsibilities, to  
1950        access and share C-SCRM-related classified information;  
1951     • Implement an appropriate and tailored set of baseline information security controls found  
1952        in NIST SP 800-53 Revision 5, Security and Privacy Controls for Information Systems  
1953        and Enterprises [NIST SP 800-53 Rev. 5];  
1954     • Establish internal checks and balances to ensure compliance with security and quality  
1955        requirements;  
1956     • Establish a supplier management program including, for example, guidelines for  
1957        purchasing directly from qualified original equipment manufacturers (OEMs)<sup>16</sup> or their  
1958        authorized distributors and resellers;  
1959     • Implement a robust incident management program to successfully identify, respond to,  
1960        and mitigate security incidents. This program should be capable of identifying the root  
1961        cause of security incidents, including those originating from the cybersecurity supply  
1962        chain;  
1963     • Establish internal processes to validate that suppliers and service providers actively  
1964        identify and disclose vulnerabilities in their products; and  
1965     • Establish a governance capability for managing and monitoring SBOMs for embedded  
1966        software vulnerabilities and risk across the enterprise.

### 3.4.2. Sustaining Practices

Sustaining practices should be used to enhance the efficacy of cybersecurity supply chain risk management. These practices are inclusive of and build upon foundational practices. Enterprises that have standardized and implemented the foundational practices broadly should consider these practices as next steps in advancing their cybersecurity supply chain risk management capabilities:

- 1975     • Establish and collaborate with a threat-informed security program;

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<sup>16</sup> For purposes of this publication, the term *original equipment manufacturers* are inclusive of *original component manufacturers*.

- 1977     • Use confidence building mechanisms such as third-party assessment surveys, on-site visits, and formal certifications such as ISO 27001 to assess critical supplier security capabilities and practices;
- 1978     • Establish formal processes and intervals for monitoring and reassessing existing supplier relationships for potential changes to their risk profile;
- 1979     • Use the enterprise's understanding of its C-SCRM risk profile (or risk profiles, specific to mission/business areas) to define a risk appetite and risk tolerances to empower leaders with delegated authority across the enterprise to make C-SCRM decisions in alignment with the enterprise's mission imperatives and strategic goals and objectives;
- 1980     • Use a formalized information-sharing function to engage with the FASC as well as other government agencies to enhance the enterprise's supply chain cybersecurity threat and risk insights and help ensure a coordinated and holistic government-wide approach to addressing cybersecurity risk in the supply chain that may affect a broader set of agencies or national security;
- 1981     • Coordinate with the enterprise's cybersecurity program leadership to elevate top C-SCRM Risk Profile risks to the senior-most enterprise risk committee;
- 1982     • Embed C-SCRM specific training into training curriculums of applicable roles across the enterprise processes involved with C-SCRM including but not limited to information security, procurement, risk management, engineering, software development, IT, legal, and HR;
- 1983     • Integrate C-SCRM considerations into every aspect of the system and product life cycle, implementing consistent, well-documented, repeatable processes for systems engineering, cybersecurity practices, and acquisition;
- 1984     • Integrate the enterprise's defined C-SCRM requirements into contractual language found in agreements with suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers;
- 1985     • Include critical suppliers in contingency planning, incident response, and disaster recovery planning and testing;
- 1986     • Engage with suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers to improve their cybersecurity practices; and
- 1987     • Define, collect, and report C-SCRM metrics to ensure risk-aware leadership, enable active management of the completeness of C-SCRM implementations, and drive efficacy of the enterprise's C-SCRM processes and practices.

### 2000     3.4.3. Enhancing Practices

2001     Enhancing practices should be applied by the enterprise with the goal of advancement toward adaptive and predictive C-SCRM capabilities. Enterprises should pursue these practices once 2002     sustaining practices have been broadly implemented and standardized across the enterprise:

- 2003     • Automate C-SCRM processes where applicable and practical to drive execution consistency, efficiency, and make available the critical resources required for other critical C-SCRM activities;
- 2004     • Adopt quantitative risk analyses that apply probabilistic approaches (e.g., Bayesian Analysis, Monte Carlo Methods) to reduce uncertainty about cybersecurity risk in the

2022 supply chain, enhance enterprise leadership's ability to identify optimal risk responses,  
2023 and measure response effectiveness; and  
2024 • Apply insights gained from leading C-SCRM metrics (i.e., forward-looking indicators) to  
2025 shift from reactive to predictive C-SCRM strategies and plans that adapt to risk profile  
2026 changes before they occur.

2027 The guidance and controls contained in this publication are built on existing multidisciplinary  
2028 practices and are intended to increase the ability of enterprises to strategically manage  
2029 cybersecurity risk in the supply chain over the entire life cycle of systems, products, and  
2030 services. Refer to Table 3-3 in Section 3 for a summary of C-SCRM key practices.

### 2031           **3.5. Capability Implementation Measurement and C-SCRM Measures**

2032

2034 Enterprises should actively manage the efficiency and effectiveness of their C-SCRM programs  
2035 through ongoing measurement of the programs themselves. Enterprises can use several methods  
2036 of measuring and managing the effectiveness of their C-SCRM program:

- 2037 • Using a framework, such as NIST CSF to assess their C-SCRM capabilities;  
2038 • Measuring progress of their C-SCRM initiatives towards completion;  
2039 • Measuring performance of their C-SCRM initiatives towards desired outcomes.

2040 All methods rely on a variety of data collection, analysis, contextualization, and reporting  
2041 activities. Collectively, these methods should be used to track and report out progress and results  
2042 that ultimately indicate reductions in risk exposure and improvements in the enterprise's security  
2043 outcomes.

2044 C-SCRM performance management provides multiple enterprise and financial benefits. Major  
2045 benefits include increasing stakeholder accountability for C-SCRM performance; improving  
2046 effectiveness of C-SCRM activities; demonstrating compliance with laws, rules, and regulations;  
2047 providing quantifiable inputs for resource allocation decisions; cost-avoidance associated with  
2048 reduced impact from—or likelihood of experiencing—a cyber-supply chain incident.

2049 Enterprises can use a framework such as NIST CSF Implementation Tiers to baseline their C-  
2050 SCRM capabilities. Frameworks such as these provide a useful context for an enterprise to track  
2051 and gauge the increasing rigor and sophistication of their C-SCRM practices. Progression against  
2052 framework topics is measured using ordinal (i.e., 1-5) scales which illustrate the progression of  
2053 capabilities across tiers. The following are examples of how C-SCRM capability could be  
2054 gauged by applying NIST CSF Tiers:

- 2056 • CSF Tier 1: The enterprise does not understand its exposure to cybersecurity risk in the  
2057 supply chain or its role in the larger ecosystem. The enterprise does not collaborate with  
2058 other entities or have processes in place to identify, assess and mitigate cybersecurity risk  
2059 in the supply chain;
- 2060 • CSF Tier 2: The enterprise understands its cybersecurity risk in the supply chain  
2061 associated with products and services and its role in the larger ecosystem. The enterprise  
2062 has not formalized its capabilities to manage cybersecurity risk in the supply chain

- 2063 internally or its capability to engage and share information with entities in the broader  
2064 ecosystem;
- 2065 • CSF Tier 3: Enterprise-wide approach to managing cybersecurity risk in the supply chain  
2066 is enacted via enterprise risk management policies, processes, and procedures. This likely  
2067 includes a governance structure (e.g., Risk Council) that manages cybersecurity risk in  
2068 the supply chain in balance with other enterprise risks. Policies, processes, and  
2069 procedures are implemented consistently, as intended, and continuously monitored and  
2070 reviewed. Personnel possess the knowledge and skills to perform their appointed  
2071 cybersecurity supply chain risk management responsibilities. The enterprise has formal  
2072 agreements in place to communicate baseline requirements to its suppliers and partners.  
2073 The enterprise understands its external dependencies and collaborates with partners to  
2074 share information to enable risk-based management decisions within the enterprise in  
2075 response to events;
  - 2076 • CSF Tier 4: The enterprise actively consumes and distributes information with partners  
2077 and uses real-time or near real-time information to improve cybersecurity and supply  
2078 chain security before an event occurs. The enterprise leverages institutionalized  
2079 knowledge of cybersecurity supply chain risk management with its external suppliers and  
2080 partners as well as internally, in related functional areas and at all levels of the enterprise.  
2081 The enterprise communicates proactively using formal (e.g., agreements) and informal  
2082 mechanisms to develop and maintain strong relationships with its suppliers, buyers, and  
2083 other partners.
- 2084 Capability building begins by establishing a solid programmatic foundation that includes  
2085 enabling strategies and plans, policies and guidance, investment in training and dedicated  
2086 program resources. Once this foundational capability is in place, enterprises can use these  
2087 progression charts to orient the strategic direction of their programs to target states of C-SCRM  
2088 capability in different areas of the program. Table 3-3 provides an example C-SCRM  
2089 implementation model.
- 2090

2091

2092

**Table 3-3: Example C-SCRM Practice Implementation Model<sup>17</sup>**

<b>Implementation Level</b>	<b>Associated C-SCRM Practices</b>
Foundational	<ul style="list-style-type: none"> <li>• Established C-SCRM Policies across enterprise-levels</li> <li>• Defined C-SCRM hierarchy</li> <li>• Established C-SCRM governance structure</li> <li>• Well-documented, consistent C-SCRM processes</li> <li>• Quality and reliability program</li> <li>• Explicit roles for C-SCRM</li> <li>• Adequate and dedicated C-SCRM resources</li> <li>• Defined C-SCRM control baseline</li> <li>• Established C-SCRM internal checks and balances to assure compliance</li> <li>• Established supplier management program</li> <li>• C-SCRM included in an established incident management program</li> </ul>
Sustaining	<ul style="list-style-type: none"> <li>• Use of third-party assessments, site visits, and formal certification</li> <li>• Defined C-SCRM risk appetite and risk tolerances</li> <li>• Formalized information-sharing processes (e.g., engages w/ FASC)</li> <li>• Formal C-SCRM training program</li> <li>• C-SCRM integrated into SDLC</li> <li>• C-SCRM integrated into contractual agreements</li> <li>• Suppliers participate in incident response, disaster recovery, and contingency planning</li> <li>• Formally defined, collected, and reported C-SCRM metrics</li> </ul>
Enhancing	<ul style="list-style-type: none"> <li>• C-SCRM process automation</li> <li>• Use of quantitative risk analysis</li> <li>• Predictive and adaptive C-SCRM strategies and processes</li> </ul>

2093

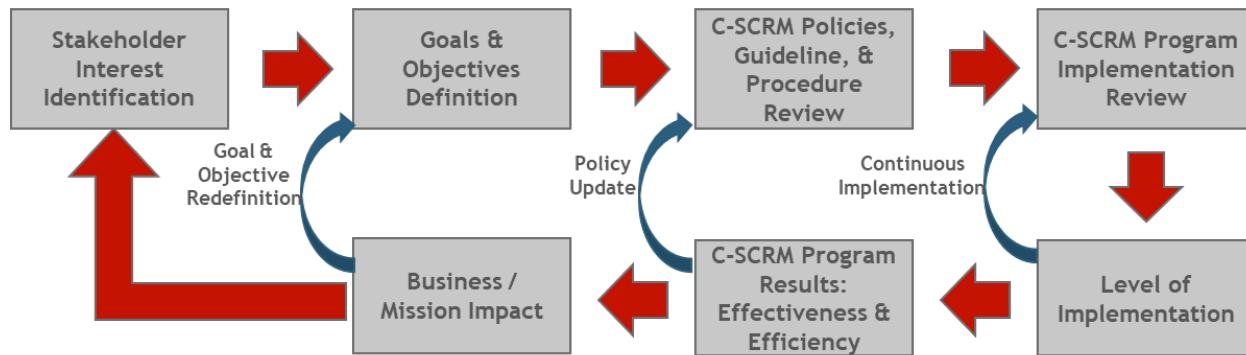
2094

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<sup>17</sup> For more information on C-SCRM capabilities, refer to section 1.5 C-SCRM Key Practices.

2095    **3.5.1. Measuring C-SCRM Through Performance Measures**

2096  
2097



2099    **Fig. 3-1: C-SCRM Metrics Development Process**

2100 Enterprises typically rely on information security measures to facilitate decision-making as well  
2101 as improve performance and accountability in their information security programs. Enterprises  
2102 can achieve similar benefits within their C-SCRM programs. Figure 3-1 illustrates measuring the  
2103 development process as is outlined in [NIST SP 800-55 Rev. 1], which provides guidance on the  
2104 specific development, selection, and implementation of operational-level and program-level  
2105 performance measures. Enterprises should consider this process for the development of C-SCRM  
2106 metrics which includes:

- 2107    • **Stakeholder Interest Identification:** identify the primary (e.g., CISO, CIO, CTO) and  
2108 secondary C-SCRM stakeholders (e.g., COO, CFO) and define/measure requirements  
2109 based on the context required for each stakeholder or stakeholder group;
- 2110    • **Goals and Objectives Definition:** identify and document enterprise strategic and C-  
2111 SCRM-specific performance goals and objectives. These goals may be expressed in the  
2112 form of enterprise strategic plans, C-SCRM policies, requirements, laws, regulations,  
2113 etc.;
- 2114    • **C-SCRM Policies, Guidelines, and Procedure Review:** identify the desired C-SCRM  
2115 practices, controls, and expectations outlined within these documents and used to  
2116 guide/implement C-SCRM across the enterprise;
- 2117    • **C-SCRM Program Implementation Review:** collect any existing data, measures, and  
2118 evidence which can provide insights used to derive new measures. These may be found in  
2119 C-SCRM Plans, POA&Ms, supplier assessments, etc.;
- 2120    • **Level of Implementation:** develop and map measures to the identified C-SCRM  
2121 standards, policies, and procedures to demonstrate the program's implementation  
2122 progress. These measures should be considered when rendering decisions to prioritize  
2123 and invest in C-SCRM capabilities;
- 2124    • **C-SCRM Program Results on Efficiency & Effectiveness:** develop and map measures  
2125 of C-SCRM's efficiency and effectiveness to the identified strategy and policy objectives  
2126 to gauge whether desired C-SCRM outcomes are met. These measures should be  
2127 considered as part of policy refreshes; and

- 2128 • **Business and Mission Impact:** development and mapping of measures to the identified  
 2129 enterprise strategic and C-SCRM-specific objectives to offer insight on the impact of C-  
 2130 SCRM (e.g., contribution to business process cost savings; reduction in national security  
 2131 risk). These measures should be considered a component of goal and objective refreshes.

2132 Similar to information security measures, C-SCRM-focused measures can be attained at different  
 2133 levels of an enterprise. Table 3-4 provides example measurement topics across the three Risk  
 2134 Management levels.

2135  
 2136 **Table 3-4: Example Measurement Topics Across the Risk Management Levels**

Risk Management Level	Example Measurement Topics
Level 1	<ul style="list-style-type: none"> <li>• Policy adoption at lower levels</li> <li>• Timeliness of policy adoption at lower levels</li> <li>• Adherence to risk appetite and tolerance thresholds</li> <li>• Differentiated levels of risk exposure across Level 2</li> <li>• Compliance with regulatory mandates</li> <li>• Adherence to customer requirements</li> </ul>
Level 2	<ul style="list-style-type: none"> <li>• Effectiveness of mitigation strategies</li> <li>• Time allocation across C-SCRM activities</li> <li>• Mission/business process-level risk exposure</li> <li>• Degree and quality of C-SCRM requirement adoption in mission/business processes</li> <li>• Use of C-SCRM PMO by Level 3</li> </ul>
Level 3	<ul style="list-style-type: none"> <li>• Design effectiveness of controls</li> <li>• Operating effectiveness of controls</li> <li>• Cost efficiency of controls</li> </ul>

2137  
 2138 Enterprises should validate identified C-SCRM goals and objectives with their targeted  
 2139 stakeholder groups prior to beginning an effort to develop specific measures. When developing  
 2140 C-SCRM measures, enterprises should focus on the stakeholder's highest priorities and target  
 2141 measures based on data that can be realistically sourced and gathered. Each established measure  
 2142 should have a specified performance target used to gauge whether goals and objectives in  
 2143 relation to that measure are being met. Enterprises should consider the use of measures templates  
 2144 to formalize each measure and serve as a source of reference for all information pertaining to that  
 2145 measure. Finally, enterprises should develop a formal feedback loop with stakeholders to ensure  
 2146 that measures are continually providing the desired insights and remain aligned with the  
 2147 enterprise's overall strategic objectives for C-SCRM.

**3.6. Dedicated Resources**

To appropriately manage cybersecurity risk in the supply chain, enterprises should dedicate funds towards this effort. Identifying resource needs and taking steps to secure adequate, recurring, and dedicated funding is an essential and important activity that needs to be built into the C-SCRM strategy and implementation planning effort and incorporated into an enterprise's budgeting, investment review, and funds management processes. Access to adequate resources is a critical, key enabler for the establishment and sustainment of a C-SCRM program capability. The continued availability of dedicated funds will allow enterprises to sustain, expand, and mature their capabilities over time.

Securing and assigning C-SCRM funding is representative of leadership's commitment to the importance of C-SCRM and its relevance to national and economic security and ensuring the protection, continuity and resilience of mission and business processes and assets.

Funding facilitates goal and action-oriented planning. Examining resource needs and allocating funding prompts a budgeting and strategic-planning process. Effective enterprises begin by defining a set of goals and objectives upon which to build a strategic roadmap laying out the path to achieve them, through the assignment and allocation of finite resources. The establishment of dedicated funding, tied to C-SCRM objectives, sets conditions for accountability of performance, and compels responsible staff to be efficient and effective and adopt a mindset of continuously seeking to improve C-SCRM capabilities and achieve security enhancing outcomes.

Obtaining new or increased funding can be a challenge as resources are often scarce and necessary for many competing purposes. The limited nature of funds forces prioritization. C-SCRM leaders need to first examine what can be accomplished within the constraints of existing resources and be able to articulate, prioritize, and defend their requests for additional resources. For new investment proposals, this requires a reconciliation of planned initiatives against the enterprise's mission/business objectives. When well-executed, a systematic planning process can tighten the alignment of C-SCRM processes to these objectives.

Many C-SCRM processes can and should be built into existing program and operational activities and may be adequately performed using available funds. However, there may be a need for an influx of one-time resources to establish an initial C-SCRM program capability. For example, this might include the need to hire new personnel with expertise in C-SCRM, acquire contractor support to aid in developing C-SCRM program guidance, or develop content for role-based C-SCRM training. There may also be insufficient resources in place to satisfy all recurring C-SCRM program needs. Existing funds may need to be reallocated towards C-SCRM efforts or new or additional funds requested. Enterprises should also seek out opportunities to leverage shared services whenever practical.

The use of shared services can optimize the use of scarce resources and concentrates capability into centers of excellence providing cost-efficient access to services, systems, or tools. Enterprises can adopt cost-sharing mechanisms across their lower-level entities that allow cost-efficient access to C-SCRM resources and capabilities. Enterprises pursuing shared-services

models for C-SCRM should also be aware of the challenges with such models. Shared services (e.g., C-SCRM PMO) are most effective when the enterprise at large relies on a fairly homogenous set of C-SCRM strategies, policies, and processes. In many instances, centralized delivery of C-SCRM services require a robust technology infrastructure. The enterprise's systems should be able to support process automation and centralized delivery in order to fully realize the benefits of a shared-services model.

Consultation with budget/finance officials is critical to understanding what options may be available and viable in the near term and outyears. These officials can also advise on how best to justify needs, and the timeframes and processes for requesting new funds. There are likely different processes to follow for securing recurring funds versus requesting one-time funding. For example, funding for a new information system to support a C-SCRM capability may involve the development of a formal business case presented to an enterprise's investment review board for approval. Breaking out resource needs into ongoing and one-time costs, as well as into cost categories that align with budget formulation, resource decision-making, and the allocation and management of available funds will also be helpful.

It is recommended that the C-SCRM PMO have the lead responsibility of coordinating with mission/business process and budget officials to build out and maintain a multi-year C-SCRM program budget that captures both recurring and non-recurring resource requirements and maps those requirements to available funding and fund sources. To understand the amount of funding required, when, and for what purpose, enterprises should identify and assess which type and level of resources (people or things), are required to implement a C-SCRM program capability and perform required C-SCRM processes on an ongoing basis. The cost associated with each of these identified resource needs would then be captured, accumulated, and reflected in a budget that includes line items for relevant cost categories, such as personnel costs, contracts, training, travel, or tools and systems. This will provide the enterprise a baseline understanding of what can be accomplished within existing resource levels and where there are gaps in need of being filled. The actual allocation of funds may be centralized in a single C-SCRM budget or may be dispersed across the enterprise and reflected in individual office or mission/business process-area budgets. Regardless of how funds are actually assigned, a centralized picture of the C-SCRM budget and funds status will provide a valuable source of information that justifies new requests, informs prioritization decisions, and adjusts expectations about certain activities and the duration in which they can be accomplished.

Ensuring that C-SCRM program funding is distinctly articulated within the enterprise's budget—with performance measures linked to the funding—will drive accountability for results. The visible dedication of funds in budget requests and performance plans and reports compels leadership attention on C-SCRM processes and accomplishment of objectives. Budgets must be requested and justified on a periodic basis. This process allows leadership and oversight officials to trace and measure the effectiveness and efficiency of allocated resources. This, in turn, serves as a driving function for program and operational C-SCRM personnel to track and manage their performance.

## Key Takeaways

2238  
2239 **C-SCRM in Acquisition.** Integration of C-SCRM into acquisition activities is critical to the  
2240 success of any C-SCRM program. C-SCRM requirements should be embedded throughout the  
2241 acquisition life cycle. The C-SCRM activities performed include but are not limited to  
2242 performing risk assessments of services, suppliers, and products, identifying relevant C-SCRM  
2243 controls, conducting due diligence, and continuously monitoring suppliers.  
2244

2245 **Supply Chain Information Sharing.** Enterprises will gain access to information critical to  
2246 understanding and mitigating cybersecurity risk in the supply chain by building information-  
2247 sharing processes and activities into C-SCRM programs. Enterprises should engage with peers,  
2248 business partners, suppliers, and information-sharing communities (e.g., ISACs) to gain insight  
2249 into cybersecurity risk in the supply chain and learn from the experience of the community at  
2250 large.  
2251

2252 **C-SCRM Awareness and Training.** Enterprises should adopt enterprise-wide and role-based  
2253 training regimens to educate users on the potential impact that cybersecurity risk in the supply  
2254 chain can have on the business and how to adopt best practices for risk mitigation. Robust C-  
2255 SCRM training is a key enabler for enterprises as they drive a shift towards a C-SCRM-aware  
2256 culture.  
2257

2258 **C-SCRM Key Practices.** This publication outlines several Foundational, Sustaining, and  
2259 Enabling C-SCRM practices that enterprises should adopt and tailor to their unique context.  
2260 Enterprises should prioritize reaching a base level of maturity in key practices before focusing on  
2261 advanced C-SCRM capabilities.  
2262

2263 **Capability Implementation Measurement and C-SCRM Measures.** Enterprises should  
2264 actively manage the efficiency and effectiveness of their C-SCRM programs. First enterprises  
2265 should adopt a C-SCRM framework and use this framework as the basis for measuring the  
2266 progress their enterprise has made toward its C-SCRM objectives. Next, enterprises should  
2267 create and implement quantitative performance measures and target tolerance which provide a  
2268 periodic glimpse into the enterprise's progress through the lens of specific operational objectives.  
2269

2270 **Dedicated Resources.** Where possible and applicable, enterprises should commit dedicated  
2271 funds toward C-SCRM. Benefits of doing so include but are not limited to facilitating strategic  
2272 and goal-oriented planning, driving accountability of internal stakeholders to execute and mature  
2273 the C-SCRM practices of the enterprise, and the continuous monitoring of progress by enterprise  
2274 leadership.  
2275  
2276

**2277 APPENDIX A: C-SCRM SECURITY CONTROLS**

2278

**2279 C-SCRM CONTROLS INTRODUCTION**

2280

2281 NIST defines security controls as:

2282

2283     *The management, operational, and technical controls (i.e., safeguards or*  
2284     *countermeasures) prescribed for an information system to protect the*  
2285     *confidentiality, integrity, and availability of the system and its information. [FIPS*  
2286     *200, FIPS 199, CNSSI No. 4009, NIST SP 800-37 Rev. 1, NIST SP 800-53 Rev. 5,*  
2287     *NIST SP 800-53A Rev. 5]*

2288

2289 [NIST SP 800-53 Rev. 5] defines numerous cybersecurity supply chain-related controls within  
2290 the catalog of information security controls. This section is structured as an enhanced overlay of  
2291 [NIST SP 800-53 Rev. 5]. It identifies and augments C-SCRM-related controls with additional  
2292 supplemental guidance and provides new controls as appropriate. The C-SCRM controls are  
2293 organized into the twenty (20) control families of [NIST SP 800-53 Rev. 5]. This approach  
2294 facilitates use of the security controls assessment techniques articulated in [NIST SP 800-53A  
2295 Rev. 5] to assess implementation of C-SCRM controls.

2296

2297 The controls provided in this publication are intended for enterprises to implement internally, as  
2298 well as require of their contractors and subcontractors—if and when applicable—and as  
2299 articulated in a contractual agreement. As with [NIST SP 800-53 Rev. 5], the security controls  
2300 and control enhancements are a starting point from which controls/enhancements may be  
2301 removed, added, or specialized based on an enterprise’s needs. Each control in this section is  
2302 listed for its applicability to C-SCRM. Those controls from [NIST SP 800-53 Rev. 5] not listed  
2303 are not considered directly applicable to C-SCRM, and thus are not included in this publication.  
2304 Details and supplemental guidance for the various C-SCRM controls in this publication are  
2305 contained in Section 4.5.

2306

**2307 C-SCRM CONTROLS SUMMARY**

2308

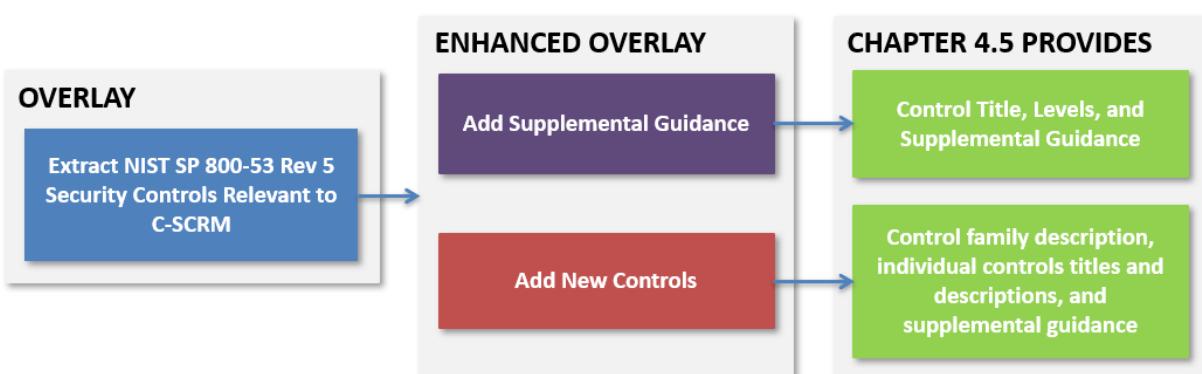
2309 During the Respond Step of the risk management process articulated in Section 2, enterprises  
2310 select, tailor, and implement controls for mitigating cybersecurity risk in the supply chain. [NIST  
2311 800-53B] lists a set of information security controls at the [FIPS 199] high-, moderate-, and low-  
2312 impact levels. This section describes how these controls help mitigate risk to information  
2313 systems and components, as well as the supply chain infrastructure. The section provides twenty  
2314 (20) C-SCRM control families that include relevant controls and supplemental guidance.

2315

2316 Figure 4-1 depicts the process used to identify, refine, and add C-SCRM supplemental guidance  
2317 to the [NIST SP 800-53 Rev. 5] C-SCRM-related controls. The figure, in which Figure 1-4 is  
2318 repeated, represents the following steps:

2319

- 2320    1. Selected and extracted individual controls and enhancements from [NIST SP 800-53 Rev.  
 2321    5] applicable to C-SCRM;  
 2322    2. Analyzed these controls to determine how they apply to C-SCRM;  
 2323    3. Evaluated the resulting set of controls and enhancements to determine whether all C-  
 2324    SCRM concerns were addressed;  
 2325    4. Developed additional controls currently undefined in [NIST SP 800-53 Rev. 5];  
 2326    5. Identified controls for flow down to relevant sub-level contractors;  
 2327    6. Assigned applicable levels to each C-SCRM control; and  
 2328    7. Developed C-SCRM-specific supplemental guidance for each C-SCRM control.



2332  
 2333 **Fig. A-1: C-SCRM Security Controls in NIST SP 800-161 Revision 1, Section 4.5**

2334  
 2335 Note that [NIST SP 800-53 Rev. 5] provides C-SCRM-related controls and control families.  
 2336 These controls may be listed in this publication with a summary or additional guidance and a  
 2337 reference to the original [NIST SP 800-53 Rev. 5] control and supplemental guidance detail.

### **C-SCRM CONTROLS THROUGHOUT THE ENTERPRISE**

2340 As noted in Table 4-1, C-SCRM controls in this publication are designated by the three levels  
 2341 comprising the enterprise. This is to facilitate the selection of C-SCRM controls specific to  
 2342 enterprises, their various missions, and individual systems, as described in Appendix C under the  
 2343 Respond step of the risk management process. During controls selection, enterprises should use  
 2344 the C-SCRM controls in this section to identify appropriate C-SCRM controls for tailoring per  
 2345 risk assessment. By selecting and implementing applicable C-SCRM controls for each level,  
 2346 enterprises will ensure that they have appropriately addressed C-SCRM throughout their  
 2347 enterprises.

### **APPLYING C-SCRM CONTROLS TO ACQUIRING PRODUCTS & SERVICES**

2351 Acquirers may use C-SCRM controls as the basis from which to communicate their C-SCRM  
 2352 requirements to different types of enterprises, described within this publication, that provide  
 2353 products and services to acquirers, including suppliers, developers, system integrators, external

2355 system service providers, and other ICT/OT-related service providers. Acquirers should avoid  
2356 using generalized requirements statements, such as “ensure compliance with [NIST SP 800-161  
2357 Rev. 1] controls.” Acquirers must be careful to select the controls relevant to the specific use  
2358 case of the service or product being acquired. Acquirers are encouraged to integrate C-SCRM  
2359 throughout their acquisition activities. More detail on the role of C-SCRM in acquisition is  
2360 provided in Section 3.1 of this document.

2361  
2362 It is important to recognize the controls in this section do not provide specific contracting  
2363 language. Acquirers should develop their own contracting language using this publication as  
2364 guidance to develop the specific C-SCRM requirements for inclusion. The following sections  
2365 expand upon the supplier, developer, system integrator, external system service provider, and  
2366 other ICT/OT-related service provider roles with respect to C-SCRM expectations for acquirers.  
2367

2368 Enterprises may use multiple techniques to ascertain whether these controls are in place.  
2369 Techniques may include supplier self-assessment, acquirer review, or third-party assessments for  
2370 measurement and adherence to the enterprise's requirements. Enterprises should first look to  
2371 established third-party assessments to see if they meet their needs. When an enterprise defines C-  
2372 SCRM requirements, it may discover that established third-party assessments may not address all  
2373 specific requirements. In this case, additional evidence may be needed to justify unaddressed  
2374 requirements. Please note that the data obtained for this purpose should be appropriately  
2375 protected.  
2376

## 2377 SUPPLIERS

2378 Suppliers may provide either Commercial Off-The-Shelf (COTS) or, in federal contexts,  
2379 Government Off-The-Shelf (GOTS) solutions to the acquirer. COTS solutions include non-  
2380 developmental items (NDI), such as commercially-licensed solutions/products. GOTS solutions  
2381 are government-only licensable solutions. Suppliers are a diverse group ranging from very small  
2382 to large, specialized to diversified, based in a single country to transnational, and ranging widely  
2383 in the level of sophistication, resources, and transparency/visibility in process and solution.  
2384

2385 Suppliers also have diverse levels and types of C-SCRM practices in place. These practices and  
2386 other related practices may provide the requisite evidence for SCRM evaluation. An example of  
2387 a federal resource that may be leveraged is the Defense Microelectronics Activity (DMEA)  
2388 accreditation for Trusted Suppliers. When appropriate, allow suppliers the opportunity to reuse  
2389 any existing data and documentation that may provide evidence of C-SCRM implementation.  
2390

2391 Enterprises should consider whether the cost of doing business with suppliers may be directly  
2392 impacted by the extent of supply chain cybersecurity requirements imposed on suppliers, the  
2393 willingness or ability of suppliers to allow visibility into how their products are developed or  
2394 manufactured, and how they apply security and supply chain practices to their solutions. When  
2395 enterprises or system integrators require greater levels of transparency from suppliers, they must  
2396 consider the possible cost implications of such requirements. Suppliers may opt not to participate  
2397 in procurements to avoid increased costs or perceived risks to their intellectual property, limiting  
2398 an enterprise's supply or technology choices. Additionally, suppliers may face risk from  
2399

2400 customers imposing multiple and different sets of supply chain cybersecurity requirements with  
2401 which the supplier must comply on a per-customer basis. The amount of transparency required  
2402 from suppliers should be commensurate to the suppliers' criticality which is sufficient to address  
2403 inherent risk.

2404

## 2405 DEVELOPERS AND MANUFACTURERS

2406

2407 Developers and manufactures are personnel that develop or manufacture systems, system  
2408 components (e.g., software), or system services (e.g., Application Programming Interfaces  
2409 (APIs)). Development can occur internally within enterprises or through external entities.  
2410 Developers typically maintain privileged access rights and play an essential role throughout the  
2411 SDLC. The activities they perform and the work they produce can either enhance security or  
2412 introduce new vulnerabilities. It is therefore essential that developers are both subject to, and  
2413 intimately familiar with, C-SCRM requirements and controls.

2414

## 2415 SYSTEM INTEGRATORS

2416

2417 System integrators are those entities which provide customized services to the acquirer including  
2418 custom development, test, operations, and maintenance. This group usually replies to a request  
2419 for proposal from an acquirer with a proposal describing a solution or service that is customized  
2420 to the acquirer's requirements. Such proposals provided by system integrators can include many  
2421 layers of suppliers and may include teaming arrangements with other vendors or subcontractors.  
2422 The system integrator should ensure these business entities are vetted and verified with respect to  
2423 the acquirer's C-SCRM requirements. Because of the level of visibility that can be obtained in  
2424 the relationship with the system integrator, the acquirer has the discretion to require rigorous  
2425 supplier acceptance criteria as well as any relevant countermeasures to address identified or  
2426 potential risks.

2427

## 2428 EXTERNAL SYSTEM SERVICE PROVIDERS OF INFORMATION SYSTEM SERVICES

2429

2430 Enterprises use external service providers to perform or support some of their mission and  
2431 business functions (NIST SP 800-53 Rev. 5). The outsourcing of systems and services creates a  
2432 set of cybersecurity supply chain concerns that reduces the acquirer's visibility into, and control  
2433 of, the outsourced functions. Therefore, it requires increased rigor from enterprises in defining C-  
2434 SCRM requirements, stating them in procurement agreements, and monitoring delivered services  
2435 and evaluating them for compliance with the stated requirements. Regardless of who performs  
2436 the services, the acquirer is ultimately responsible and accountable for the risk to the enterprise's  
2437 systems and data resulting from the use of these services. Enterprises should implement a set of  
2438 compensating C-SCRM controls to address this risk and work with the mission/business process  
2439 owner or risk executive to accept this risk. A variety of methods may be used to communicate  
2440 and subsequently verify and monitor C-SCRM requirements through such vehicles as contracts,  
2441 interagency agreements, lines of business arrangements, licensing agreements, and/or supply  
2442 chain transactions.

2443

## 2444 OTHER ICT/OT-RELATED SERVICE PROVIDERS

2445

2446 Providers of services can perform a wide range of different functions ranging from consulting to  
2447 publishing website content to janitorial services. Other ICT/OT-related Service Providers  
2448 encompass those providers that require physical or logical access to ICT/OT or use technology  
2449 (e.g., an aerial photographer using a drone to take video/pictures or a security firm remotely  
2450 monitoring a facility using cloud-based video surveillance) as a means to delivering their service.  
2451 As a result of service provider access or use, the potential for cyber-supply chain risk being  
2452 introduced to the enterprise arises.

2453  
2454 Operational technology possesses unique operational and security characteristics that necessitate  
2455 the application of specialized skills and capabilities to effectively protect them. Enterprises that  
2456 have significant OT components throughout their enterprise architecture therefore often turn to  
2457 specialized service providers for secure implementation and maintenance of these devices,  
2458 systems, or equipment. Any enterprise or individual providing services which may include  
2459 authorized access to an ICT or OT system should adhere to enterprise C-SCRM requirements.  
2460 Enterprises should apply special scrutiny to ICT/OT-related service providers managing mission  
2461 critical and/or safety-relevant assets.

2462  
2463 ***SELECTING AND TAILORING IMPLEMENTING C-SCRM SECURITY CONTROLS***

2464  
2465 The C-SCRM controls defined in this section should be selected and tailored according to  
2466 individual enterprise needs and environments using the guidance in [NIST SP 800-53 Rev. 5] in  
2467 order to ensure a cost-effective, risk-based approach to providing enterprise-wide C-SCRM. The  
2468 C-SCRM baseline defined in this publication addresses the basic needs of a broad and diverse set  
2469 of constituents. Enterprises must select, tailor, and implement the security controls based on: (i)  
2470 the environments in which enterprise information systems are acquired and operate; (ii) the  
2471 nature of operations conducted by enterprises; (iii) the types of threats facing enterprises,  
2472 missions/business processes, supply chains, and information systems; and (iv) the type of  
2473 information processed, stored, or transmitted by information systems and the supply chain  
2474 infrastructure.

2475  
2476 After selecting the initial set of security controls, the acquirer should initiate the tailoring process  
2477 according to NIST SP 800-53B *Control Baselines for Information Systems and Organization* in  
2478 order to appropriately modify and more closely align the selected controls with the specific  
2479 conditions within the enterprise. The tailoring should be coordinated with and approved by the  
2480 appropriate enterprise officials (e.g., authorizing officials, authorizing official designated  
2481 representatives, risk executive (function), chief information officers, or senior information  
2482 security officers) prior to implementing the C-SCRM controls. Additionally, enterprises have the  
2483 flexibility to perform the tailoring process at the enterprise level (either as the required tailored  
2484 baseline or as the starting point for policy-, program- or system-specific tailoring) in support of a  
2485 specific program at the individual information system level, or using a combination of enterprise-  
2486 level, program/mission-level, and system-specific approaches.

2487  
2488 Selection and tailoring decisions, including the specific rationale for those decisions, should be  
2489 included within the C-SCRM documentation at Levels 1, 2, and 3 and Appendix C, and approved  
2490 by the appropriate enterprise officials as part of the C-SCRM plan approval process.

2492

2493

## 2494 C-SCRM CONTROL FORMAT

2495

2496 Table 4-2 shows the format used in this publication for controls providing supplemental C-  
2497 SCRM guidance on existing [NIST SP 800-53 Rev. 5] controls or control enhancements.

2498

2499 C-SCRM controls that do not have a parent [NIST SP 800-53 Rev. 5] control generally follow  
2500 the format described in [NIST SP 800-53 Rev. 5], with the addition of relevant levels. New  
2501 controls are given identifiers consistent with [NIST SP 800-53 Rev. 5], but do not duplicate  
2502 existing control identifiers.

2503

2504

**Table A-1: C-SCRM Control Format**

<b>CONTROL IDENTIFIER</b>	<b>CONTROL NAME</b>
	<u>Supplemental C-SCRM Guidance:</u>
	<u>Level(s):</u>
	<u>Related Control(s):</u>
	<u>Control Enhancement(s):</u>
(1)	<i>CONTROL NAME   CONTROL ENHANCEMENT NAME</i>
	<u>Supplemental C-SCRM Guidance:</u>
	<u>Level(s):</u>
	<u>Related Control(s):</u>

2505

2506 An example of the C-SCRM control format is shown below using C-SCRM Control AC-3 and  
2507 SCRM Control Enhancement AC-3(8):2508 **AC-3 ACCESS ENFORCEMENT**

2509

2510 Supplemental C-SCRM Guidance: Ensure that the information systems and the supply chain have  
2511 appropriate access enforcement mechanisms in place. This includes both physical and logical access  
2512 enforcement mechanisms, which likely work in coordination for supply chain needs. Enterprises should  
2513 ensure a detailed definition of access enforcement.

2514

2515 Level(s): 2, 3

2516

2517 Related Control(s): AC-4

2518

2519 Control Enhancement(s):(8) *ACCESS ENFORCEMENT | REVOCATION OF ACCESS AUTHORIZATIONS*

- 2520                   (1) **Supplemental C-SCRM Guidance:** Prompt revocation is critical to ensure that suppliers, developers,  
2521                   system integrators, external system service providers, and other ICT/OT-related service providers who  
2522                   no longer require access, or who abuse or violate their access privilege, are not able to access an  
2523                   enterprise's system. For example, in a "badge flipping" situation, a contract is transferred from one  
2524                   system integrator enterprise to another with the same personnel supporting the contract. In that  
2525                   situation, the enterprise should disable the existing accounts, retire the old credentials, establish new  
2526                   accounts, and issue completely new credentials.

2527                   Level(s): 2, 3

## 2531 USING C-SCRM CONTROLS IN THIS PUBLICATION

2532                   The remainder of Section 4 provides the enhanced C-SCRM overlay of NIST SP 800-53 Rev. 5.  
2533                   This section displays the relationship between NIST SP 800-53 Revision 5 controls and C-  
2534                   SCRM controls in one of the following ways:  
2535

- 2537                   • If a [NIST SP 800-53 Rev. 5] control or enhancement was determined to be an  
2538                   information security control that serves as a foundational control for C-SCRM, but is not  
2539                   specific to C-SCRM, it is not included in this publication.
- 2540                   • If a [NIST SP 800-53 Rev. 5] control or enhancement was determined to be relevant to  
2541                   C-SCRM, the levels in which the control applies are also provided.
- 2542                   • If a [NIST SP 800-53 Rev. 5] enhancement was determined to be relevant to C-SCRM,  
2543                   but the parent control was not, the parent control number and title is included, but there is  
2544                   no supplemental C-SCRM guidance.
- 2545                   • C-SCRM controls/enhancements that do not have an associated [NIST 800-53 Rev. 5]  
2546                   control/enhancement are listed with their titles and the control/enhancement text.
- 2547                   • All C-SCRM controls include the levels in which the control applies and supplemental C-  
2548                   SCRM guidance as applicable.
- 2549                   • When a control enhancement provides a mechanism for implementing the C-SCRM  
2550                   control, the control enhancement is listed within the Supplemental C-SCRM Guidance  
2551                   and is not included separately.
- 2552                   • If [NIST SP 800-53 Rev. 5] already captures withdrawals or reorganization of prior  
2553                   [NIST SP 800-161] controls, it is not included.

2554                   The following new controls and control enhancement have been added:  
2555

- 2557                   • The C-SCRM Control MA-8 – Maintenance Monitoring and Information Sharing is  
2558                   added to the Maintenance control family; and
- 2559                   • The C-SCRM Control SR-13 – Supplier Inventory is added to the Supply Chain Risk  
2560                   Management control family.

**C-SCRM SECURITY CONTROLS****FAMILY: ACCESS CONTROL**

[FIPS 200] specifies the Access Control minimum security requirement as follows:

*Organizations must limit information system access to authorized users, processes acting on behalf of authorized users, or devices (including other information systems) and to the types of transactions and functions that authorized users are permitted to exercise.*

Systems and components that traverse the supply chain are subject to access by a variety of individuals and enterprises, including suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers. Such access should be defined and managed to ensure that it does not inadvertently result in unauthorized release, modification, or destruction of information. This access should be limited to only the necessary type, duration, and level of access for authorized enterprises (and authorized individuals within those enterprises) and monitored for cybersecurity supply chain impact.

**AC-1 POLICY AND PROCEDURES**

Supplemental C-SCRM Guidance: Enterprises should specify and include in agreements (e.g., contracting language) access control policies for their suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers. These should include both physical and logical access to the supply chain and the information system. Enterprises should require its prime contractors to implement this control and flow down this requirement to relevant sub-tier contractors.

Level(s): 1, 2, 3

**AC-2 ACCOUNT MANAGEMENT**

Supplemental C-SCRM Guidance: Use of this control helps establish traceability of actions and actors in the supply chain. This control also helps ensure access authorizations of actors in the supply chain is appropriate on a continuous basis. The enterprise may choose to define a set of roles and associate a level of authorization to ensure proper implementation. Enterprises must ensure that accounts for contractor personnel do not exceed the period of performance of the contract. Privileged accounts should only be established for appropriately vetted contractor personnel. Enterprises should also have processes in place to establish and manage temporary or emergency accounts for contractor personnel that require access to a mission-critical or mission-enabling system during a continuity or emergency event. For example, during a pandemic event, existing contractor personnel who are not able to work due to illness may need to be temporarily backfilled by new contractor staff. Enterprises should require its prime contractors to implement this control and flow down this requirement to relevant sub-tier contractors.

Level(s): 2, 3

**AC-3 ACCESS ENFORCEMENT**

Supplemental C-SCRM Guidance: Ensure that the information systems and the supply chain have appropriate access enforcement mechanisms in place. This includes both physical and logical access enforcement mechanisms, which likely work in coordination for supply chain needs. Enterprises should

2606 ensure a defined consequence framework is in place to address access control violations. Enterprises  
2607 should require its prime contractors to implement this control and flow down this requirement to relevant  
2608 sub-tier contractors.

2609  
2610 Level(s): 2, 3  
2611  
2612 Control Enhancement(s):

2613 **(8) ACCESS ENFORCEMENT | REVOCATION OF ACCESS AUTHORIZATIONS**

2614 Supplemental C-SCRM Guidance: Prompt revocation is critical to ensure that suppliers, developers,  
2615 system integrators, external system service providers, and other ICT/OT-related service providers who  
2616 no longer require access, or who abuse or violate their access privilege, are not able to access an  
2617 enterprise's system. Enterprises should include in their agreements a requirement for contractors, and  
2618 sub-tier contractors, to immediately return access credentials (e.g., tokens, PIV or CAC cards, etc.) to  
2619 the enterprise and enterprises must have processes in place to promptly process the revocation of  
2620 access authorizations. For example, in a "badge flipping" situation, a contract is transferred from one  
2621 system integrator enterprise to another with the same personnel supporting the contract. In that  
2622 situation, the enterprise should disable the existing accounts, retire the old credentials, establish new  
2623 accounts, and issue completely new credentials.

2624  
2625 Level(s): 2, 3

2626 **(9) ACCESS ENFORCEMENT | CONTROLLED RELEASE**

2627 Supplemental C-SCRM Guidance: Information about the supply chain should be controlled for release  
2628 between the enterprise and third parties. Information may be exchanged between the enterprise and its  
2629 suppliers, developers, system integrators, external system service providers, and other ICT/OT-related  
2630 service providers. Controlled release of enterprise information provides protection to manage risks  
2631 associated with disclosure.

2632  
2633 Level(s): 2, 3

2634 **AC-4 INFORMATION FLOW ENFORCEMENT**

2635 Supplemental C- SCRM Guidance: Supply chain information may traverse a large supply chain to a broad  
2636 set of stakeholders including the enterprise and its various federal stakeholders, as well as suppliers,  
2637 developers, system integrators, external system service providers, and other ICT/OT-related service  
2638 providers. Specifying the requirements as well as how information flow is enforced should ensure that only  
2639 the required information, and not more, is communicated to the various participants in the supply chain.  
2640 Enterprises should require its prime contractors to implement this control and flow down this requirement  
2641 to relevant sub-tier contractors. Enterprises should specify the requirements as well as how information  
2642 flow is enforced to ensure that only the required information, and not more, is communicated to the various  
2643 participants in the supply chain

2644  
2645 Level(s): 2, 3  
2646  
2647 Control Enhancement(s):

2648 **(6) INFORMATION FLOW ENFORCEMENT | METADATA**

2649 Supplemental C-SCRM Guidance: Metadata relevant to C-SCRM is quite extensive and includes  
2650 activities within the SDLC. For example, information about systems and system components,  
2651 acquisition details, and delivery is considered metadata and may require appropriate protections.  
2652 Enterprises should identify what metadata is directly relevant to their supply chain security and ensure  
2653 that information flow enforcement is implemented in order to protect applicable metadata.

2654  
2655

Level(s): 2, 3

2656

**(17) INFORMATION FLOW ENFORCEMENT | DOMAIN AUTHENTICATION**

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2658  
2659  
2660

Supplemental C-SCRM Guidance: Within the C-SCRM context, enterprises should specify various source and destination points for information about the supply chain and information that flows through the supply chain. This is so that enterprises have visibility of information flow within the supply chain.

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2662

Level(s): 2, 3

2663

**(19) INFORMATION FLOW ENFORCEMENT | VALIDATION OF METADATA**

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2665  
2666  
2667

Supplemental C-SCRM Guidance: For C-SCRM, validation of data and the relationship to its metadata are critical. Much of the data transmitted through the supply chain is validated with the verification of the associated metadata that is bound to it. Ensure that proper filtering and inspection is put in place for validation before allowing payloads into the supply chain.

2668  
2669

Level(s): 2, 3

2670  
2671

**(21) INFORMATION FLOW ENFORCEMENT | PHYSICAL OR LOGICAL SEPARATION OF INFORMATION FLOWS**

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2674  
2675  
2676  
2677  
2678  
2679

Supplemental C-SCRM Guidance: The enterprise should ensure the separation of the information system and supply chain information<sup>18</sup> flow. Various mechanisms can be implemented including, for example, encryption methods (e.g., digital signing). Addressing information flow between the enterprise and its suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers may be challenging, especially when leveraging public networks.

Level(s): 3

2680

**AC-5 SEPARATION OF DUTIES**

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Supplemental C-SCRM Guidance: The enterprise should ensure that appropriate separation of duties is established for decisions requiring the acquisition of both information system and supply chain components. Separation of duties helps to ensure that adequate protections are in place for components entering the enterprise's supply chain. An example may be developers not having privileges to promote code they wrote from development to production environments. Enterprises should require its prime contractors to implement this control and flow down this requirement to relevant sub-tier contractors.

2687

Level(s): 2, 3

2688

**AC-6 LEAST PRIVILEGE**

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Supplemental C-SCRM Guidance: For C-SCRM supplemental guidance, see control enhancements.

2691

Control Enhancement(s):

2692

**(6) LEAST PRIVILEGE | PRIVILEGED ACCESS BY NON-ORGANIZATIONAL USERS**

2693  
2694

Supplemental C-SCRM Guidance: Enterprises should ensure that protections are in place to prevent non-enterprise users from having privileged access to enterprise supply chain and related supply chain

<sup>18</sup> Supply Chain Cybersecurity Risk Information is defined in the glossary of this document based on the FASCA definition for the term

2695 information. When enterprise users may include independent consultants, suppliers, developers, system  
2696 integrators, external system service providers, and other ICT/OT-related service providers, relevant  
2697 access requirements may need to be more precisely defined regarding which information and/or  
2698 components are accessible, for what duration, at which frequency, using which access methods, and by  
2699 whom, using least privilege mechanisms. Understanding which components are critical and noncritical  
2700 can aid in understanding the level of detail that may need to be defined regarding least privilege access  
2701 for non-enterprise users.

2702           Level(s): 2, 3

2704 **AC-17 REMOTE ACCESS**

2705           Supplemental C-SCRM Guidance: Evermore frequently, supply chains are accessed remotely. Whether for  
2706 the purpose of development, maintenance, or operation of information systems, enterprises should  
2707 implement secure remote access mechanisms and allow remote access only to vetted personnel. Remote  
2708 access to an enterprise's supply chain (including distributed software development environments) should be  
2709 limited to the enterprise or contractor personnel and only if and as required to perform their tasks. Remote  
2710 access requirements, such as a requirement to use a secure VPN, employ multi-factor authentication, limit  
2711 access to specified business hours, or from specified geographic locations, must be properly defined in  
2712 agreements. Enterprises should require its prime contractors to implement this control and flow down this  
2713 requirement to relevant sub-tier contractors.

2714           Level(s): 2, 3

2715           Control Enhancement(s):

2716           **(6) REMOTE ACCESS | PROTECTION OF MECHANISM INFORMATION**

2717           Supplemental C-SCRM Guidance: Enterprises should ensure that detailed requirements are properly  
2718 defined and access to information regarding the information system and supply chain is protected from  
2719 unauthorized use and disclosure. Since supply chain data and metadata disclosure or access can have  
2720 significant implications to an enterprise's mission processes, appropriate measures must be taken to vet  
2721 both the supply chain and personnel processes to ensure that adequate protections are implemented.  
2722 Ensure that remote access to such information is included in requirements.

2724           Level(s): 2, 3

2725 **AC-18 WIRELESS ACCESS**

2726           Supplemental C-SCRM Guidance: An enterprise's supply chain may include wireless infrastructure that  
2727 supports supply chain logistics (e.g., Radio Frequency Identification Device (RFID) support, software call  
2728 home features). Supply chain systems/components traverse the supply chain as they are moved from one  
2729 location to another, whether within the enterprise's own environment or during delivery from system  
2730 integrators or suppliers. Ensuring appropriate access mechanisms are in place within this supply chain  
2731 enables the protection of the information systems and components, as well as logistics technologies and  
2732 metadata used during shipping (e.g., within tracking sensors). The enterprise should explicitly define  
2733 appropriate wireless access control mechanisms for the supply chain in policy and implement appropriate  
2734 mechanisms.

2735           Level(s): 1, 2, 3

2736 **AC-19 ACCESS CONTROL FOR MOBILE DEVICES**

2737           **Supplemental C-SCRM Guidance:** Use of mobile devices (e.g., laptops, tablets, e-readers, smartphones, smartwatches) has become common in the supply chain. They are used in direct support of an enterprise's operations as well as for purposes such as tracking supply chain logistics data as information systems and components traverse enterprise or systems integrator supply chains. Ensure that access control mechanisms are clearly defined and implemented where relevant when managing enterprises supply chain components. An example of such an implementation includes access control mechanisms implemented for use with remote handheld units in RFID for tracking components that traverse the supply chain. Access control mechanisms should also be implemented on any associated data and metadata tied to the devices.

2745           Level(s): 2, 3

## 2746   **AC-20 USE OF EXTERNAL SYSTEMS**

2747           **Supplemental C-SCRM Guidance:** Enterprises' external information systems include those of suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers. Unlike in an acquirer's internal enterprise where direct and continuous monitoring is possible, in the external supplier relationship, information may be shared on an as-needed basis and should be articulated in an agreement. Access to the supply chain from such external information systems should be monitored and audited. Enterprises should require its prime contractors to implement this control and flow down this requirement to relevant sub-tier contractors.

2754           Level(s): 1, 2, 3

2755           Control Enhancement(s):

### 2756   **(1) USE OF EXTERNAL SYSTEMS | LIMITS ON AUTHORIZED USE**

2757           **Supplemental C-SCRM Guidance:** This enhancement helps limit exposure of the supply chain to the suppliers', developers', system integrators', external system service providers', and other ICT/OT-related service providers' systems.

2760           Level(s): 2, 3

### 2761   **(3) USE OF EXTERNAL SYSTEMS | NON-ORGANIZATIONALLY OWNED SYSTEMS — RESTRICTED USE**

2763           **Supplemental C-SCRM Guidance:** Devices that do not belong to the enterprise (e.g., bring your own device (BYOD) policies) increase the enterprise's exposure to cybersecurity risk in the supply chain. This includes devices used by suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers. Enterprises should review the use of non-enterprise devices by non-enterprise personnel and make a risk-based decision as to whether it will allow use of such devices or furnish devices. Enterprises should furnish devices to those non-enterprise personnel that present unacceptable levels of risk.

2771           Level(s): 2, 3

## 2772   **AC-21 INFORMATION SHARING**

2773           **Supplemental C-SCRM Guidance:** Sharing information within the supply chain can help to manage cybersecurity risk in the supply chain. This information may include vulnerabilities, threats, criticality of systems and components, or delivery information. This information sharing should be carefully managed to ensure that the information is accessible only to authorized individuals within the enterprise's supply chain. Enterprises should clearly define boundaries for information sharing with respect to temporal, informational, contractual, security, access, system, and other requirements. Enterprises should monitor and review for unintentional or intentional information sharing within its supply chain activities including

2780 information sharing with suppliers, developers, system integrators, external system service providers, and  
2781 other ICT/OT-related service providers.

2782 Level(s): 1, 2

2783 **AC-22 PUBLICLY ACCESSIBLE CONTENT**

2784 Supplemental C-SCRM Guidance: Within the C-SCRM context, publicly accessible content may include  
2785 Requests for Information, Requests for Proposal, or information about delivery of systems and components.  
2786 This information should be reviewed to ensure that only appropriate content is released for public  
2787 consumption, alone or in aggregation with other information.

2788 Level(s): 2, 3

2789 **AC-23 DATA MINING PROTECTION**

2790 Supplemental C-SCRM Guidance: Enterprises should require its prime contractors to implement this  
2791 control as part of their insider threat activities and flow down this requirement to relevant sub-tier  
2792 contractors.

2793 Level(s): 2, 3

2794 **AC-24 ACCESS CONTROL DECISIONS**

2795 Supplemental C-SCRM Guidance: Enterprises should assign access control decisions to support authorized  
2796 accesses to the supply chain. Ensure that if a system integrator or external service provider is used, there is  
2797 consistency in access control decision requirements and how the requirements are implemented to deliver  
2798 consistency in support of the enterprise's supply chain needs. This may require defining such requirements  
2799 in service-level agreements in many cases as part of the upfront relationship established between the  
2800 enterprise and system integrator or the enterprise and external service provider. Enterprises should require  
2801 its prime contractors to implement this control and flow down this requirement to relevant sub-tier  
2802 contractors.

2803 Level(s): 1, 2, 3

**FAMILY: AWARENESS AND TRAINING**

[FIPS 200] specifies the Awareness and Training minimum security requirement as follows:

*Organizations must: (i) ensure that managers and users of organizational information systems are made aware of the security risks associated with their activities and of the applicable laws, Executive Orders, directives, policies, standards, instructions, regulations, or procedures related to the security of organizational information systems; and (ii) ensure that organizational personnel are adequately trained to carry out their assigned information security-related duties and responsibilities.*

[NIST SP 800-161 Rev. 1] expands the Awareness and Training control of [FIPS 200] to include C-SCRM. Making the workforce aware of C-SCRM concerns is key to a successful C-SCRM strategy. C-SCRM awareness and training provides understanding of the problem space and of the appropriate processes and controls that can help mitigate cybersecurity risk in the supply chain. Enterprises should provide C-SCRM awareness and training to individuals at all levels within the enterprise including, for example, information security, procurement, enterprise risk management, engineering, software development, IT, legal, HR, and others. Enterprises should also work with suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers to ensure the personnel that interact with an enterprise's supply chains receive C-SCRM awareness and training, as appropriate.

**AT-1 POLICY AND PROCEDURES**

Supplemental C-SCRM Guidance: Enterprises should designate a specific official to manage the development, documentation, and dissemination of the awareness and training policy and procedures that includes C-SCRM as well as role-based specific training for those with supply chain responsibilities. Enterprises should integrate cybersecurity supply chain risk management training and awareness into the security training and awareness policy. The C-SCRM training should target both the enterprise and its contractors. The policy should ensure that supply chain cybersecurity role-based training is required for those individuals or functions that touch or impact the supply chain, such as information system owner, acquisition, supply chain logistics, system engineering, program management, IT, quality, and incident response.

C-SCRM training procedures should address:

- a. Roles throughout the supply chain and system/element life cycle to limit opportunities and means available to individuals performing these roles that could result in adverse consequences;
- b. Requirements for interaction between an enterprise's personnel and individuals not employed by the enterprise that participate in the supply chain throughout the SDLC; and
- c. Incorporating feedback and lessons learned from C-SCRM activities into the C-SCRM training.

Level(s): 1, 2

**AT-2 LITERACY TRAINING AND AWARENESS**

Supplemental C-SCRM Guidance: C-SCRM-specific supplemental guidance provided in control enhancements.

Control Enhancements:

- 2849           (1) *LITERACY TRAINING AND AWARENESS | PRACTICAL EXERCISES*
- 2850           Supplemental C-SCRM Guidance: Enterprises should provide practical exercises in literacy training  
2851           that simulate supply chain cybersecurity events and incidents. Enterprises should require its prime  
2852           contractors to implement this control and flow down this requirement to relevant sub-level contractors
- 2853           (2) *LITERACY TRAINING AND AWARENESS | INSIDER THREAT*
- 2854           Supplemental C-SCRM Guidance: Enterprises should provide literacy training on recognizing and  
2855           reporting potential indicators of insider threat within the supply chain. Enterprises should require its  
2856           prime contractors to implement this control and flow down this requirement to relevant sub-tier  
2857           contractors.
- 2858           (3) *LITERACY TRAINING AND AWARENESS | SOCIAL ENGINEERING AND MINING*
- 2859           Supplemental C-SCRM Guidance: Enterprises should provide literacy training on recognizing and  
2860           reporting potential and actual instance of supply chain related social engineering and social mining.  
2861           Enterprises should require its prime contractors to implement this control and flow down this  
2862           requirement to relevant sub-level contractors
- 2863           (4) *LITERACY TRAINING AND AWARENESS | SUSPICIOUS COMMUNICATIONS AND ANOMALOUS*  
2864           *SYSTEM BEHAVIOR*
- 2865           Supplemental C-SCRM Guidance: Provide literacy training on recognizing suspicious communications  
2866           on anomalous behavior in enterprise supply chain systems. Enterprises should require its prime  
2867           contractors to implement this control and flow down this requirement to relevant sub-level contractors.
- 2868           (5) *LITERACY TRAINING AND AWARENESS | ADVANCED PERSISTENT THREAT*
- 2869           Supplemental C-SCRM Guidance: Provide literacy training on recognizing suspicious communications  
2870           on advanced persistent threat (APT) in the enterprise's supply chain. Enterprises should require its  
2871           prime contractors to implement this control and flow down this requirement to relevant sub-level  
2872           contractors
- 2873           (6) *LITERACY TRAINING AND AWARENESS | CYBER THREAT ENVIRONMENT*
- 2874           Supplemental C-SCRM Guidance: Provide literacy training on cyber threats specific to the enterprise's  
2875           supply chain environment. Enterprises should require its prime contractors to implement this control  
2876           and flow down this requirement to relevant sub-level contractors
- 2877           Level(s): 2
- 2878       **AT-3    ROLE-BASED TRAINING**
- 2879           Supplemental C-SCRM Guidance: Addressing cyber-supply chain risks throughout the acquisition process  
2880           is essential to performing C-SCRM effectively. Personnel who are part of the acquisition workforce require  
2881           training on what C-SCRM requirements, clauses, and evaluation factors are necessary to include when  
2882           conducting a procurement and how to incorporate C-SCRM into each acquisition phase. Similar enhanced  
2883           training requirements should be tailored for personnel responsible for conducting threat assessments and  
2884           involved in responding to threats and identified risks require training in counter-intelligence awareness and  
2885           reporting. Enterprises should ensure that developers receive training on secure development practices as  
2886           well as the use of vulnerability scanning tools. Enterprises should require its prime contractors to  
2887           implement this control and flow down this requirement to relevant sub-tier contractors.
- 2888           Control Enhancement(s):

2889

## (7) SECURITY TRAINING | PHYSICAL SECURITY CONTROLS

2890

Supplemental C-SCRM Guidance: C-SCRM is impacted by a number of physical security mechanisms and procedures within the supply chain, such as manufacturing, shipping, and receiving, physical access to facilities, inventory management, and warehousing. Enterprise and system integrator personnel providing development and operational support to the enterprise should receive training on how to handle these physical security mechanisms and on the associated cybersecurity risk in the supply chain.

2896

Level(s): 2

2897

## (6) ROLE-BASED TRAINING | COUNTERINTELLIGENCE TRAINING

2899

Supplemental C-SCRM Guidance: Public sector enterprises should provide specialized counterintelligence awareness training that enables its resources to collect, interpret, and act upon a range of data sources that may signal the presence of a foreign adversary's presence in the supply chain. Counterintelligence training should at a minimum cover known red flags, key information sharing concepts, and reporting requirements.

2904

Level(s): 2

2905

## 2906 AT-4 TRAINING RECORDS

2907

Supplemental C-SCRM Guidance: Enterprises should maintain documentation for C-SCRM-specific training, especially in regard to key personnel in acquisitions and counterintelligence.

2909

Level(s): 2

**FAMILY: AUDIT AND ACCOUNTABILITY**

[FIPS 200] specifies the Audit and Accountability minimum security requirement as follows:

*Organizations must: (i) create, protect, and retain information system audit records to the extent needed to enable the monitoring, analysis, investigation, and reporting of unlawful, unauthorized, or inappropriate information system activity; and (ii) ensure that the actions of individual information system users can be uniquely traced to those users so they can be held accountable for their actions.*

Audit and accountability controls for C-SCRM provide information useful in the event of a supply chain cybersecurity incident or compromise. Enterprises should ensure they designate and audit cybersecurity supply chain-relevant events within their information system boundaries using appropriate audit mechanisms (e.g., system logs, Intrusion Detection System (IDS) logs, firewall logs, paper reports, forms, clipboard checklists, digital records). These audit mechanisms should also be configured to work within reasonable time-frame boundaries, as defined by enterprise policy. Enterprises may encourage their system suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers to do the same and may include in agreements requirements for such monitoring. However, enterprises should not deploy audit mechanisms on systems outside of their enterprise boundary, including those of suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers.

**AU-1 POLICY AND PROCEDURES**

Supplemental C-SCRM Guidance: Enterprises must designate a specific official to manage the development, documentation, and dissemination of the audit and accountability policy and procedures to include auditing of the supply chain information systems and network. Audit mechanisms provide data for tracking activities in an enterprise's supply chain information systems and network. Audit and accountability policy and procedures should appropriately address such tracking and its availability for other various supply chain activities, such as configuration management. Suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers activities should not be included in such policy, unless those are performed within the acquirer's supply chain information systems and network. Audit and accountability policy procedures should appropriately address supplier audits as a way to examine the quality of a particular supplier and the risk it presents to the enterprise and the enterprise's supply chain.

Level(s): 1, 2, 3

**AU-2 EVENT LOGGING**

Supplemental C-SCRM Guidance: An observable occurrence within the information system or supply chain network should be identified as a supply chain auditable event, based on the enterprise's SDLC context and requirements. Auditable events may include software/hardware changes, failed attempts to access supply chain information systems, or movement of source code. Information on such events should be captured by appropriate audit mechanisms and should be traceable and verifiable. Information captured may include type of event, date/time, length, and frequency of occurrence. Among other things, auditing may help detect misuse of the supply chain information systems or network caused by insider threat. Logs are a key resource when identifying operational trends and long-term problems, and as such enterprises should incorporate reviewing logs at contract renewal point for vendors to determine whether there is

2956 systemic problem. Enterprises should require its prime contractors to implement this control and flow down  
2957 this requirement to relevant sub-tier contractors.

2958 Level(s): 1, 2, 3  
2959

2960 **AU-3 CONTENT OF AUDIT RECORDS**

2961 Supplemental C-SCRM Guidance: Audit records of a supply chain event should be handled and maintained  
2962 in a manner that conforms to record retention requirements, preserves the integrity of the findings, and as  
2963 appropriate, the confidentiality of the record information and its source(s). In certain instances, such  
2964 records may be used in administrative or legal proceedings. Enterprises should require its prime  
2965 contractors to implement this control and flow down this requirement to relevant sub-tier contractors.

2966 Level(s): 1, 2, 3

2967 **AU-6 AUDIT REVIEW, ANALYSIS, AND REPORTING**

2968 Supplemental C-SCRM Guidance: The enterprise should ensure that both supply chain and information  
2969 security auditable events are appropriately filtered and correlated for analysis and reporting. For example, if  
2970 new maintenance or a patch upgrade is recognized to have an invalid digital signature, the identification of  
2971 the patch arrival qualifies as a supply chain auditable event, while invalid signature is an information  
2972 security auditable event. The combination of these two events may provide information valuable to C-  
2973 SCRM. The enterprise should adjust the level of audit record review based on risk changes (e.g., active  
2974 threat intel, risk profile) on a specific vendor. Contracts should explicitly address how audit findings will be  
2975 reported and adjudicated.  
2976

2977 Level(s): 2, 3  
2978

2979 Control Enhancement(s):

2980 **(9) AUDIT REVIEW, ANALYSIS, AND REPORTING | CORRELATION WITH INFORMATION FROM  
2981 Nontechnical Sources**

2982 Supplemental C-SCRM Guidance: In a C-SCRM context, nontechnical sources include changes to  
2983 enterprise security or operational policy, changes to procurement or contracting processes, and  
2984 notifications from suppliers, developers, system integrators, external system service providers, and  
2985 other ICT/OT-related service providers regarding plans to update, enhance, patch, or retire/dispose of a  
2986 system/component.

2987 Level(s): 3

2988 **AU-10 NON-REPUDIATION**

2989 Supplemental C-SCRM Guidance: Enterprises should implement non-repudiation techniques to protect  
2990 both information systems and supply chain network. Examples of what may require non-repudiation  
2991 include supply chain metadata describing the components, supply chain communication, delivery  
2992 acceptance information, etc. For information systems, it can be patch or maintenance upgrades for software  
2993 as well as component replacement in a large hardware system. Verifying that such components originate  
2994 from the OEM is part of non-repudiation.

2995 Level(s): 3

2996 Control Enhancement(s):

- 2997           (1) *NON-REPUDIATION | ASSOCIATION OF IDENTITIES*
- 2998           Supplemental C-SCRM Guidance: This enhancement helps traceability in supply chain. It also  
2999           facilitates the accuracy of provenance.
- 3000           Level(s): 2  
3001
- 3002           (2) *NON-REPUDIATION | VALIDATE BINDING OF INFORMATION PRODUCER IDENTITY*
- 3003           Supplemental C-SCRM Guidance: This enhancement validates the relationship of provenance and a  
3004           component within the supply chain. Therefore, it ensures integrity of provenance.
- 3005           Level(s): 2, 3
- 3006           (3) *NON-REPUDIATION | CHAIN OF CUSTODY*
- 3007           Supplemental C-SCRM Guidance: Chain of custody is fundamental to provenance and traceability in  
3008           the supply chain. It also helps verification of system and component integrity.
- 3009           Level(s): 2, 3
- 3010       **AU-12 AUDIT RECORD GENERATION**
- 3011           Supplemental C-SCRM Guidance: Enterprises should ensure that audit record generation mechanisms are  
3012           in place to capture all relevant supply chain auditable events. Examples of such events include component  
3013           version updates, component approvals from acceptance testing results, logistics data-capturing inventory,  
3014           or transportation information. Enterprises should require its prime contractors to implement this control and  
3015           flow down this requirement to relevant sub-tier contractors.
- 3016           Level(s): 2, 3
- 3017       **AU-13 MONITORING FOR INFORMATION DISCLOSURE**
- 3018           Supplemental C-SCRM Guidance: Within the C-SCRM context, information disclosure may occur via  
3019           multiple avenues including open source information. For example, supplier-provided errata may reveal  
3020           information about an enterprise's system that may provide insight into the system that increases the risk to  
3021           the system. Enterprises should ensure monitoring is in place for contractor systems to detect unauthorized  
3022           disclosure of any data and ensure contract language includes a requirement that the vendor will notify the  
3023           enterprise, in accordance with enterprise-defined timeframes and as soon as possible in the event of any  
3024           potential or actual unauthorized disclosure. Enterprises should require its prime contractors to implement  
3025           this control and flow down this requirement to relevant sub-tier contractors.
- 3026           Level(s): 2, 3
- 3027       **AU-14 SESSION AUDIT**
- 3028           Supplemental C-SCRM Guidance: Enterprises should include non-federal contract employees in session  
3029           audits to identify security risks in the supply chain. Enterprises should require its prime contractors to  
3030           implement this control and flow down this requirement to relevant sub-tier contractors.
- 3031           Level(s): 2, 3
- 3032       **AU-16 CROSS-ORGANIZATIONAL AUDIT LOGGING**

3033        Supplemental C-SCRM Guidance: In a C-SCRM context, this control includes the enterprise's use of  
3034        system integrator or external service provider infrastructure. Enterprises should add language to contracts  
3035        on coordinating audit information requirements and information exchange agreements with vendors.

3036        Level(s): 2, 3

3037        Control Enhancement(s):

3038        (2) *CROSS-ORGANIZATIONAL AUDIT LOGGING | SHARING OF AUDIT INFORMATION*

3039        Supplemental C-SCRM Guidance: Whether managing a distributed audit environment or an audit data-  
3040        sharing environment between enterprises and its system integrators or external services providers,  
3041        enterprises should establish a set of requirements for the process of sharing audit information. In the  
3042        case of the system integrator and external service provider and the enterprise, a service-level agreement  
3043        of the type of audit data required vs. what can be provided must be agreed to in advance to ensure that  
3044        the enterprise obtains the relevant audit information needed for ensuring that appropriate protections  
3045        are in place to meet its mission operation protection needs. Ensure that coverage of both information  
3046        systems and supply chain network are addressed for the collection and sharing of audit information.  
3047        Enterprises should require its prime contractors to implement this control and flow down this  
3048        requirement to relevant sub-level contractors.

3049        Level(s): 2, 3

**3053 FAMILY: ASSESSMENT, AUTHORIZATION, AND MONITORING**

3054

3055 [FIPS 200] specifies the Certification, Accreditation, and Security Assessments minimum  
3056 security requirement as follows:

3057

3058 *Organizations must: (i) periodically assess the security controls in organizational  
3059 information systems to determine if the controls are effective in their application; (ii)  
3060 develop and implement plans of action designed to correct deficiencies and reduce or  
3061 eliminate vulnerabilities in organizational information systems; (iii) authorize the  
3062 operation of organizational information systems and any associated information system  
3063 connections; and (iv) monitor information system security controls on an ongoing basis  
3064 to ensure the continued effectiveness of the controls.*

3065

3066 Enterprises should integrate C-SCRM, including the supply chain risk management process  
3067 and the use of relevant controls defined in this publication, into ongoing security assessment  
3068 and authorization activities. This includes activities to assess and authorize an enterprise's  
3069 information systems, as well as external assessments of suppliers, developers, system  
3070 integrators, external system service providers, and other ICT/OT-related service providers,  
3071 where appropriate. Supply chain aspects include documentation and tracking of chain of  
3072 custody and system interconnections within and between enterprises, verification of supply  
3073 chain cybersecurity training, verification of suppliers claims of conformance to security,  
3074 product/component integrity, and validation tools and techniques for noninvasive approaches  
3075 to detecting counterfeits or malware (e.g., Trojans) using inspection for genuine components  
3076 including manual inspection techniques.  
3077

**3078 CA-1 POLICY AND PROCEDURES**

3079

Supplemental C- SCRM Guidance: Integrate the development and implementation of assessment and  
3080 authorization policies and procedures for supply chain cybersecurity into the control assessment and  
3081 authorization policy, and related C-SCRM Strategy/Implementation Plan(s), policies, and system-level  
3082 plans. To address cybersecurity risk in the supply chain, enterprises should develop a C-SCRM policy (or,  
3083 if required, integrate into existing policies) to direct C-SCRM activities for control assessment and  
3084 authorization. The C-SCRM policy should define C-SCRM roles and responsibilities within the enterprise  
3085 for conducting control assessment and authorization, any dependencies among those roles, and the  
3086 interaction among the roles. Enterprise-wide security and privacy risk should be assessed on an ongoing  
3087 basis and include supply chain risk assessment results.

3088

Level(s): 1, 2, 3

**3089 CA-2 CONTROL ASSESSMENTS**

3090

Supplemental C-SCRM Guidance: Ensure that the control assessment plan incorporates relevant C-SCRM  
3091 controls and control enhancements. The control assessment should cover the assessment of both  
3092 information systems and the supply chain and ensure that an enterprise-relevant baseline set of controls and  
3093 control enhancements are identified and used for the assessment. Control assessments can include  
3094 information from supplier audits, reviews, and supply chain-related information. Enterprises should  
3095 develop a strategy for collecting information, including a strategy for engaging with providers on supply  
3096 chain risk assessments. Such collaboration helps enterprises leverage information from providers, reduce

3097 redundancy, identify potential courses of action for risk responses, and reduce the burden on providers. C-  
3098 SCRM personnel should review the control assessment.

3099 Level(s): 2, 3

3100 Control Enhancement(s):

3101 (2) *CONTROL ASSESSMENTS | SPECIALIZED ASSESSMENTS*

3102 Supplemental C-SCRM Guidance: Enterprises should use a variety of assessment techniques and  
3103 methodologies such as continuous monitoring, insider threat assessment, and malicious user's  
3104 assessment. These assessment mechanisms are context-specific and require the enterprise to  
3105 understand its supply chain and to define the required set of measures for assessing and verifying that  
3106 appropriate protections have been implemented.

3107  
3108 Level(s): 3

3109 (3) *CONTROL ASSESSMENTS | LEVERAGING RESULTS FROM EXTERNAL ORGANIZATIONS*

3110 Supplemental C-SCRM Guidance: For C-SCRM, enterprises should use external security assessments  
3111 for suppliers, developers, system integrators, external system service providers, and other ICT/OT-  
3112 related service providers. External assessments include certifications, third-party assessments, and, in  
3113 the federal context, prior assessments performed by other departments and agencies. Enterprises such  
3114 as the International Enterprise for Standardization (ISO), the National Information Assurance  
3115 Partnership (Common Criteria), and the Open Group Trusted Technology Forum (OTTF) certifications  
3116 may also be used by non-federal and federal enterprises alike, if such certifications meet agency needs.

3117 Level(s): 3

3118 **CA-3 INFORMATION EXCHANGE**

3119 Supplemental C-SCRM Guidance: Exchange of information or data between the system and other systems  
3120 require scrutiny from a supply chain perspective. This includes understanding the interface characteristics  
3121 and connections of those components/systems that are directly interconnected to or the data that is shared  
3122 through those components/systems with developers, system integrators, external system service providers,  
3123 other ICT/OT-related service providers and, in some cases, suppliers. Ensure that proper service-level  
3124 agreements are in place to ensure compliance to system information exchange requirements defined by the  
3125 enterprise, as the transfer of information between systems in different security or privacy domains with  
3126 different security or privacy policies introduces risk that such transfers violate one or more domain security  
3127 or privacy policies. Examples of such interconnections can include:

- 3128     a. A shared development and operational environment between the enterprise and system integrator;  
3129     b. Product update/patch management connection to an off-the-shelf supplier; and  
3130     c. Data request and retrieval transactions in a processing system residing on an external service  
3131         provider shared environment.

3132  
3133  
3134 Enterprises should require its prime contractors to implement this control and flow down this requirement  
3135 to relevant sub-tier contractors.

3136 Level(s): 3

3137 **CA-5 PLAN OF ACTION AND MILESTONES**

3138 Supplemental C-SCRM Guidance: For system-level plan of actions and milestones (POA&Ms), enterprises  
3139 need to ensure that a separate POA&M exists for C-SCRM include both information systems and the

3140 supply chain. The C-SCRM POA&M should include tasks to be accomplished with a recommendation for  
3141 completion before or after system authorization; resources required to accomplish the tasks; milestones  
3142 established to meet the tasks; and the scheduled completion dates for the milestones and tasks. The  
3143 enterprise should include in its C-SCRM POA&M relevant weaknesses, impact of weaknesses on  
3144 information systems or the supply chain, any remediation to address weaknesses, and any continuous  
3145 monitoring activities. The C-SCRM POA&M should be included as part of the authorization package.

3146 Level(s): 2, 3

3147 **CA-6 AUTHORIZATION**

3148 Supplemental C-SCRM Guidance: Authorizing officials should include C-SCRM in authorization  
3149 decisions. To accomplish this, supply chain risks and compensating controls documented in C-SCRM Plans  
3150 or system security plans, and C-SCRM plan of action and milestones should be included in the  
3151 authorization package as part of the decision-making process. Risks should be determined and associated  
3152 compensating controls selected based on output from criticality, threat, and vulnerability analyses.  
3153 Authorizing officials may use guidance in Section 2 of this document as well as NISTIR 8179 to guide the  
3154 assessment process.

3155 Level(s): 1, 2, 3

3156 **CA-7 CONTINUOUS MONITORING**

3157 Supplemental C-SCRM Guidance: For C-SCRM-specific guidance on this control, see Section 2 of this  
3158 publication.

3159 Level(s): 1, 2, 3

3160 Control Enhancement(s):

3161 (3) *CONTINUOUS MONITORING | TREND ANALYSES*

3162 Supplemental C-SCRM Guidance: Information gathered during continuous monitoring/trend analysis  
3163 serves as input into C-SCRM decisions including criticality analysis, vulnerability and threat analysis,  
3164 and risk assessment. It also provides information that can be used in incident response and potentially  
3165 can identify a supply chain cybersecurity compromise, including insider threat.

3166 Level(s): 3  
3167

**3168 FAMILY: CONFIGURATION MANAGEMENT**

3169

3170 [FIPS 200] specifies the Configuration Management minimum security requirement as follows:

3171

3172       *Organizations must: (i) establish and maintain baseline configurations and inventories*  
3173       *of organizational information systems (including hardware, software, firmware, and*  
3174       *documentation) throughout the respective system development life cycles; and (ii)*  
3175       *establish and enforce security configuration settings for information technology*  
3176       *products employed in organizational information systems.*

3177

3178 Configuration Management helps track systems, components, and documentation within the  
3179 information systems, networks, and throughout the SDLC. This is important for knowing what  
3180 changes were made to those systems, components, and documentation, who made the changes,  
3181 and who authorized the changes. Fundamentally, configuration management provides tools to  
3182 establish the chain of custody for systems, components, and documentation. Configuration  
3183 management also provides evidence for investigations of supply chain cybersecurity compromise  
3184 when determining which changes were authorized and which were not, and therefore provides  
3185 useful information. Enterprises should apply configuration management controls to their own  
3186 systems and encourage use of configuration management controls by their suppliers, developers,  
3187 system integrators, external system service providers, and other ICT/OT-related service  
3188 providers. See NISTIR 7622 for more information on Configuration Management.

3189

**3190 CM-1 POLICY AND PROCEDURES**

3191

3192       Supplemental C-SCRM Guidance: Configuration management impacts nearly every aspect of the supply  
3193 chain. Configuration Management is critical for enterprise's ability to establish provenance of components  
3194 to include tracking and tracing them through the SDLC and through the supply chain. Properly defined and  
3195 implemented configuration management capability provides greater assurance throughout the SDLC and  
3196 the supply chain that components are authentic and have not been inappropriately modified. When defining  
3197 configuration management policy and procedures, enterprises should address the full SDLC. This should  
3198 include procedures for introducing and removing components to and from the enterprise's information  
3199 system boundary. Configuration Management policy should incorporate configuration items, data retention  
3200 for configuration items and corresponding metadata, and tracking of the configuration item and its  
3201 metadata. The enterprise should coordinate with suppliers, developers, system integrators, external system  
3202 service providers, and other ICT/OT-related service providers regarding the configuration management  
3203 policy.

3203

Level(s): 1, 2, 3

3204

**CM-2 BASELINE CONFIGURATION**

3205

3206       Supplemental C-SCRM Guidance: Enterprises should establish a baseline configuration of both the  
3207 information system and the development environment including documenting, formally reviewing, and  
3208 securing the agreement of stakeholders. The purpose of the baseline is to provide a starting point for  
3209 tracking the changes to components, code, and/or settings throughout the SDLC. Regular reviews and  
3210 updates of baseline configurations (i.e., re-baselining) are critical for traceability and provenance. The  
3211 baseline configuration must take into consideration the enterprise's operational environment and any  
3212 relevant suppliers', developers', system integrators', external system service providers', and other ICT/OT-  
3213 related service providers' involvement within the organization's information systems and networks. If the

3213 system integrator, for example, uses the existing organization's infrastructure, appropriate measures should  
3214 be taken to establish a baseline that reflects an appropriate set of agreed-upon criteria for access and  
3215 operation. Enterprises should require its prime contractors to implement this control and flow down this  
3216 requirement to relevant sub-tier contractors.

3217 Level(s): 2, 3

3218 Control Enhancement(s):

3219 **(6) BASELINE CONFIGURATION | DEVELOPMENT AND TEST ENVIRONMENTS**

3220 Supplemental C-SCRM Guidance: The enterprise should maintain or require the maintenance of a  
3221 baseline configuration of applicable suppliers', developers', system integrators', external system  
3222 service providers', and other ICT/OT-related service providers' development, test (and if applicable,  
3223 staging) environments as well as any configuration of interfaces.

3224 Level(s): 2, 3

3225 **CM-3 CONFIGURATION CHANGE CONTROL**

3226 Supplemental C-SCRM Guidance: Enterprises should determine, implement, monitor, and audit  
3227 configuration settings and change controls within the information systems and networks and throughout the  
3228 SDLC. This control supports traceability for C-SCRM. The below NIST SP 800-53 Rev. 5 control  
3229 enhancements CM-3 (1), (2), (4), and (8) are mechanisms that can be used for C-SCRM to collect and  
3230 manage change control data. Enterprises should require its prime contractors to implement this control and  
3231 flow down this requirement to relevant sub-tier contractors.

3232 Level(s): 2, 3

3233 **(1) CONFIGURATION CHANGE CONTROL | AUTOMATED DOCUMENTATION, NOTIFICATION, AND  
3234 PROHIBITION OF CHANGES**

3235 Supplemental C-SCRM Guidance: Enterprises should define a set of system changes that are critical to  
3236 the protection of the information system and the underlying or interoperating systems and networks.  
3237 These changes may be defined based on a criticality analysis (including components, processes, and  
3238 functions) and where vulnerabilities exist that are not yet remediated (e.g., due to resource constraints).  
3239 The change control process should also monitor for changes that may affect an existing security  
3240 control to ensure that this control continues to function as required.

3241 Level(s): 2, 3

3242 **(2) CONFIGURATION CHANGE CONTROL | TESTING, VALIDATION, AND DOCUMENTATION OF  
3243 CHANGES**

3244 Supplemental C-SCRM Guidance: Test, validate, and document changes to the system before  
3245 finalizing the implementation of the changes.

3246 Level(s): 2, 3

3247 **(4) CONFIGURATION CHANGE CONTROL | SECURITY AND PRIVACY REPRESENTATIVES**

3248 Supplemental C-SCRM Guidance: Require enterprise security and privacy representatives] to be  
3249 members of the configuration change control function.

3250 Level(s): 2, 3

3255                   **(8) CONFIGURATION CHANGE CONTROL | PREVENT OR RESTRICT CONFIGURATION CHANGES**

3256                   Supplemental C-SCRM Guidance: Prevent or restrict changes to the configuration of the system under enterprise-defined circumstances.

3257

3258                   Level(s): 2, 3

3260                  **CM-4 IMPACT ANALYSIS**

3261                   Supplemental C-SCRM Guidance: Enterprises should take under consideration changes to the information system and underlying or interoperable systems and networks to determine whether the impact of these changes affects existing security control(s) and warrants additional or different protection to maintain an acceptable level of cybersecurity risk in the supply chain. Ensure that stakeholders, such as system engineers and system security engineers are included in the impact analysis activities to provide their perspectives for C-SCRM. NIST SP 800-53 Rev. 5 control enhancement CM-4 (1) is a mechanism that can be used to protect the information system and from vulnerabilities that may be introduced through the test environment.

3269                   Level(s): 3

3271                  **(1) IMPACT ANALYSES | SEPARATE TEST ENVIRONMENTS**

3272                   Analyze changes to the system in a separate test environment before implementation in an operational environment, looking for security and privacy impacts due to flaws, weaknesses, incompatibility, or intentional malice

3276                   Level(s): 3

3278                   Related Control(s): SA-11, SC-7

3280                  **CM-5 ACCESS RESTRICTIONS FOR CHANGE**

3281                   Supplemental C-SCRM Guidance: Enterprises should ensure that requirements regarding physical and logical access restrictions for changes to the information systems and networks are defined and included in the enterprise's implementation of access restrictions. Examples include access restriction for changes to centrally managed processes for software component updates and the deployment of updates or patches.

3286                   Level(s): 2, 3

3288                   Control Enhancements:

3289                  **(1) ACCESS RESTRICTIONS FOR CHANGE | AUTOMATED ACCESS ENFORCEMENT AND AUDIT RECORDS**

3290                   Supplemental C-SCRM Guidance: Enterprises should implement mechanisms to ensure automated access enforcement and auditing of the information system and the underlying systems and networks.

3293                   Level(s): 3

3294                  **(6) ACCESS RESTRICTIONS FOR CHANGE | LIMIT LIBRARY PRIVILEGES**

3295                   Supplemental C-SCRM Guidance: Enterprises should note that software libraries may be considered configuration items, access to which should be managed and controlled.

3298                   Level(s): 3

3299                  **CM-6 CONFIGURATION SETTINGS**

3300        Supplemental C-SCRM Guidance: Enterprises should oversee the function of modifying configuration  
3301        settings for their information systems and networks and throughout the SDLC. Methods of oversight  
3302        include periodic verification, reporting, and review. Resulting information may be shared with various  
3303        parties that have access to, are connected to, or engage in creation of the enterprise's information systems  
3304        and networks on a need-to-know basis. Changes should be tested and approved before they are  
3305        implemented. Configuration settings should be monitored and audited to alert designated enterprise  
3306        personnel when a change has occurred. Enterprises should require its prime contractors to implement this  
3307        control and flow down this requirement to relevant sub-tier contractors.

3308        Level(s): 2, 3

3309        Control Enhancement(s):

3310        (1) *CONFIGURATION SETTINGS | AUTOMATED MANAGEMENT, APPLICATION, AND VERIFICATION*

3311        Supplemental C-SCRM Guidance: The enterprise should, when feasible, employ automated  
3312        mechanisms to manage, apply, and verify configuration settings.

3313        Level(s): 3

3314        (2) *CONFIGURATION SETTINGS | RESPOND TO UNAUTHORIZED CHANGES*

3315        Supplemental C-SCRM Guidance: The enterprise should ensure that designated security or IT  
3316        personnel are alerted regarding unauthorized changes to configuration settings. When suppliers,  
3317        developers, system integrators, external system service providers, and other ICT/OT-related service  
3318        providers are responsible for such unauthorized changes, this qualifies as a C-SCRM incident that  
3319        should be recorded and tracked to monitor trends. For a more comprehensive view, a specific,  
3320        predefined set of C-SCRM stakeholders should assess the impact of unauthorized changes in the  
3321        supply chain. When impact is assessed, relevant stakeholders should help define and implement  
3322        appropriate mitigation strategies to ensure a comprehensive resolution.

3323        Level(s): 3

## 3324      CM-7 LEAST FUNCTIONALITY

3325        Supplemental C-SCRM Guidance: Least functionality reduces the attack surface. Enterprises should select  
3326        components that allow the flexibility and option for specifying and implementing least functionality.  
3327        Enterprises should ensure least functionality in their information systems and networks and throughout  
3328        SDLC. NIST SP 800-53 Rev. 5 control enhancement CM-7 (9) mechanism can be used to protect  
3329        information systems and networks from vulnerabilities that may be introduced by the use of unauthorized  
3330        hardware being connected to enterprise systems. Enterprises should require its prime contractors to  
3331        implement this control and flow down this requirement to relevant sub-tier contractors.

3332        Level(s): 3

3333        Control Enhancement(s):

3334        (1) *LEAST FUNCTIONALITY | PERIODIC REVIEW*

3335        Supplemental C-SCRM Guidance: Enterprises should require its prime contractors to implement this  
3336        control and flow down this requirement to relevant sub-tier contractors.

3337        Level(s): 2, 3

3338        (4) *LEAST FUNCTIONALITY | UNAUTHORIZED SOFTWARE*

3346        Supplemental C-SCRM Guidance: Enterprises should define requirements and deploy appropriate  
3347        processes to specify and detect software that is not allowed. This can be aided by defining a  
3348        requirement to, at a minimum, not use disreputable or unauthorized software. Enterprises should  
3349        require its prime contractors to implement this control and flow down this requirement to relevant sub-  
3350        tier contractors.

3351        Level(s): 2, 3

3353        (5) *LEAST FUNCTIONALITY | AUTHORIZED SOFTWARE*

3354        Supplemental C-SCRM Guidance: Enterprises should define requirements and deploy appropriate  
3355        processes to specify allowable software. This can be aided by defining a requirement to use only  
3356        reputable software. This can include requirements for alerts when new software and updates to  
3357        software are introduced into the enterprise's environment. An example of such requirements is to allow  
3358        open source software only if the code is available for an enterprise's evaluation and determined to be  
3359        acceptable for use.

3360        Level(s): 3

3362        (6) *LEAST FUNCTIONALITY | CONFINED ENVIRONMENTS WITH LIMITED PRIVILEGES*

3363        Supplemental C-SCRM Guidance: The enterprise should ensure that code authentication mechanisms  
3364        such as digital signatures are implemented when executing code to assure the integrity of software,  
3365        firmware, and information of the information systems and networks.

3366        Level(s): 2, 3

3368        (7) *LEAST FUNCTIONALITY | CODE EXECUTION IN PROTECTED ENVIRONMENTS*

3369        Supplemental C-SCRM Guidance: The enterprise should obtain binary or machine-executable code  
3370        directly from the OEM/developer or other acceptable, verified source.

3372        Level(s): 3

3374        (8) *LEAST FUNCTIONALITY | BINARY OR MACHINE EXECUTABLE CODE*

3375        Supplemental C-SCRM Guidance: When exceptions are made to use software products without  
3376        accompanying source code and with limited or no warranty because of compelling mission or  
3377        operational requirements, approval by the authorizing official should be contingent upon the enterprise  
3378        explicitly incorporating cybersecurity supply chain risk assessments as part of broader assessment of  
3379        such software products and the implementation of compensating controls to address any identified and  
3380        assessed risks.

3382        Level(s): 2, 3

3384        (9) *LEAST FUNCTIONALITY | PROHIBITING THE USE OF UNAUTHORIZED HARDWARE*

3385        Enterprises should define requirements and deploy appropriate processes to specify and detect  
3386        hardware that is not allowed. This can be aided by defining a requirement to, at a minimum, not use  
3387        disreputable or unauthorized hardware. Enterprises should require its prime contractors to implement  
3388        this control and flow down this requirement to relevant sub-tier contractors

3389        Level(s): 2, 3

## 3392 CM-8 SYSTEM COMPONENT INVENTORY

3393       Supplemental C-SCRM Guidance: Enterprises should ensure that critical component assets within the  
3394 information systems and networks are included in the asset inventory. The inventory must include  
3395 information for critical component accountability. Inventory information includes, for example, hardware  
3396 inventory specifications, software license information, software version numbers, component owners, and  
3397 for networked components or devices, machine names and network addresses. Inventory specifications  
3398 include, for example, manufacturer, device type, model, serial number, and physical location. Enterprises  
3399 should require its prime contractors to implement this control and flow down this requirement to relevant  
3400 sub-tier contractors. Enterprises should specify the requirements as well as how information flow is  
3401 enforced to ensure that only the required information, and not more, is communicated to the various  
3402 participants in the supply chain. If information is subsetted downstream, there should be information about  
3403 who created the subset information. Enterprises should mandate that SBOMs are produced for all classes of  
3404 software including purchased software, open source software, and in-house software. Refer to Appendix F  
3405 for additional guidance on SBOMs.

3406  
3407       Level(s): 2, 3

3408  
3409       Control Enhancement(s):

3410       (1) *SYSTEM COMPONENT INVENTORY | UPDATES DURING INSTALLATION AND REMOVAL*

3411       Supplemental C-SCRM Guidance: When installing, updating, or removing an information system,  
3412 information system component, or network component, the enterprise needs to update the inventory to  
3413 ensure traceability for tracking critical components. In addition, the information system's configuration  
3414 needs to be updated to ensure an accurate inventory of supply chain protections, and re-baselined  
3415 accordingly.

3416  
3417       Level(s): 3

3418       (2) *SYSTEM COMPONENT INVENTORY | AUTOMATED MAINTENANCE*

3419       Supplemental C-SCRM Guidance: The enterprise should implement automated maintenance  
3420 mechanisms to ensure that changes to component inventory for the information systems and networks  
3421 are monitored for installation, update, and removal. When automated maintenance is performed with a  
3422 predefined frequency and with the automated collation of relevant inventory information about each  
3423 defined component, the enterprise should ensure that updates are available to relevant stakeholders for  
3424 evaluation. Predefined frequencies for data collection should be less predictable in order to reduce the  
3425 risk of an insider threat bypassing security mechanisms.

3426  
3427       Level(s): 3

3428       (4) *SYSTEM COMPONENT INVENTORY | ACCOUNTABILITY INFORMATION*

3429       Supplemental C-SCRM Guidance: The enterprise should ensure that accountability information is  
3430 collected for information system and network components. The system/component inventory  
3431 information should identify those individuals who originate an acquisition as well as intended end  
3432 users, including any associated personnel who may administer or use the system/components.

3433  
3434       Level(s): 3

3435       (6) *SYSTEM COMPONENT INVENTORY | ASSESSED CONFIGURATIONS AND APPROVED DEVIATIONS*

3436       Supplemental C-SCRM Guidance: Assessed configurations and approved deviations must be  
3437 documented and tracked. Any changes to the baseline configurations of information systems and  
3438 networks require a review by relevant stakeholders to ensure that the changes do not result in increased  
3439 cybersecurity risk in the supply chain.

3440  
3441

Level(s): 3

3442

**(7) SYSTEM COMPONENT INVENTORY | CENTRALIZED REPOSITORY**

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Supplemental C-SCRM Guidance: Enterprises may choose to implement centralized inventories that include components from all enterprise information systems, networks, and their components. Centralized repositories of inventories provide opportunities for efficiencies in accounting for information systems, networks, and their components. Such repositories may also help enterprises to rapidly identify the location and responsible individuals of components that have been compromised, breached, or are otherwise in need of mitigation actions. The enterprise should ensure that centralized inventories include supply chain-specific information required for proper component accountability (e.g., supply chain relevance and information system, network, or component owner).

3453

**(8) SYSTEM COMPONENT INVENTORY | AUTOMATED LOCATION TRACKING**

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3456  
3457  
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Supplemental C-SCRM Guidance: When employing automated mechanisms for tracking of information system components by physical location, the enterprise should incorporate information system, network, and component tracking needs to ensure accurate inventory.

Level(s): 2, 3

3459

**(9) SYSTEM COMPONENT INVENTORY | ASSIGNMENT OF COMPONENTS TO SYSTEMS**

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Supplemental C-SCRM Guidance: When assigning components to systems, the enterprise should ensure that the information systems and networks with all relevant components are inventoried, marked, and properly assigned. This facilitates quick inventory of all components relevant to information systems and networks and enables tracking of components that are considered critical and require differentiating treatment as part of the information system and network protection activities.

Level(s): 3

3467

**CM-9 CONFIGURATION MANAGEMENT PLAN**

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Supplemental C-SCRM Guidance: Enterprises should ensure that C-SCRM is incorporated into the configuration management planning activities. Enterprises should require its prime contractors to implement this control and flow down this requirement to relevant sub-tier contractors.

Level(s): 2, 3

Control Enhancement(s):

3475

**(1) CONFIGURATION MANAGEMENT PLAN | ASSIGNMENT OF RESPONSIBILITY**

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Supplemental C-SCRM Guidance: Enterprises should ensure that all relevant roles are defined to address configuration management activities for information systems and networks. Enterprises should ensure requirements and capabilities for configuration management are appropriately addressed or included in the following supply chain activities: requirements definition, development, testing, market research and analysis, procurement solicitations and contracts, component installation or removal, system integration, operations, and maintenance.

Level(s): 2, 3

**3485 CM-10 SOFTWARE USAGE RESTRICTIONS**

3486       Supplemental C-SCRM Guidance: Enterprises should ensure that licenses for software used within their  
3487 information systems and networks are documented, tracked, and maintained. Tracking mechanisms should  
3488 provide for the ability to trace users and use of licenses to access control information and processes. As an  
3489 example, when an employee is terminated, a “named user” license, should be revoked and license  
3490 documentation should be updated to reflect this change.

3491  
3492       Level(s): 2, 3

3493       Control Enhancement(s):

3494       (1) *SOFTWARE USAGE RESTRICTIONS | OPEN SOURCE SOFTWARE*

3495       Supplemental C-SCRM Guidance: When considering software, enterprises should review all options  
3496 and corresponding risks including open source or commercially licensed components. When using  
3497 open source software (OSS), the enterprise should understand and review the open source  
3498 communities’ typical procedures regarding provenance, configuration management, sources, binaries,  
3499 reusable frameworks, reusable libraries’ availability for testing and use, and any other information that  
3500 may impact levels of cybersecurity risk in the supply chain. Numerous open source solutions are  
3501 currently in use by enterprises, including in integrated development environments (IDEs) and web  
3502 servers. The enterprise should:

- 3503  
3504       a. Track the use of OSS and associated documentation;  
3505       b. Ensure that the use of OSS adheres to the licensing terms and that these terms are acceptable to the  
3506 enterprise  
3507       c. Document and monitor the distribution of software as it relates to licensing agreement to control  
3508 copying and distribution; and  
3509       d. Evaluate and periodically audit the OSS’s supply chain as provided by the open source developer  
3510 (e.g., information regarding provenance, configuration management, use of reusable libraries,  
3511 etc.). This evaluation can be done reasonably easily by the enterprise through obtaining existing  
3512 and often public documents as well as using experience based on software update and download  
3513 processes in which the enterprise may have participated.

3514  
3515       Level(s): 2, 3

**3516 CM-11 USER-INSTALLED SOFTWARE**

3517       Supplemental C-SCRM Guidance: This control extends to enterprise information system and network users  
3518 who are not employed by the enterprise. These users may be suppliers, developers, system integrators,  
3519 external system service providers, and other ICT/OT-related service providers.

3520  
3521       Level(s): 2, 3

**3522 CM-12 INFORMATION LOCATION**

3523       Supplemental C-SCRM Guidance: Information residing in different physical locations may be subject to  
3524 different cybersecurity risk in the supply chain, depending on the specific location of the information.  
3525 Components originating or operating from different physical locations may also be subject to different  
3526 supply chain risks, depending on the specific location of origination or operations. Enterprises should  
3527 manage these risks through limiting access control, specifying allowable or disallowable geographic  
3528 locations for backup/recovery, patching/upgrades, and information transfer/sharing. NIST SP 800-53 Rev.  
3529 5 control enhancement CM-12 (1) is a mechanism that can be used to enable automated location of  
3530 components.

3532        Level(s): 2, 3

3533

3534        Control Enhancement(s):

3535        (1) *INFORMATION LOCATION | AUTOMATED TOOLS TO SUPPORT INFORMATION LOCATION*

3536        Use automated tools to identify enterprise-defined information on enterprise-defined system  
3537        components to ensure controls are in place to protect enterprise information and individual privacy.

3538

3539        Level(s): 2, 3

3540        **CM-13 DATA ACTION MAPPING**

3541        Supplemental C-SCRM Guidance: In addition to personally identifiable information, understanding and  
3542        documenting a map of system data actions for sensitive or classified information is necessary. Data action  
3543        mapping should also be conducted to map internet of things (IoT) devices, embedded or stand-alone IoT  
3544        systems, or IoT System of System data actions. Understanding what classified or IoT information is being  
3545        processed, its sensitivity and/or effect on a physical thing or physical environment, how the sensitive or IoT  
3546        information is being processed (e.g., if the data action is visible to an individual or is processed in another  
3547        part of the system), and by whom provides a number of contextual factors that are important to assessing  
3548        the degree of risk. Data maps can be illustrated in different ways, and the level of detail may vary based on  
3549        the mission and business needs of the enterprise. The data map may be an overlay of any system design  
3550        artifact that the enterprise is using. The development of this map may necessitate coordination between  
3551        program and security personnel regarding the covered data actions and the components that are identified  
3552        as part of the system.

3553

3554        Level(s): 2, 3

3555

3556        **CM-14 SIGNED COMPONENTS**

3557

3558        Supplemental C-SCRM Guidance: Enterprises should verify that the acquired hardware and software  
3559        components are genuine and valid by using digitally signed components. Verifying components before  
3560        allowing installation helps enterprises reduce cybersecurity risk in the supply chain.

3561

3562        Level(s): 3

**3563 FAMILY: CONTINGENCY PLANNING**

3564

3565 [FIPS 200] specifies the Contingency Planning minimum security requirement as follows:

3566

3567       *Organizations must establish, maintain, and effectively implement plans for emergency*  
3568       *response, backup operations, and post-disaster recovery for organizational information*  
3569       *systems to ensure the availability of critical information resources and continuity of*  
3570       *operations in emergency situations.*

3571

3572 Cybersecurity supply chain contingency planning includes planning for alternative suppliers of  
3573 system components, alternative suppliers of systems and services, denial of service attacks to the  
3574 supply chain, and planning for alternate delivery routes for critical system components. Such  
3575 contingency plans help ensure existing service providers have an effective continuity of  
3576 operations plan, especially, when the provider is delivering services in support of a critical  
3577 mission function. Additionally, many techniques used for contingency planning, such as  
3578 alternative processing sites, have their own supply chains with their own attendant cybersecurity  
3579 risk in the supply chain. Enterprises should ensure they understand and manage cybersecurity  
3580 risk in the supply chain and dependencies related to the contingency planning activities as  
3581 necessary.

**3582 CP-1 POLICY AND PROCEDURES**

3583       Supplemental C-SCRM Guidance: Enterprises should integrate C-SCRM into the contingency planning  
3584 policy and related SCRM Strategy/Implementation Plan, policies, and SCRM Plan. The policy cover  
3585 information systems and the supply chain network and, at a minimum, address scenarios such as:

- 3586       a. Unplanned component failure and subsequent replacement;  
3587       b. Planned replacement related to feature improvements, maintenance, upgrades, and modernization;  
3588           and  
3589       c. Product and/or service disruption.

3590  
3591       Level(s): 1, 2, 3

**3592 CP-2 CONTINGENCY PLAN**

3593       Supplemental C-SCRM Guidance: Enterprises should define and implement a contingency plan for the  
3594 supply chain information systems and network to ensure preparations are in place to mitigate against the  
3595 loss or degradation of data or operations. Contingencies should be put in place for the supply chain,  
3596 network, and information systems (especially critical components), and processes to ensure protection  
3597 against compromise, provide appropriate failover, and timely recovery to an acceptable state of operations.  
3598  
3599       Level(s): 2, 3

3600       Control Enhancement(s):

3601       (1) *CONTINGENCY PLAN | COORDINATE WITH RELATED PLANS*

3602       Supplemental C-SCRM Guidance: Coordinate contingency plan development for supply chain risks  
3603 with enterprise elements responsible for related plans.

3604

3605       Level(S): 2, 3

- 3606                   (2) *CONTINGENCY PLAN | CAPACITY PLANNING*
- 3607                   Supplemental C-SCRM Guidance: This enhancement helps availability of the supply chain network or
- 3608                   information system components.
- 3609
- 3610                   Level(s): 2, 3
- 3611                   (7) *CONTINGENCY PLAN | COORDINATE WITH EXTERNAL SERVICE PROVIDERS*
- 3612                   Supplemental C-SCRM Guidance: Enterprises should ensure that supply chain network, information
- 3613                   systems and components provided by an external service provider have appropriate failover (to include
- 3614                   personnel, equipment, and network resources) to reduce or prevent service interruption or ensure
- 3615                   timely recovery. Enterprises should ensure that contingency planning requirements are defined as part
- 3616                   of the service-level agreement. The agreement may have specific terms addressing critical components
- 3617                   and functionality support in case of denial of service to ensure continuity of operation. Enterprises
- 3618                   should coordinate with external service providers to identify service providers' existing contingency
- 3619                   plan practices and build on them as required by the enterprise's mission and business needs. Such
- 3620                   coordination will aid in cost reduction and efficient implementation. Enterprises should require its
- 3621                   prime contractors that provide a mission/business-critical or -enabling service or product to implement
- 3622                   this control and flow down this requirement to relevant sub-tier contractors.
- 3623
- 3624                   Level(s): 3
- 3625                   (8) *CONTINGENCY PLAN | IDENTIFY CRITICAL ASSETS*
- 3626                   Supplemental C-SCRM Guidance: Ensure that critical assets (including hardware, software, and
- 3627                   personnel) are identified to ensure that appropriate contingency planning requirements are defined and
- 3628                   applied to ensure continuity of operation. A key step in this process is to complete a criticality analysis
- 3629                   on components, functions, and processes to identify all critical assets. See Section 2 and NISTIR 8179
- 3630                   for additional guidance on criticality analyses.
- 3631
- 3632                   Level(s): 3
- 3633   **CP-3 CONTINGENCY TRAINING**
- 3634                   Supplemental C-SCRM Guidance: Enterprises should ensure that critical suppliers are included in
- 3635                   contingency training. Enterprises should require its prime contractors to implement this control and flow
- 3636                   down this requirement to relevant sub-tier contractors.
- 3637
- 3638                   Level(s): 2, 3
- 3639                   Control Enhancement(s):
- 3640                   (1) *CONTINGENCY TRAINING | SIMULATED EVENTS*
- 3641                   Supplemental C-SCRM Guidance: Enterprises should ensure that suppliers, developers, system
- 3642                   integrators, external system service providers, and other ICT/OT-related service providers who have
- 3643                   roles and responsibilities in providing critical services are included in contingency training exercises.
- 3644
- 3645                   Level(s): 3
- 3646   **CP-4 CONTINGENCY PLAN TESTING**
- 3647                   Supplemental C-SCRM Guidance: Enterprises should ensure that critical suppliers are included in
- 3648                   contingency testing. The enterprise, in coordination with the service provider(s) should test whether
- 3649                   continuity/resiliency capabilities, such as failover from a primary production site to a back-up site. This

3650 testing may occur separately from a training exercise or be performed during the exercise. Enterprises  
3651 should reference their C-SCRM threat assessment output to develop scenarios to test how well the  
3652 enterprise is able to withstand and/or recover from a C-SCRM threat event.

3654 Level(s): 2, 3

3655 **CP-6 ALTERNATE STORAGE SITE**

3656 Supplemental C-SCRM Guidance: When managed by suppliers, developers, system integrators, external  
3657 system service providers, and other ICT/OT-related service providers, alternate storage sites are considered  
3658 within an enterprise's supply chain network. Enterprises should apply appropriate cybersecurity supply  
3659 chain controls to those storage sites.

3661 Level(s): 2, 3

3662 Control Enhancement(s):

3663 (1) *ALTERNATE STORAGE SITE | SEPARATION FROM PRIMARY SITE*

3664 Supplemental C-SCRM Guidance: This enhancement helps resiliency of supply chain network,  
3665 information systems, and information system components.

3667 Level(s): 2, 3

3668 **CP-7 ALTERNATE PROCESSING SITE**

3669 Supplemental C-SCRM Guidance: When managed by suppliers, developers, system integrators, external  
3670 system service providers, and other ICT/OT-related service providers, alternate storage sites are considered  
3671 within an enterprise's supply chain. Enterprises should apply appropriate supply chain cybersecurity  
3672 controls to those processing sites.

3674 Level(s): 2, 3

3675 **CP-8 TELECOMMUNICATIONS SERVICES**

3676 Supplemental C-SCRM Guidance: Enterprises should incorporate alternate telecommunication service  
3677 providers for their supply chain and to support critical information systems.

3679 Level(s): 2, 3

3680 Control Enhancement(s):

3681 (3) *TELECOMMUNICATIONS SERVICES | SEPARATION OF PRIMARY AND ALTERNATE PROVIDERS*

3682 Supplemental C-SCRM Guidance: Separation of primary and alternate providers supports  
3683 cybersecurity resilience of the supply chain.

3685 Level(s): 2, 3

3686 (4) *TELECOMMUNICATIONS SERVICES | PROVIDER CONTINGENCY PLAN*

3687 Supplemental C-SCRM Guidance: For C-SCRM, suppliers, developers, system integrators, external  
3688 system service providers, and other ICT/OT-related service providers contingency plans should  
3689 provide separation in infrastructure, service, process, and personnel, where appropriate.

3691 Level(s): 2, 3

3692 **CP-11 ALTERNATE COMMUNICATIONS PROTOCOLS**

3693        Supplemental C-SCRM Guidance: Enterprises should ensure critical suppliers are included in contingency  
3694        plans, training, and testing as part of incorporating alternate communications protocol capability to  
3695        establish supply chain resilience.

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3697        Level(s): 2, 3

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3699

**FAMILY: IDENTIFICATION AND AUTHENTICATION**

3700

3701 [FIPS 200] specifies the Identification and Authentication minimum security requirement as  
3702 follows:

3703

3704       *Organizations must identify information system users, processes acting on behalf of  
3705 users, or devices and authenticate (or verify) the identities of those users, processes, or  
3706 devices, as a prerequisite to allowing access to organizational information systems.*

3707

3708 NIST SP 800-161, *Supply Chain Risk Management Practices for Federal Information Systems*  
3709 and *Organizations*, expands the [FIPS 200] identification and authentication control family to  
3710 include identification and authentication of components, in addition to individuals (users) and  
3711 processes acting on behalf of individuals within the supply chain network. Identification and  
3712 authentication are critical to C-SCRM because it provides traceability of individuals, processes  
3713 acting on behalf of individuals, and specific systems/components in an enterprise's supply chain  
3714 network. Identification and authentication are required to appropriately manage cybersecurity  
3715 risk in the supply chain to both reduce risk of supply chain cybersecurity compromise and to  
3716 generate evidence in case of supply chain cybersecurity compromise.

3717

**3718 IA-1 POLICY AND PROCEDURES**

3719

3720 Supplemental C-SCRM Guidance: The enterprise should, at enterprise-defined intervals, review, enhance,  
3721 and update their identity and access management policies and procedures to ensure that critical roles and  
3722 processes within the supply chain network are defined and that the enterprise's critical systems,  
3723 components, and processes are identified for traceability. This should include the identity of critical  
3724 components that may not have been considered under identification and authentication in the past. Note  
3725 that providing identification for all items within the supply chain would be cost-prohibitive, and discretion  
3726 should be used. The enterprise should update related C-SCRM Strategy/Implementation Plan(s), Policies,  
3727 and C-SCRM Plans.

3728

3729       Level(s): 1, 2, 3

3730

**IA-2 IDENTIFICATION AND AUTHENTICATION (ORGANIZATIONAL USERS)**

3731

3732 Supplemental C-SCRM Guidance: Enterprises should ensure that identification and requirements are  
3733 defined and applied for enterprise users accessing an ICT/OT system or supply chain network. An  
3734 enterprise user may include employees as well as individuals deemed to have the equivalent status of  
3735 employees (e.g., contractors, guest researchers, etc.) and may include system integrators fulfilling  
3736 contractor roles. Criteria such as "duration in role" can aid in defining which identification and  
3737 authentication mechanisms are used. The enterprise may choose to define a set of roles and associate a  
3738 level of authorization to ensure proper implementation. Enterprises should require its prime contractors to  
3739 implement this control and flow down this requirement to relevant sub-tier contractors.

3740

3741       Level(s): 1, 2, 3

3742

**IA-3 DEVICE IDENTIFICATION AND AUTHENTICATION**

3743

3744 Supplemental C-SCRM Guidance: Enterprises should implement capabilities to distinctly and positively  
3745 identify devices and software within their supply chain and, once identified, be able to verify that the

3744 identity is authentic. Devices that require unique device-to-device identification and authentication should  
3745 be defined by type, by device, or by a combination of type and device. Software that requires authentication  
3746 should be identified through a software identification tag (SWID) that enables verification of the software  
3747 package and authentication of the enterprise releasing the software package.

3748  
3749 Level(s): 1, 2, 3

3750 **IA-4 IDENTIFIER MANAGEMENT**

3751 Supplemental C-SCRM Guidance: Identifiers allow for greater discoverability and traceability. Within the  
3752 enterprise's supply chain, identifiers should be assigned to systems, individuals, documentation, devices,  
3753 and components. In some cases, identifiers may be maintained throughout a system's life cycle, from  
3754 concept to retirement, but at a minimum throughout the system's life within the enterprise.  
3755

3756 For software development, identifiers should be assigned for those components that have achieved  
3757 configuration item recognition. For devices and operational systems, identifiers should be assigned when  
3758 the items enter the enterprise's supply chain, such as when they are transferred to the enterprise's  
3759 ownership or control through shipping and receiving or via download.  
3760

3761 Suppliers, developers, system integrators, external system service providers, and other ICT/OT-related  
3762 service providers typically use their own identifiers for tracking purposes within their own supply chain.  
3763 Enterprises should correlate those identifiers with the enterprise-assigned identifiers for traceability and  
3764 accountability. Enterprises should require its prime contractors to implement this control and flow down  
3765 this requirement to relevant sub-tier contractors.  
3766

3767 Level(s): 2, 3  
3768

3769 Related Controls: IA-3 (1), IA-3 (2), IA-3 (3), and IA-3 (4)

3770 Control Enhancement(s):

3771 (6) *IDENTIFIER MANAGEMENT | CROSS-ORGANIZATION MANAGEMENT*

3772 Supplemental C-SCRM Guidance: This enhancement helps traceability and provenance of elements  
3773 within the supply chain, through the coordination of identifier management among the enterprise and  
3774 its suppliers, developers, system integrators, external system service providers, and other ICT/OT-  
3775 related service providers. This includes information systems and components as well as individuals  
3776 engaged in supply chain activities.  
3777

3778 Level(s): 1, 2, 3

3779 **IA-5 AUTHENTICATOR MANAGEMENT**

3780 Supplemental C-SCRM Guidance: This control facilitates traceability and non-repudiation throughout the  
3781 supply chain. Enterprises should require its prime contractors to implement this control and flow down this  
3782 requirement to relevant sub-tier contractors.  
3783

3784 Level(s): 2, 3

3785 Control Enhancement(s):

3786 (5) *AUTHENTICATOR MANAGEMENT | CHANGE AUTHENTICATORS PRIOR TO DELIVERY*

3787 Supplemental C-SCRM Guidance: This enhancement provides verification of chain of custody within  
3788 the enterprise's supply chain.

3789  
3790

Level(s): 3

3791 (9) *AUTHENTICATOR MANAGEMENT | FEDERATED CREDENTIAL MANAGEMENT*

3792 Supplemental C-SCRM Guidance: This enhancement facilitates provenance and chain of custody  
3793 within the enterprise's supply chain.

3794  
3795 Level(s): 3

3796 **IA-8 IDENTIFICATION AND AUTHENTICATION (NON-ORGANIZATIONAL USERS)**

3797 Supplemental C-SCRM Guidance: Suppliers, developers, system integrators, external system service  
3798 providers, and other ICT/OT-related service providers have the potential to engage the enterprise's supply  
3799 chain for service delivery (development/integration services, product support, etc.). Enterprises should  
3800 manage the establishment, auditing, use, and revocation of identification credentials and authentication of  
3801 non-enterprise users within the \ supply chain. Enterprises should ensure promptness in performing  
3802 identification and authentication activities, especially in the case of revocation management, to help  
3803 mitigate against cybersecurity risk in the supply chain such as insider threat.

3804  
3805 Level(s): 2, 3

3806 **IA-9 SERVICE IDENTIFICATION AND AUTHENTICATION**

3807 Supplemental C-SCRM Guidance: Enterprises should ensure that identification and authentication is  
3808 defined and managed for access to services (i.e., web applications using digital certificates or services or  
3809 applications that query a database as opposed to labor-services) throughout the supply chain. Enterprises  
3810 should ensure they know what services are being procured and from whom. Services procured should be  
3811 listed on a validated list of services for the enterprise or have compensating controls in place. Enterprises  
3812 should require its prime contractors to implement this control and flow down this requirement to relevant  
3813 sub-tier contractors.

3814  
3815 Level(s): 2, 3

**FAMILY: INCIDENT RESPONSE**

[FIPS 200] specifies the Incident Response minimum security requirement as follows:

*Organizations must: (i) establish an operational incident handling capability for organizational information systems that includes adequate preparation, detection, analysis, containment, recovery, and user response activities; and (ii) track, document, and report incidents to appropriate organizational officials and/or authorities.*

Supply chain compromises may span suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers. Enterprises should ensure their incident response controls address C-SCRM including what, when and how information about incidents will be reported or shared by, with, or between suppliers, developers, system integrators, external system service providers, other ICT/OT-related service providers, and any relevant interagency bodies. Incident response will help determine whether an incident is related to the supply chain.

**IR-1 POLICY AND PROCEDURES**

Supplemental C-SCRM Guidance: Enterprises should integrate C-SCRM into incident response policy and procedures, and related C-SCRM Strategy/Implementation Plan(s), Policies, and C-SCRM Plan. Policy and procedures must provide direction about how to address supply chain related incidents and those cybersecurity incidents that may complicate or impact the supply chain. Individuals working within specific mission and system environments need to recognize cybersecurity supply chain-related incidents. Incident response policy should state when and how threats and incidents should be handled, reported, and managed.

Additionally, the policy should define when, how, and with whom to communicate to the FASC (Federal Acquisition Security Council), and other stakeholders or partners within the broader supply chain in the event of a cyber threat or incident. Departments and agencies must notify the FASC of supply chain risk information when 1) the FASC requests information relating to a particular source, covered article or procures; or 2) an executive agency has determined there is a reasonable basis to conclude a substantial supply chain risk associated with a source, covered procurement, or covered article exists. In such instances, the executive agency shall provide the FASC with relevant information concerning the source or covered article, including: (i) supply chain risk information identified through the course of the agency's activities in furtherance of mitigating, identifying or managing its supply chain risk; and (ii) supply chain risk information regarding covered procurement actions by the agency under the Federal Acquisition Supply Chain Security Act of 2018 (FASCSA) 41 U.S.C. § 4713; and any orders issued by the agency under 41 U.S.C. § 4713. Bidirectional communication with supply chain partners should be defined in agreements with suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers to inform all involved parties of a supply chain cybersecurity incident. Incident information may also be shared with enterprises such as the Federal Bureau of Investigation (FBI), US CERT (United States Computer Emergency Readiness Team), and the NCCIC (National Cybersecurity and Communications Integration Center) as appropriate. Depending on the severity of the incident, the need for accelerated communications up and down the supply chain may be necessary. Appropriate agreements should be put in place with suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers to ensure speed of communication, response, corrective actions, and other related activities. Enterprises should require its prime contractors to implement this control and flow down this requirement to relevant sub-tier contractors.

3865 In Levels 2 and 3, procedures and enterprise-specific incident response methods must be in place, training  
3866 completed (consider including Operations Security (OPSEC) and any appropriate threat briefing in  
3867 training), and coordinated communication established throughout the supply chain to ensure an efficient  
3868 and coordinated incident response effort.

3869  
3870 Level(s): 1, 2, 3

3871 Control Enhancement(s):

3872 (1) *POLICY AND PROCEDURES | C-SCRM INCIDENT INFORMATION SHARING*

3873 Enterprises should ensure that their incident response policies and procedures provide guidance on effective  
3874 information sharing of incidents and other key risk indicators in the supply chain. Guidance should at a  
3875 minimum cover the collection, synthesis, and distribution of incident information from a diverse set of data  
3876 sources such as publicly data repositories, paid subscription services, and in-house threat intelligence  
3877 teams.

3878  
3879 Enterprises operating in the public sector should include specific guidance on when and how to  
3880 communicate with interagency partnerships such as the FASC (Federal Acquisition Security Council) and  
3881 other stakeholders or partners within the broader supply chain in the event of a cyber threat or incident.  
3882

3883 Departments and agencies must notify the FASC of supply chain risk information when  
3884 1) The FASC requests information relating to a particular source, covered article or procures; or  
3885 2) An executive agency has determined there is a reasonable basis to conclude a substantial supply chain  
3886 risk associated with a source, covered procurement, or covered article exists.  
3887

3888 In such instances, the executive agency shall provide the FASC with relevant information concerning the  
3889 source or covered article, including:

3890 i. Supply chain risk information identified through the course of the agency's activities in  
3891 furtherance of mitigating, identifying, or managing its supply chain risk; and  
3892 ii. Supply chain risk information regarding covered procurement actions by the agency under the  
3893 Federal Acquisition Supply Chain Security Act of 2018 (FASCSA) 41 U.S.C. § 4713; and any orders  
3894 issued by the agency under 41 U.S.C. § 4713.  
3895  
3896

3897 Level(s): 1, 2, 3

## 3898 IR-2 INCIDENT RESPONSE TRAINING

3899 Supplemental C-SCRM Guidance: Enterprises should ensure that critical suppliers are included in incident  
3900 response training. Enterprises should require its prime contractors to implement this control and flow down  
3901 this requirement to relevant sub-tier contractors.  
3902

3903 Level(s): 2, 3

## 3904 IR-3 INCIDENT RESPONSE TESTING

3905 Supplemental C-SCRM Guidance: Enterprises should ensure that critical suppliers are included in and/or  
3906 provided incident response testing.  
3907

3908 Level(s): 2, 3

## 3909 IR-4 INCIDENT HANDLING

- 3910        Supplemental C-SCRM Guidance: C-SCRM-specific supplemental guidance provided in control  
3911        enhancements.  
3912  
3913        Level(s): 1,2,3
- 3914        Control Enhancement(s):
- 3915        (6) *INCIDENT HANDLING | INSIDER THREATS*
- 3916        Supplemental C-SCRM Guidance: This enhancement helps limit exposure of the C-SCRM information  
3917        systems, networks, and processes to insider threats. Enterprises should ensure that insider threat  
3918        incident handling capabilities account for the potential of insider threats associated with suppliers,  
3919        developers, system integrators, external system service providers, and other ICT/OT-related service  
3920        providers' personnel with access to ICT/OT systems within the authorization boundary.
- 3921        Level(s): 1, 2, 3
- 3922        (7) *INCIDENT HANDLING | INSIDER THREATS - INTRA-ORGANIZATION*
- 3923        Supplemental C-SCRM Guidance: This enhancement helps limit exposure of C-SCRM information  
3924        systems, networks, and processes to insider threats. Enterprises should ensure that insider threat  
3925        coordination includes suppliers, developers, system integrators, external system service providers, and  
3926        other ICT/OT-related service providers.
- 3927        Level(s): 1, 2, 3
- 3928        (10) *INCIDENT HANDLING | SUPPLY CHAIN COORDINATION*
- 3929        Supplemental C-SCRM Guidance: A number of enterprises may be involved in managing incidents  
3930        and responses for supply chain security. After an initial processing of the incident is completed and a  
3931        decision is made to take action (in some cases, the action may be “no action”), the enterprise may need  
3932        to coordinate with their suppliers, developers, system integrators, external system service providers,  
3933        other ICT/OT-related service providers, and any relevant interagency bodies to facilitate  
3934        communications, incident response, root cause, and corrective actions activities. Enterprises should  
3935        securely share information through a coordinated set of personnel in key roles to allow for a more  
3936        comprehensive incident handling approach. Selecting suppliers, developers, system integrators,  
3937        external system service providers, and other ICT/OT-related service providers with mature capabilities  
3938        for supporting supply chain cybersecurity incident handling is important for reducing cybersecurity  
3939        risk in the supply chain. If transparency for incident handling is limited due to the nature of the  
3940        relationship, define a set of acceptable criteria in the agreement (e.g., contract). A review (and potential  
3941        revision) of the agreement is recommended, based on the lessons learned from previous incidents.  
3942        Enterprises should require its prime contractors to implement this control and flow down this  
3943        requirement to relevant sub-tier contractors.
- 3944        Level(s): 2
- 3945
- 3946        (11) *INCIDENT HANDLING | INTEGRATED INCIDENT RESPONSE TEAM*
- 3947        Supplemental C-SCRM Guidance: An enterprise should include a forensics team and/or capability as  
3948        part of an integrated incident response team for supply chain incidents. Where relevant and practical,  
3949        integrated incident response teams should also include necessary geographical representation as well as  
3950        suppliers, developers, system integrators, external system service providers, and other ICT/OT-related  
3951        service providers.
- 3952        Level(s): 3
- 3953        **IR-5      INCIDENT MONITORING**

3954        Supplemental C-SCRM Guidance: Enterprises should ensure agreements with suppliers include  
3955        requirements to track and document incidents and response decisions and activities.

3956  
3957        Level(s): 2, 3

3958      **IR-6    INCIDENT REPORTING**

3959        Supplemental C-SCRM Guidance: C-SCRM-specific supplemental guidance provided in control  
3960        enhancement IR-6 (3).

3961  
3962        Level(s): 3

3963  
3964        Control Enhancement(s):

3965        (3) *INCIDENT REPORTING | SUPPLY CHAIN COORDINATION*

3966        Supplemental C-SCRM Guidance: Communications of security incident information from the  
3967        enterprise to suppliers, developers, system integrators, external system service providers, and other  
3968        ICT/OT-related service providers or vice-verse requires protection. The enterprise should ensure that  
3969        information is reviewed and approved for sending based on its agreements with the suppliers and any  
3970        relevant interagency bodies. Any escalation of or exception from this reporting should be clearly  
3971        defined in the agreement. The enterprise should ensure that incident reporting data is adequately  
3972        protected for transmission and received by approved individuals only. Enterprises should require its  
3973        prime contractors to implement this control and flow down this requirement to relevant sub-tier  
3974        contractors.

3975  
3976        Level(s): 3

3977      **IR-7    INCIDENT RESPONSE ASSISTANCE**

3978        Supplemental C-SCRM Guidance: C-SCRM-specific supplemental guidance provided in control  
3979        enhancement IR-7 (2).

3980  
3981        Level(s): 3

3982  
3983        Control Enhancement(s):

3984        (1) *INCIDENT RESPONSE ASSISTANCE | COORDINATION WITH EXTERNAL PROVIDERS*

3985        Supplemental C-SCRM Guidance: Enterprise's agreements with prime contractors should specify the  
3986        conditions under which a government-approved or -designated third party will be available or may be  
3987        required to provide assistance with incident response, as well as describe the role and responsibility of  
3988        that third party.

3989  
3990        Level(s): 3

3991      **IR-8    INCIDENT RESPONSE PLAN**

3992        Supplemental C-SCRM Guidance: Enterprises should coordinate, develop, and implement an incident  
3993        response plan that includes information sharing responsibilities with critical suppliers and, in a federal  
3994        context, interagency partners and the FASC. Enterprises should require its prime contractors to implement  
3995        this control and flow down this requirement to relevant sub-tier contractors.

3996  
3997        Related Control(s): IR-10

3998  
3999        Level(s): 2, 3

4000    **IR-9    INFORMATION SPILLAGE RESPONSE**

4001            Supplemental C-SCRM Guidance: The supply chain is vulnerable to information spillage. The enterprise  
4002            should include supply chain-related information spills in its information spillage response plan. This may  
4003            require coordination with suppliers, developers, system integrators, external system service providers, and  
4004            other ICT/OT-related service providers. The details of how this coordination is to be conducted should be  
4005            included in the agreement (e.g., contract). Enterprises should require its prime contractors to implement this  
4006            control and flow down this requirement to relevant sub-tier contractors.

4007

4008            Level(s): 3

4009

4010            Related Controls: SA-4

4011

4012 **FAMILY: MAINTENANCE**

4013

4014 [FIPS 200] specifies the Maintenance minimum security requirement as follows:

4015

4016       *Organizations must: (i) perform periodic and timely maintenance on organizational*  
4017       *information systems; and (ii) provide effective controls on the tools, techniques,*  
4018       *mechanisms, and personnel used to conduct information system maintenance.*

4019

4020 Maintenance is frequently performed by an entity that is separate from the enterprise. As such,  
4021 maintenance becomes part of the supply chain. Maintenance includes performing updates and  
4022 replacements. C-SCRM should be applied to maintenance situations including assessing the  
4023 cybersecurity risk in the supply chain, selecting C-SCRM controls, implementing these  
4024 controls, and monitoring them for effectiveness.

4025

4026 **MA-1 POLICY AND PROCEDURES**4027       Supplemental C-SCRM Guidance: Enterprises should ensure that C-SCRM is included in maintenance  
4028 policies and procedures, and related SCRM Strategy/Implementation Plan, SCRM Policies, and SCRM  
4029 Plan(s) for all enterprise information systems and networks. With many maintenance contracts, information  
4030 on mission, enterprise, and system-specific objectives and requirements is shared between the enterprise  
4031 and its suppliers, developers, system integrators, external system service providers, and other ICT/OT-  
4032 related service providers, allowing for vulnerabilities and opportunities for attack. In many cases, the  
4033 maintenance of systems is outsourced to a system integrator and as such, appropriate measures must be  
4034 taken. Even when maintenance is not outsourced, the upgrades and patches, frequency of maintenance,  
4035 replacement parts, and other aspects of system maintenance are affected by the supply chain.

4036

4037 Maintenance policies should be defined both for the system and the network. The maintenance policy  
4038 should reflect controls based on a risk assessment (including criticality analysis), including controls such as  
4039 remote access, roles and attributes of maintenance personnel that have access, the frequency of updates,  
4040 duration of contract, logistical path and method used for updates or maintenance, and monitoring and audit  
4041 mechanisms. The maintenance policy should state which tools are explicitly allowed or not allowed. For  
4042 example, in the case of software maintenance, source code, test cases, and other item accessibility to  
4043 maintain a system or components should be stated in the contract.

4044

4045 Maintenance policies should be refined and augmented at each level. At Level 1, the policy should  
4046 explicitly assert that C-SCRM should be applied throughout the SDLC, including maintenance activities.  
4047 At Level 2, the policy should reflect the mission operation's needs and critical functions. At Level 3 it  
4048 should reflect the specific system needs. The requirements in Level 1, such as nonlocal maintenance,  
4049 should flow to Levels 2 and 3; for example, when nonlocal maintenance is not allowed by Level 1, it  
4050 should also not be allowed at Levels 2 and 3.

4051

4052 The enterprise should communicate applicable maintenance policy requirements to relevant prime  
4053 contractors and require they implement this control and flow down this requirement to relevant sub-tier  
4054 contractors.

4055

4056       Level(s): 1, 2, 34057 **MA-2 CONTROLLED MAINTENANCE**4058       Supplemental C-SCRM Guidance: C-SCRM-specific supplemental guidance is provided in control  
4059 enhancement MA-2 (2).

4060  
4061

Control Enhancement(s):

4062

(2) *CONTROLLED MAINTENANCE | AUTOMATED MAINTENANCE ACTIVITIES*

4063

4064        Supplemental C-SCRM Guidance: Enterprises should ensure that all automated maintenance activities  
4065        for supply chain systems and networks are controlled and managed according to the maintenance  
4066        policy. Examples of automated maintenance activities can include COTS product patch updates, call  
4067        home features with failure notification feedback, etc. Managing these activities may require  
4068        establishing staging processes with appropriate supporting mechanisms to provide vetting or filtering  
4069        as appropriate. Staging processes may be especially important for critical systems and components.

4070

4071

Level(s): 3

4072

**MA-3 MAINTENANCE TOOLS**

4073

4074        Supplemental C-SCRM Guidance: Maintenance tools are considered part of the supply chain. They also  
4075        have a supply chain of their own. C-SCRM should be integrated when the enterprise acquires or upgrades a  
4076        maintenance tool (e.g., an update to development environment or testing tool), including during the  
4077        selection, ordering, storage, and integration of the maintenance tool. The enterprise should perform  
4078        continuous review and approval of maintenance tools, to include those maintenance tools in use by external  
4079        service providers. The enterprise should also integrate C-SCRM when evaluating replacement parts for  
4080        maintenance tools. This control may be performed at both Levels 2 and 3, depending on how an agency  
4081        handles the acquisition, operations, and oversight of maintenance tools.

4081

4082

Level(s): 2, 3

4083

4084

Control Enhancement(s):

4085

(1) *Maintenance Tools | Inspect Tools*

4086        Supplemental C-SCRM Guidance: The enterprise should deploy acceptance testing to verify that the  
4087        maintenance tools of the ICT supply chain infrastructure are as expected. Maintenance tools should be  
4088        authorized with appropriate paperwork, verified as claimed through initial verification, and tested for  
4089        vulnerabilities, appropriate security configurations, and stated functionality.

4090

4091

Level(s): 3

4092

(2) *Maintenance Tools | Inspect Media*

4093        Supplemental C-SCRM Guidance: The enterprise should verify that the media containing diagnostic  
4094        and test programs that suppliers use on the enterprise's information systems operate as expected and  
4095        provide only required functions. Use of media from maintenance tools should be consistent with  
4096        enterprise's policies and procedures and pre-approved. Enterprises should also ensure the functionality  
4097        does not exceed that which was agreed upon.

4098

4099

Level(s): 3

4100

(3) *Maintenance Tools | Prevent Unauthorized Removal*

4101        Supplemental C-SCRM Guidance: Unauthorized removal of systems and network maintenance tools  
4102        from the supply chain may introduce supply chain risk including, for example, unauthorized  
4103        modification, replacement with counterfeit, or malware insertion while the tool is outside of the  
4104        enterprise's control. Systems and network maintenance tools can include integrated development  
4105        environment (IDE), testing, or vulnerability scanning. For C-SCRM, it is important that enterprises  
4106        should explicitly authorize, track, and audit any removal of maintenance tools. Once systems and

4107 network tools are allowed access to an enterprise/information system, they should remain the  
4108 property/asset of the system owner and tracked if removed and used elsewhere in the enterprise. ICT  
4109 maintenance tools either currently in use or in storage should not be allowed to leave the enterprise's  
4110 premises until they are properly vetted for removal (i.e., maintenance tool removal should not exceed  
4111 in scope what was authorized for removal and should be completed in accordance with the enterprise's  
4112 established policies and procedures).

4113  
4114 Level(s): 3

4115 **MA-4 NONLOCAL MAINTENANCE**

4116 Supplemental C-SCRM Guidance: Nonlocal maintenance may be provided by contractor personnel.  
4117 Appropriate protections should be in place to manage associated risks. Controls applied to internal  
4118 maintenance personnel are applied to any suppliers, developers, system integrators, external system service  
4119 providers, and other ICT/OT-related service providers performing a similar maintenance role and enforced  
4120 through contractual agreements with their external service providers.

4121  
4122 Level(s): 2, 3

4123  
4124 Control Enhancement(s):

4125 **(3) NONLOCAL MAINTENANCE | COMPARABLE SECURITY AND SANITIZATION**

4126 Supplemental C-SCRM Guidance: Should any nonlocal maintenance or diagnostic services be  
4127 performed to systems components or systems by suppliers, developers, system integrators, external  
4128 system service providers, and other ICT/OT-related service providers, the enterprise should ensure  
4129 that:

- 4130 • Appropriate measures are taken to verify that the nonlocal environment meets appropriate  
4131 security levels for maintenance and diagnostics per agreements between the enterprise and  
4132 vendor;
- 4133 • Appropriate levels of sanitizing are completed to remove any enterprise-specific data residing  
4134 in components; and
- 4135 • Appropriate diagnostics are completed to ensure that components are sanitized, preventing  
4136 malicious insertion prior to returning to the enterprise system and or supply chain network.

4137  
4138 The enterprise should require its prime contractors to implement this control and flow down this  
4139 requirement to relevant sub-tier contractors.

4140  
4141 Level(s): 2, 3

4142 **MA-5 MAINTENANCE PERSONNEL**

4143 Supplemental C-SCRM Guidance: Maintenance personnel may be employed by a supplier, developer,  
4144 system integrators, external system service providers, or other ICT/OT-related service providers. As such,  
4145 appropriate protections should be in place to manage associated risks. The same controls applied to  
4146 internal maintenance personnel should be applied to any contractor personnel performing a similar  
4147 maintenance role and enforced through contractual agreements with their external service providers.

4148  
4149 Level(s): 2, 3

4150  
4151 Control Enhancement(s):

4152 **(4) MAINTENANCE PERSONNEL | FOREIGN NATIONALS**

4153        Supplemental C-SCRM Guidance: Vetting of foreign nationals with access to critical non-national  
4154        security systems/services must take C-SCRM into account and be extended to all relevant contractor  
4155        personnel. Enterprises should specify in agreements any restrictions or vetting requirements that  
4156        pertain to foreign nationals and flow requirement down to relevant sub-contractors.

4157  
4158        Level(s): 2, 3

4159      **MA-6 TIMELY MAINTENANCE**

4160        Supplemental C-SCRM Guidance: For spare parts, replacement parts, or alternate sources, the enterprise  
4161        should purchase through original equipment manufacturers (OEMs), authorized distributors or authorized  
4162        reseller and ensure appropriate lead times. If OEMs are not available, it is preferred to acquire from  
4163        authorized distributors. If an OEM or an authorized distributor is not available, then it is preferred to  
4164        acquire from an authorized reseller. Enterprises should obtain verification on whether the distributor or  
4165        reseller is authorized. Where possible, enterprises should use an authorized distributor/dealer approved list.  
4166        If the only alternative is to purchase from a non-authorized distributor or secondary market, a risk  
4167        assessment should be performed, including a revisit of criticality and threat analysis to identify additional  
4168        risk mitigations to be used. For example, the enterprise should check the source of supply for history of  
4169        counterfeits, inappropriate practices, or a criminal record. See Section 2 for criticality and threat analysis  
4170        details. The enterprise should maintain a bench stock of critical OEM parts, if feasible, when acquisition of  
4171        such parts may not be able to be accomplished within needed timeframes.

4172  
4173        Level(s): 3

4174      **MA-7 FIELD MAINTENANCE**

4175        Supplemental C-SCRM Guidance: Enterprises should use trusted facilities when additional rigor and  
4176        quality control checks are needed, if at all practical or possible. Trusted facilities should be on an approved  
4177        list and have additional controls in place.

4178  
4179        Related Control(s): MA-2, MA-4, MA-5.

4180  
4181        Level(s): 3

4182      **MA-8 MAINTENANCE MONITORING AND INFORMATION SHARING (NEW)**

4183        Control: The enterprise monitors the status of systems and components and communicates out-of-bounds  
4184        and out-of-spec performance to suppliers, developers, system integrators, external system service providers,  
4185        and other ICT/OT-related service providers. The enterprise should also report this information to the  
4186        Government-Industry Data Exchange Program (GIDEP).

4187  
4188        Supplemental C-SCRM Guidance: Tracking failure rates of components provides useful information to the  
4189        acquirer to help plan for contingencies, alternate sources of supply, and replacements. Failure rates are also  
4190        useful for monitoring quality and reliability of systems and components. This information provides useful  
4191        feedback to suppliers, developers, system integrators, external system service providers, and other ICT/OT-  
4192        related service providers for corrective action and continuous improvement. In Level 2, agencies should  
4193        track and communicate the failure rates to suppliers (OEM and/or an authorized distributor). The failure  
4194        rates and the issues that can indicate failures including root causes should be identified by an enterprise's  
4195        technical personnel (e.g., developers, administrators, or maintenance engineers) in Level 3 and  
4196        communicated to Level 2. These individuals are able to verify the problem and identify technical  
4197        alternatives.

4198  
4199        Related Control(s): IR-4(10)

4200  
4201        Level(s): 3

4202

**FAMILY: MEDIA PROTECTION**

4203

4204 [FIPS 200] specifies the Media Protection minimum security requirement as follows:

4205

4206       *Organizations must: (i) protect information system media, both paper and digital; (ii)*  
4207       *limit access to information on information system media to authorized users; and (iii)*  
4208       *sanitize or destroy information system media before disposal or release for reuse.*

4209

4210       Media itself can be a component traversing the supply chain or containing information about the  
4211 enterprise's supply chain. This includes both physical and logical media including, for example,  
4212 system documentation on paper or in electronic files, shipping and delivery documentation with  
4213 acquirer information, memory sticks with software code, or complete routers or servers that  
4214 include permanent media. The information contained on the media may be sensitive or  
4215 proprietary information. Additionally, the media is used throughout the SDLC, from concept to  
4216 disposal. Enterprises should ensure that Media Protection controls are applied to both an  
4217 enterprise's media and the media received from suppliers, developers, system integrators,  
4218 external system service providers, and other ICT/OT-related service providers throughout the  
4219 SDLC.

4220

4221

**4222 MP-1 POLICY AND PROCEDURES**

4223

4224       Supplemental C-SCRM Guidance: Various documents and information on a variety of physical and  
4225 electronic media are disseminated throughout the supply chain. This information may contain a variety of  
4226 sensitive information and intellectual property from suppliers, developers, system integrators, external  
4227 system service providers, and other ICT/OT-related service providers and should be appropriately  
4228 protected. Media protection policies and procedures should address supply chain concerns including media  
in the enterprise's supply chain, as well as media throughout the SDLC.

4229

4230

Level(s): 1, 2

4231

**MP-4 MEDIA STORAGE**

4232

4233

4234

4235

4236

4237

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4239       Supplemental C-SCRM Guidance: Media storage controls should include C-SCRM activities. Enterprises  
4240 should specify and include in agreements (e.g., contracting language) media storage policies for their  
4241 suppliers, developers, system integrators, external system service providers, and other ICT/OT-related  
4242 service providers. The enterprise should require its prime contractors to implement this control and flow  
4243 down this requirement to relevant sub-tier contractors.

4244

Level(s): 1, 2

4245

**MP-5 MEDIA TRANSPORT**

4246

4247

4248

4249

4250       Supplemental C-SCRM Guidance: The enterprise should incorporate C-SCRM activities when media is  
4251 transported, either by enterprise or non-enterprise personnel. Some of the techniques to protect media  
4252 during transport and storage include cryptographic techniques and approved custodian services.

4253

Level(s): 1, 2

4254

**MP-6 MEDIA SANITIZATION**

4246        Supplemental C-SCRM Guidance: Enterprises should specify and include in agreements (e.g., contracting  
4247        language) media sanitization policies for their suppliers, developers, system integrators, external system  
4248        service providers, and other ICT/OT-related service providers. Media is used throughout the SDLC. Media  
4249        traversing or residing in the supply chain may originate anywhere including from suppliers, developers,  
4250        system integrators, external system service providers, and other ICT/OT-related service providers. It can be  
4251        new, refurbished, or reused. Media sanitization is critical to ensure that information is removed before the  
4252        media is used, reused, or discarded. For media containing privacy or other sensitive information (e.g.,  
4253        CUI), the enterprise should require its prime contractors to implement this control and flow down this  
4254        requirement to relevant sub-tier contractors.

4255        Level(s): 2, 3

4256  
4257        Related Controls: MP-6(1), MP-6(2), MP-6(3), MP-6(7), MP-6(8)  
4258

**FAMILY: PHYSICAL AND ENVIRONMENTAL PROTECTION**

[FIPS 200] specifies the Physical and Environmental Protection minimum security requirement as follows:

*Organizations must: (i) limit physical access to information systems, equipment, and the respective operating environments to authorized individuals; (ii) protect the physical plant and support infrastructure for information systems; iii) provide supporting utilities for information systems; (iv) protect information systems against environmental hazards; and (v) provide appropriate environmental controls in facilities containing information systems.*

Supply chains span the physical and logical world. Physical factors include, for example, weather and road conditions that may have an impact on transporting cyber components (or devices) from one location to another between persons or enterprises within a supply chain. If not properly addressed as a part of the C-SCRM risk management processes, physical and environmental risks may have a negative impact on the enterprise's ability to receive critical components in a timely manner, which may in turn impact their ability to perform mission operations. Enterprises should require implementation of appropriate physical and environmental control within their supply chain.

**PE-1 POLICY AND PROCEDURES**

Supplemental C-SCRM Guidance: The enterprise should integrate C-SCRM practices and requirements into their own physical and environmental protection policy and procedures. The degree of protection should be commensurate with the degree of integration. The physical and environmental protection policy should ensure that the physical interfaces of the supply chain have adequate protection and audit for such protection.

Level(s): 1, 2, 3

**PE-2 PHYSICAL ACCESS AUTHORIZATIONS**

Supplemental C-SCRM Guidance: Enterprises should ensure only authorized individuals with a need for physical access have access to information, systems, or data centers (e.g., sensitive or classified). Such authorizations should specify what the individual is permitted or not permitted to do with regard to their physical access (e.g., view, alter/configure, insert something, connect something, remove, etc.).

Agreements should address physical access authorization requirements and the enterprise should require its prime contractors to implement this control, flowing down this requirement to relevant sub-tier contractors. Authorization for non-Federal employees should follow an approved protocol, which includes documentation of the authorization, to include specifying any prerequisites or constraints that pertain to such authorization (e.g., individual must be escorted by a Federal employee, individual must be badged, individual is permitted physical access during normal business hours, etc.).

Level(s): 2, 3

Control Enhancement(s):

(1) PHYSICAL ACCESS AUTHORIZATIONS | ACCESS BY POSITION OR ROLE

4304        Supplemental C-SCRM Guidance: Role-based authorizations for physical access should include  
4305        federal (e.g., agency/department employees) and non-federal employees (e.g., suppliers, developers,  
4306        system integrators, external system service providers, and other ICT/OT-related service providers).  
4307        When role-based authorization is used, the type and level of access allowed for that role or position  
4308        must be pre-established and documented.

4309  
4310        Level(s): 2, 3

4311      **PE-3 PHYSICAL ACCESS CONTROL**

4312        Supplemental C-SCRM Guidance: Physical access control should include individuals and enterprises  
4313        engaged in the enterprise's supply chain. A vetting process should be in place based on enterprise-defined  
4314        requirements and policy prior to granting access to the supply chain infrastructure and any relevant  
4315        elements. Access establishment, maintenance, and revocation processes should meet enterprise access  
4316        control policy rigor. The speed of revocation for suppliers, developers, system integrators, external system  
4317        service providers, and other ICT/OT-related service providers needing access to physical facilities and data  
4318        centers, either enterprise-owned or external service provider-owned, should be managed in accordance with  
4319        the activities performed in their contracts. Prompt revocation is critical when either individual or enterprise  
4320        need no longer exists.

4321  
4322        Level(s): 2, 3

4323  
4324        Control Enhancement(s):

4325      (1) *PHYSICAL ACCESS CONTROL | SYSTEM ACCESS*

4326        Supplemental C-SCRM Guidance: Physical access controls should be extended to contractor  
4327        personnel. Any contractor resources providing services support with physical access to the supply  
4328        chain infrastructure and any relevant elements should adhere to access controls. Policies and  
4329        procedures should be consistent with those applied to employee personnel with similar levels of  
4330        physical access.

4331  
4332        Level(s): 2, 3

4333      (2) *PHYSICAL ACCESS CONTROL | FACILITY AND SYSTEMS*

4334        Supplemental C-SCRM Guidance: When determining the extent, frequency, and/or randomness of  
4335        facility security checks of facilities, enterprises should account for exfiltration risks resulting from  
4336        covert listening devices. Such devices may include wiretaps, roving bugs, cell site simulators, and  
4337        other eavesdropping technologies that can transfer sensitive information out of enterprises.

4338  
4339        Level(s): 2, 3

4340      (5) *PHYSICAL ACCESS CONTROL | TAMPER PROTECTION*

4341        Supplemental C-SCRM Guidance: Tamper protection is critical for reducing cybersecurity risk in the  
4342        supply chain in products. The enterprise should implement validated tamper protections techniques  
4343        within the supply chain. For critical products, the enterprise should require and assess whether and to  
4344        what extent a supplier has implemented tamper protection mechanism. The assessment may also  
4345        include whether and how such mechanisms are required and applied by the supplier's upstream supply  
4346        chain entities.

4347  
4348        Level(s): 2, 3

4349      **PE-6 MONITORING PHYSICAL ACCESS**

**4350      Supplemental C-SCRM Guidance:** Individuals physically accessing the enterprise or external service

**4351      provider's facilities, data centers, information, or physical asset(s), including via the supply chain, may be**

**4352      employed by the enterprise's employees, on-site or remotely located contractors, visitors, other third parties**

**4353      (e.g., maintenance personnel under contract with the contractor enterprise), or an individual affiliated with**

**4354      an enterprise in the upstream supply chain. The enterprise should monitor these individuals' activities to**

**4355      reduce associated cybersecurity risk in the supply chain or require monitoring in agreements.**

Level(s): 1, 2, 3

**4358 PE-16 DELIVERY AND REMOVAL**

Supplemental C-SCRM Guidance: This control enhancement reduces cybersecurity risk in the supply chain introduced during the physical delivery and removal of hardware components from the enterprise's information systems or supply chain.

Level(s): 3

**4364 PE-17 ALTERNATE WORK SITE**

**4365      Supplemental C-SCRM Guidance:** The enterprise should incorporate protections to guard against  
4366      cybersecurity risk in the supply chain associated with enterprise employees or contractor personnel within  
4367      or accessing the supply chain infrastructure using alternate work sites. This can include third party  
4368      personnel who may also work from alternate worksites.

Level(s): 3

## 4371 PE-18 LOCATION OF SYSTEM COMPONENTS

**4372      Supplemental C-SCRM Guidance:** Physical and environmental hazards or disruptions have an impact on  
4373      the availability of products that are or will be acquired and physically transported to the enterprise's  
4374      locations. For example, enterprises should incorporate the manufacturing, warehousing, or distribution  
4375      location of information system components critical for agency operations when planning for alternative  
4376      suppliers for these components.

Level(s): 1 2 3

### Related Controls: CP-6, CP-7

4381 PE-20 ASSET MONITORING AND TRACKING

**4382      Supplemental C-SCRM Guidance:** The enterprise should, whenever possible and practical, use asset  
4383      location technologies to track system and components transported between entities across the supply chain,  
4384      between protected areas, or in storage awaiting implementation, testing, maintenance, or disposal. Methods  
4385      include RFID, digital signatures, or blockchains. These technologies help protect against:

- a. Diverting system or component for counterfeit replacement;
  - b. Loss of confidentiality, integrity, or availability of system or component function and data (including data contained within the component and data about the component); and
  - c. Interrupting supply chain and logistics processes for critical components. In addition to providing protection capabilities, asset location technologies also help gather data that can be used for incident management.

Level(s): 2, 3

## 4395 PE-23 FACILITY LOCATION

4396        Supplemental C-SCRM Guidance: Enterprises should incorporate Facility Location (e.g., data centers)  
4397        when assessing risk associated with suppliers. Factors may include geographic location (e.g., Continental  
4398        United States (CONUS), Outside the Continental United States (OCONUS)), physical protections in place  
4399        at one or more of the relevant facilities, local management and control of such facilities, environmental  
4400        hazard potential (e.g., Located in a high-risk seismic zone), and alternative facility locations. For critical  
4401        vendors or products, enterprises should specifically address any requirements or restrictions concerning the  
4402        vendors (or their upstream supply chain providers) facility locations in contracts and flow down this  
4403        requirement to relevant sub-level contractors.

4404  
4405        Level(s): 2, 3  
4406

4407        Related Controls: SA-9(8)  
4408  
4409  
4410

4411  
4412  
4413

**4414 FAMILY: PLANNING**

4415

4416 [FIPS 200] specifies the Planning minimum security requirement as follows:

4417

4418       *Organizations must develop, document, periodically update, and implement security*  
4419       *plans for organizational information systems that describe the security controls in*  
4420       *place or planned for the information systems and the rules of behavior for individuals*  
4421       *accessing the information systems.*

4422

4423 C-SCRM should influence security planning, including such activities as security architecture,  
4424 coordination with other enterprise entities, and development of System Security Plans. When  
4425 acquiring products and services from suppliers, developers, system integrators, external system  
4426 service providers, and other ICT/OT-related service providers, enterprises may be sharing  
4427 facilities with those enterprises, have employees of these entities on the enterprise's premises, or  
4428 use information systems that belong to those entities. In these and other applicable situations,  
4429 enterprises should coordinate their security planning activities with these entities to ensure  
4430 appropriate protection of an enterprise's processes, information systems, as well as of the  
4431 systems and components traversing the supply chain. When establishing security architectures,  
4432 enterprises should provide for component and supplier diversity to manage the cybersecurity risk  
4433 in the supply chain to include suppliers going out of business or stopping the production of  
4434 specific components. Finally, as stated in Section 2 and Appendix C, enterprises should integrate  
4435 C-SCRM controls into their Risk Response Frameworks (Levels 1 and 2) as well as C-SCRM  
4436 Plans (Level 3).

4437

**4438 PL-1 POLICY AND PROCEDURES**

4439

Supplemental C-SCRM Guidance: Security planning policy and procedures should integrate C-SCRM.  
This includes creating, disseminating, and updating security policy, operational policy, and procedures for  
C-SCRM to shape acquisition or development requirements and the follow-on implementation, operations,  
and maintenance of systems and system interfaces and network connections. The C-SCRM policy and  
procedures provide inputs into and take guidance from C-SCRM Strategy & Implementation Plan at Level  
1. The C-SCRM policy and procedures provide guidance to and take inputs from System Security Plan and  
C-SCRM Plan at Level 3. In Level 3, ensure that the full SDLC is covered from the C-SCRM perspective.

4440

Level(s): 2

4441

Related Controls: PL-2, PM-30

**4450 PL-2 SYSTEM SECURITY AND PRIVACY PLANS**

4451

Supplemental C-SCRM Guidance: The system security plan (SSP) should integrate C-SCRM. The  
enterprise may choose to develop a stand-alone C-SCRM plan for an individual system or integrate SCRM  
controls into their SSP. The system security plan and/or system-level C-SCRM plan provide inputs into and  
take guidance from the C-SCRM Strategy & Implementation Plan at Level 1 and C-SCRM policy at Levels  
1 and 2. In addition to coordinating within the enterprise, the enterprise should coordinate with suppliers,  
developers, system integrators, external system service providers, and other ICT/OT-related service  
providers to develop and maintain their SSPs. For example, building and operating a system requires a  
significant amount of coordination and collaboration between the enterprise and system integrator  
personnel. Such coordination and collaboration should be addressed in the system security plan or stand-

4460 alone C-SCRM plan. These plans should also take into account that suppliers or external service providers  
4461 may not be able to customize to the acquirer's requirements. It is recommended that suppliers, developers,  
4462 system integrators, external system service providers, and other ICT/OT-related service providers also  
4463 develop C-SCRM plans for non-federal (i.e., contractor) systems that are processing federal agency  
4464 information, and flow down this requirement to relevant sub-level contractors.

4465  
4466 Section 2, Appendix C, and Appendix D provide guidance on C-SCRM strategy, policy, and plan. Controls  
4467 in this publication (NIST SP 800-161 Rev. 1) should be used for the C-SCRM portion of the SSP.

4468  
4469 Level(s): 3

4470  
4471 Related Controls: PM-30

4472 **PL-4 RULES OF BEHAVIOR**

4473 Supplemental C-SCRM Guidance: Rules of behavior apply to contractor personnel as well as to internal  
4474 agency personnel. Contractor enterprises are responsible for ensuring that their employees follow  
4475 applicable rules of behavior. Individual contractors should not be granted access to agency systems or data  
4476 until they have acknowledged and demonstrated compliance with this control. Failure to meet this control  
4477 can result in removal of access for such individuals.

4478  
4479 Level(s): 2, 3

4480  
4481 **PL-7 CONCEPT OF OPERATIONS**

4482 Supplemental C-SCRM Guidance: Concept of operations (CONOPS) should describe how the enterprise  
4483 intends to operate the system from the perspective of C-SCRM. It should integrate C-SCRM and be  
4484 managed and updated throughout the SDLC to address cybersecurity risk in the supply chain to the  
4485 applicable system.

4486  
4487 Level(s): 3

4488 **PL-8 SECURITY AND PRIVACY ARCHITECTURES**

4489 Supplemental C-SCRM Guidance: Security and privacy architecture defines and directs implementation of  
4490 security and privacy-protection methods, mechanisms, and capabilities to the underlying systems and  
4491 networks, as well as the information system that is being created. Security architecture is fundamental to C-  
4492 SCRM because it helps to ensure security is built-in throughout the SDLC. Enterprises should consider  
4493 implementing zero-trust architectures. Enterprise should also ensure that the security architecture is well  
4494 understood by system developers/engineers and system security engineers. This control applies to both  
4495 federal agency and non-federal agency employees.

4496  
4497 Level(s): 2, 3

4498  
4499 Control Enhancement(s):

4500 (2) **SECURITY AND PRIVACY ARCHITECTURES | SUPPLIER DIVERSITY**

4501 Supplemental C-SCRM Guidance: Supplier diversity provides options for addressing information  
4502 security and supply chain concerns. The enterprise should incorporate this control as it relates to  
4503 suppliers, developers, system integrators, external system service providers, and other ICT/OT-related  
4504 service providers.

4506        The enterprise should plan for potential replacement of suppliers, developers, system integrators,  
4507        external system service providers, and other ICT/OT-related service providers in case one is no longer  
4508        able to meet the enterprise's requirements (e.g., company goes out of business or does not meet  
4509        contractual obligations).

4510  
4511        Incorporate supplier diversity for off-the-shelf (commercial or government) components during  
4512        acquisition security assessments. Evaluation of alternatives should include, for example, feature parity,  
4513        interoperability, commodity components, and ability to provide multiple delivery paths. For example,  
4514        having the source code, build scripts, and tests for a software component could enable an enterprise to  
4515        have someone else maintain it if necessary

4516  
4517        Level(s): 2, 3  
4518

4519        **PL-9 CENTRAL MANAGEMENT**

4520        Supplemental C-SCRM Guidance: C-SCRM controls are managed centrally at Level 1 through C-  
4521        SCRM Strategy & Implementation Plan, and at Levels 1 and 2 through C-SCRM Policy. C-SCRM  
4522        PMO described in Section 2, centrally manages C-SCRM controls at those two Levels. At Level 3, C-  
4523        SCRM controls are managed on an information system basis though SSP and/or C-SCRM Plan.

4524  
4525        Level(s): 1, 2  
4526

4527        **PL-10 BASELINE SELECTION**

4528        Supplemental C-SCRM Guidance: Enterprises should include C-SCRM controls in their control  
4529        baselines. Enterprises should identify and select C-SCRM controls based on C-SCRM requirements  
4530        identified within each of the levels. A C-SCRM PMO may assist in identifying C-SCRM control  
4531        baselines that meet common C-SCRM requirements for different groups, communities of interest, or  
4532        the enterprise as a whole.

4533  
4534        Level(s): 1, 2

**4535 FAMILY: PROGRAM MANAGEMENT**

4536

4537 [FIPS 200] does not specify Program Management minimum security requirements.

4538

4539 [NIST SP 800-53 Rev. 5] states that “the program management controls … are implemented at  
4540 the enterprise level and not directed at individual information systems.” Those controls apply to  
4541 the entire enterprise (i.e., federal agency) and support the enterprise’s overarching information  
4542 security program. Program management controls support and provide inputs and feedback to  
4543 enterprise-wide C-SCRM activities.

4544

4545 All Program Management controls should be applied in a C-SCRM context. Within federal  
4546 agencies the C-SCRM PMO function or a similar is responsible for implementing Program  
4547 Management controls. Section 3 provides guidance on C-SCRM PMO and its functions and  
4548 responsibilities.

4549

**4550 PM-2 INFORMATION SECURITY PROGRAM LEADERSHIP ROLE**

4551

Supplemental C-SCRM Guidance: Senior information security officer (e.g., CISO) and senior agency  
4552 official responsible for acquisition (e.g., Chief Acquisition Officer (CAO) or Senior Procurement Executive  
4553 (SPE)) have key responsibilities for C-SCRM and the overall cross-enterprise coordination and  
4554 collaboration with other applicable senior personnel within the enterprise such as the CIO, the head of  
4555 facilities/physical security, and the risk executive (function). This coordination should occur regardless of  
4556 specific department and agency enterprise structure and specific titles of relevant senior personnel. The  
4557 coordination could be executed by C-SCRM PMO or another similar function. Section 2 provides more  
4558 guidance on C-SCRM roles and responsibilities.

4559

4560

Level(s): 1, 2

**4561 PM-3 INFORMATION SECURITY AND PRIVACY RESOURCES**

4562

Supplemental C-SCRM Guidance: An enterprise’s C-SCRM program- requires dedicated, sustained  
4563 funding and human resources to successfully implement agency C-SCRM requirements. Section 3 of this  
4564 document provides guidance on dedicated funding for C-SCRM programs. The enterprise should also  
4565 ensure that C-SCRM requirements are integrated into major IT investments to ensure that the funding is  
4566 appropriately allocated through the capital planning and investment request process. For example, should  
4567 an RFID infrastructure be required to improve C-SCRM to secure and improve inventory or logistics  
4568 management efficiency of the enterprise’s supply chain, appropriate IT investments are likely required to  
4569 ensure successful planning and implementation. Other examples include any investment into the  
4570 development or test environment for critical components. In such a case, funding and resources are needed  
4571 to acquire and maintain appropriate information systems, networks, and components to meet specific C-  
4572 SCRM requirements that support the mission.

4573

4574

Level(s): 1, 2

4575

**4576 PM-4 PLAN OF ACTION AND MILESTONES PROCESS**

4577

Supplemental C-SCRM Guidance: C-SCRM items should be included in the POA&M at all levels.

4578

4579

Level(s): 2, 3

4581        Related Controls: CA-5, PM-30  
4582

4583 **PM-5 SYSTEM INVENTORY**

4584        Supplemental C-SCRM Guidance: Having a current system inventory is foundational for C-SCRM. Not  
4585 having a system inventory may lead to enterprise's inability to identify system and supplier criticality  
4586 which will result in inability to conduct C-SCRM activities. To ensure that all applicable suppliers are  
4587 identified and categorized for criticality, enterprises should include relevant supplier information in the  
4588 system inventory and maintain its currency and accuracy. Enterprises should require its prime contractors  
4589 to implement this control and flow down this requirement to relevant sub-tier contractors.

4590  
4591        Level(s): 2, 3  
4592

4593 **PM-6 MEASURES OF PERFORMANCE**

4594        Supplemental C-SCRM Guidance: Enterprises should use measures of performance to track  
4595 implementation, efficiency, effectiveness, and impact of C-SCRM activities. C-SCRM PMO is responsible  
4596 for creating C-SCRM measures of performance in collaboration with other applicable stakeholders to  
4597 include identifying appropriate audience and decision makers and providing guidance on data collection,  
4598 analysis, and reporting.

4599  
4600        Level(s): 1, 2

4601

4602 **PM-7 ENTERPRISE ARCHITECTURE**

4603        Supplemental C-SCRM Guidance: C-SCRM should be integrated when designing and maintaining  
4604 enterprise architecture.

4605  
4606        Level(s): 1, 2

4607

4608 **PM-8 CRITICAL INFRASTRUCTURE PLAN**

4609        Supplemental C-SCRM Guidance: C-SCRM should be integrated when developing and maintaining critical  
4610 infrastructure plan.

4611  
4612        Level(s): 1  
4613

4614 **PM-9 RISK MANAGEMENT STRATEGY**

4615        Supplemental C-SCRM Guidance: Risk management strategy should address cybersecurity risk in the  
4616 supply chain. Section 2, Appendix C, and Appendix D of this document provide guidance on integrating  
4617 C-SCRM into Risk Management Strategy.

4618  
4619        Level(s): 1  
4620

4621 **PM-10 AUTHORIZATION PROCESS**

4622        Supplemental C-SCRM Guidance: C-SCRM should be integrated when designing and implementing  
4623        authorization processes.

4624  
4625        Level(s): 1, 2  
4626

4627        **PM-11 MISSION AND BUSINESS PROCESS DEFINITION**

4628        Supplemental C-SCRM Guidance: Enterprise's mission and business processes should address  
4629        cybersecurity risk in the supply chain. When addressing mission/business process definitions, the enterprise  
4630        should ensure that C-SCRM activities are incorporated into the support processes for achieving mission  
4631        success. For example, a system supporting a critical mission function that has been designed and  
4632        implemented for easy removal and replacement should a component fail may require the use of somewhat  
4633        unreliable hardware components. A C-SCRM activity may need to be defined to ensure that the supplier  
4634        makes component spare parts readily available if replacement is needed.  
4635

4636        Level(s): 1, 2, 3  
4637

4638        **PM-12 INSIDER THREAT PROGRAM**

4639        Supplemental C-SCRM Guidance: An insider threat program should include C-SCRM and be tailored for  
4640        both federal and non-federal agency individuals who have access to agency systems and networks. This  
4641        control applies to contractors and subcontractors and should be implemented throughout the SDLC.  
4642

4643        Level(s): 1, 2, 3  
4644

4645        **PM-13 SECURITY AND PRIVACY WORKFORCE**

4646        Supplemental C-SCRM Guidance: Security and privacy workforce development and improvement should  
4647        ensure that relevant C-SCRM topics are integrated into the content and initiatives produced by the program.  
4648        Section 2 provides information on C-SCRM roles and responsibilities. NIST SP 800-161 can be used as a  
4649        source of topics and activities to include in the security and privacy workforce program.  
4650

4651        Level(s): 1, 2  
4652

4653        **PM-14 TESTING, TRAINING, AND MONITORING**

4654        Supplemental C-SCRM Guidance: Enterprise's testing, training, and monitoring processes should include  
4655        C-SCRM activities. C-SCRM PMO can provide guidance and support on how to integrate C-SCRM into  
4656        testing, training, and monitoring plans.  
4657

4658        Level(s): 1, 2  
4659

4660        **PM-15 SECURITY AND PRIVACY GROUPS AND ASSOCIATIONS**

4661        Supplemental C-SCRM Guidance: Contact with security and privacy groups and associations should  
4662        include C-SCRM practitioners and those with C-SCRM responsibilities. Acquisition, legal, critical  
4663        infrastructure, and supply chain groups and associations should be incorporated. C-SCRM PMO can help

4664 identify agency personnel who could benefit from participation, specific groups to participate in, and  
4665 relevant topics.

4666  
4667 Level(s): 1, 2  
4668

4669 **PM-16 THREAT AWARENESS PROGRAM**

4670 Supplemental C-SCRM Guidance: Threat awareness program should include threats emanating from the  
4671 supply chain. When addressing supply chain threat awareness, knowledge should be shared between  
4672 stakeholders within the boundaries of the enterprise's information sharing policy. C-SCRM PMO can help  
4673 identify C-SCRM stakeholders to include in threat information sharing, as well as potential sources of  
4674 information for supply chain threats.

4675  
4676 Level(s): 1, 2  
4677

4678 **PM-17 PROTECTING CONTROLLED UNCLASSIFIED INFORMATION ON EXTERNAL SYSTEMS**

4679 Supplemental C-SCRM Guidance: Policy and procedures for controlled unclassified information (CUI) on  
4680 external systems should include protecting relevant supply chain information. Conversely, it should  
4681 include protecting agency information residing in external systems, because such external systems are part  
4682 of agency supply chain.

4683  
4684 Level(s): 2  
4685

4686 **PM-18 PRIVACY PROGRAM PLAN**

4687 Supplemental C-SCRM Guidance: Privacy Program Plan should include C-SCRM. Enterprises should  
4688 require its prime contractors to implement this control and flow down this requirement to relevant sub-tier  
4689 contractors.

4690  
4691 Level(s): 1, 2  
4692

4693 **PM-19 PRIVACY PROGRAM LEADERSHIP ROLE**

4694 Supplemental C-SCRM Guidance: Privacy program leadership role should be included as a stakeholder in  
4695 applicable C-SCRM initiatives and activities.

4696  
4697 Level(s): 1  
4698

4699 **PM-20 DISSEMINATION OF PRIVACY PROGRAM INFORMATION**

4700 Supplemental C-SCRM Guidance: Dissemination of privacy program information should be protected from  
4701 cybersecurity risk in the supply chain.

4702  
4703 Level(s): 1, 2  
4704

4705 **PM-21 ACCOUNTING OF DISCLOSURES**

4706        Supplemental C-SCRM Guidance: Accounting of disclosures should be protected from cybersecurity risk  
4707        in the supply chain.

4708  
4709        Level(s): 1, 2  
4710

4711      **PM-22 PERSONALLY IDENTIFIABLE INFORMATION QUALITY MANAGEMENT**

4712        Supplemental C-SCRM Guidance: Personally identifiable information (PII) quality management should  
4713        take into account and manage cybersecurity risk in the supply chain to this information.

4714  
4715        Level(s): 1, 2  
4716

4717      **PM-23 DATA GOVERNANCE BODY**

4718        Supplemental C-SCRM Guidance: Data governance body is a stakeholder in C-SCRM and as such should  
4719        be included in cross-agency collaboration and information sharing of C-SCRM activities and initiatives  
4720        (e.g., by participating in inter-agency bodies such as the FASC).

4721  
4722        Level(s): 1  
4723

4724      **PM-25 MINIMIZATION OF PERSONALLY IDENTIFIABLE INFORMATION USED IN TESTING,  
4725 TRAINING, AND RESEARCH**

4726        Supplemental C-SCRM Guidance: Supply chain related cybersecurity risks to personally identifiable  
4727        information should be addressed by minimization policies and procedures described in this control.

4728  
4729        Level(s): 2  
4730

4731      **PM-26 COMPLAINT MANAGEMENT**

4732        Supplemental C-SCRM Guidance: Complaint management process and mechanisms should be protected  
4733        from cybersecurity risk in the supply chain. Enterprises should also integrate C-SCRM security and privacy  
4734        controls when fielding complaints from vendors or the general public (e.g., departments and agencies  
4735        fielding inquiries related to exclusions and removals).

4736  
4737        Level(s): 2, 3  
4738

4739      **PM-27 PRIVACY REPORTING**

4740        Supplemental C-SCRM Guidance: Privacy reporting process and mechanisms should be protected from  
4741        cybersecurity risk in the supply chain.

4742  
4743        Level(s): 2, 3  
4744

4745      **PM-28 RISK FRAMING**

4746        Supplemental C-SCRM Guidance: C-SCRM should be included in risk framing. Section 2 and Appendix C  
4747        provide detail guidance on integrating C-SCRM into risk framing.

4748  
4749  
4750

Level(s): 1

## 4751 PM-29 RISK MANAGEMENT PROGRAM LEADERSHIP ROLES

4752       Supplemental C-SCRM Guidance: Risk management program leadership roles should include C-SCRM  
4753 responsibilities and be included in C-SCRM collaboration across the enterprise. Section 2 and Appendix C  
4754 provide detail guidance C-SCRM roles and responsibilities.

4755  
4756  
4757

Level(s): 1

## 4758 PM-30 SUPPLY CHAIN RISK MANAGEMENT STRATEGY

4759       Supplemental C-SCRM Guidance: Supply Chain Risk Management Strategy (also known as C-SCRM  
4760 Strategy) should be complemented with a C-SCRM Implementation Plan that lays out detailed initiatives  
4761 and activities for the enterprise with timelines and responsible parties. This implementation plan can be a  
4762 POA&M or be included in a POA&M. Based on the C-SCRM Strategy and Implementation Plan at Level  
4763 1, the enterprise should select and document common C- SCRM controls that need to address the  
4764 enterprise, program, and system-specific needs. These controls should be iteratively integrated the C-  
4765 SCRM Policy at Levels 1 and 2, and C-SCRM Plan (or SSP if required) at Level 3. See Section 2 and  
4766 Appendix C for further guidance on risk management.

4767  
4768  
4769  
4770

Level(s): 1, 2

Related Controls: PL-2

## 4771 PM-31 CONTINUOUS MONITORING STRATEGY

4772       Supplemental C-SCRM Guidance: Continuous monitoring strategy and program should integrate C-SCRM  
4773 controls at Levels 1, 2, and 3 in accordance with Supply Chain Risk Management Strategy.

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4775  
4776  
4777  
4778

Level(s): 1, 2, 3

Related Controls: PM-30

## 4779 PM-32 PURPOSING

4780       Supplemental C-SCRM Guidance: Extending systems assigned to support specific mission or business  
4781 functions beyond their initial purpose subjects those systems to unintentional risks to include cybersecurity  
4782 risk in the supply chain. Application of this control should include explicit incorporation of cybersecurity  
4783 supply chain exposures.

4784  
4785  
4786  
4787

Level(s): 2, 3

4788

**FAMILY: PERSONNEL SECURITY**

4790

4791 [FIPS 200] specifies the Personnel Security minimum security requirement as follows:

4792

4793 *Organizations must: (i) ensure that individuals occupying positions of responsibility  
4794 within organizations (including third-party service providers) are trustworthy and meet  
4795 established security criteria for those positions; (ii) ensure that organizational  
4796 information and information systems are protected during and after personnel actions  
4797 such as terminations and transfers; and (iii) employ formal sanctions for personnel  
4798 failing to comply with organizational security policies and procedures.*

4799

4800 Personnel that have access to an enterprise's supply chain should be covered by the enterprise's  
4801 personnel security controls. These personnel include acquisition and contracting professionals,  
4802 program managers, supply chain and logistics professionals, shipping and receiving staff,  
4803 information technology professionals, quality professionals, mission and business owners,  
4804 system owners, and information security engineers. Enterprises should also work with suppliers,  
4805 developers, system integrators, external system service providers, and other ICT/OT-related  
4806 service providers to ensure they apply appropriate personnel security controls to the personnel  
4807 that interact with the enterprise's supply chain, as appropriate.

4808

**4809 PS-1 POLICY AND PROCEDURES**

4810

4811 Supplemental C-SCRM Guidance: At each level, personnel security policy and procedures, and related C-  
4812 SCRM Strategy/Implementation Plan, C-SCRM Policies, and C-SCRM Plan(s) need to define the roles for  
4813 the personnel who are engaged in the acquisition, management, and execution of supply chain security  
4814 activities. These roles also need to state acquirer personnel responsibilities with regards to relationships  
4815 with suppliers, developers, system integrators, external system service providers, and other ICT/OT-related  
4816 service providers. Policies and procedures need to consider the full system development life cycle of  
4817 systems and the roles and responsibilities needed to address the various supply chain infrastructure  
4818 activities.

4819

4820 Level 1: Applicable roles include risk executive, CIO, CISO, contracting, logistics, delivery/receiving,  
4821 acquisition security, and other functions providing supporting supply chain activities.

4822

4823 Level 2: Applicable roles include program executive and individuals (e.g., non-federal employees including  
4824 contractors) within the acquirer enterprise responsible for program success (e.g., Program Manager and  
4825 other individuals).

4826

4827 Level 3: Applicable roles include system engineers or system security engineers throughout the operational  
4828 system life cycle from requirements definition, development, test, deployment, maintenance, updates,  
4829 replacements, delivery/receiving, and IT.

4830

4831 Roles for supplier, developer, system integrator, external system service provider, and other ICT/OT-  
4832 related service provider personnel responsible for the success of the program should be noted in an  
4833 agreement between acquirer and these parties (e.g., contract).

4834

4835 The enterprise should require its prime contractors to implement this control and flow down this  
4836 requirement to relevant sub-tier contractors.

4837  
4838  
4839  
4840

Level(s): 1, 2, 3  
Related Control(s): SA-4

4841 **PS-3 PERSONNEL SCREENING**

4842 Supplemental C-SCRM Guidance: To mitigate insider threat risks, personnel screening policies and  
4843 procedures should be extended to any contractor personnel with authorized access to information systems,  
4844 system components, or information system services. Continuous monitoring activities should be  
4845 commensurate with the contractor's level of access to sensitive, classified, or regulated information and  
4846 should be consistent with broader enterprise policies. Screening requirements should be incorporated into  
4847 agreements and flow down to sub-tier contractors.

4848  
4849 Level(s): 2, 3

4850 **PS-6 ACCESS AGREEMENTS**

4851 Supplemental C-SCRM Guidance: The enterprise should define and document access agreements for all  
4852 contractors or other external personnel that may have a need to access the enterprise's data, systems, or  
4853 network, whether physically or logically. Access agreements should state the appropriate level and method  
4854 of access to the information system and supply chain network. Additionally, terms of access should be  
4855 consistent with the enterprise's information security policy and may need to specify additional restrictions,  
4856 such as allowing access during specific timeframes, from specific locations, or by only personnel who have  
4857 satisfied additional vetting requirements. The enterprise should deploy audit mechanisms to review,  
4858 monitor, update, and track access by these parties in accordance with the access agreement. As personnel  
4859 vary over time, the enterprise should implement a timely and rigorous personnel security update process for  
4860 the access agreements.

4861  
4862 When information systems and network products and services are provided by an entity within the  
4863 enterprise, there may be an existing access agreement in place. When such an agreement does not exist, it  
4864 should be established.

4865  
4866 NOTE: While the audit mechanisms may be implemented in Level 3, the agreement process with required  
4867 updates should be implemented at Level 2 as a part of program management activities.

4868  
4869 The enterprise should require its prime contractors to implement this control and flow down this  
4870 requirement to relevant sub-tier contractors.

4871  
4872 Level(s): 2, 3

4873 **PS-7 EXTERNAL PERSONNEL SECURITY**

4874 Supplemental C-SCRM Guidance: Third-party personnel that have access to enterprise's information  
4875 systems and networks must meet the same personnel security requirements as enterprise personnel.  
4876 Examples of such third-party personnel can include the system integrator, developer, supplier, or external  
4877 service provider used for delivery, contractors or service providers that are using the ICT/OT systems, or  
4878 supplier maintenance personnel brought in to address component technical issues not solvable by the  
4879 enterprise or system integrator.

4880  
4881 Level(s): 2  
4882

4883 **FAMILY: PERSONALLY IDENTIFIABLE INFORMATION PROCESSING AND**  
4884 **TRANSPARENCY**

4885  
4886 Personally identifiable information processing and transparency is a new control family,  
4887 developed specifically to address PII processing and transparency concerns.  
4888  
4889 The enterprise should keep in mind that some suppliers have comprehensive security and privacy  
4890 practices and systems that may go above and beyond the enterprise's requirements. The  
4891 enterprises should work with suppliers to understand the extent of their privacy practices and  
4892 how they meet the enterprise's needs.

4893 **PT-1 POLICY AND PROCEDURES**

4894 Supplemental C-SCRM Guidance: Enterprises should ensure that supply chain concerns are included in PII  
4895 processing and transparency policies and procedures, and related C-SCRM Strategy/Implementation Plan,  
4896 C-SCRM Policies, and C-SCRM Plan. The policy can be included as part of the general security and  
4897 privacy policy or can be represented by multiple policies.  
4898

4899 The procedures can be established for the security and privacy program in general and individual  
4900 information systems. These policy and procedures should address purpose, scope, roles, responsibilities,  
4901 management commitment, coordination among enterprise entities, and privacy compliance to support  
4902 systems/components within information systems or the supply chain.  
4903

4904 Policies and procedures need to be in place to ensure contracts state what PII data will be shared, which  
4905 contractor personnel may have access to the PII, controls protecting PII, and how long it can be kept and  
4906 what happens to it at the end of a contract.  
4907

- 4908 a. When working with a new supplier, ensure that the agreement includes the most recent set of  
4909 applicable security requirement.  
4910
- 4911 b. Contractors need to abide by relevant laws and policies regarding information (PII and other sensitive  
4912 information).  
4913
- 4914 c. The enterprise should require its prime contractors to implement this control and flow down this  
4915 requirement to relevant sub-tier contractors.  
4916

4917  
4918 Level(s): 1, 2, 3  
4919  
4920

**4921 FAMILY: RISK ASSESSMENT**

4922

4923 [FIPS 200] specifies the Risk Assessment minimum security requirement as follows:

4924

4925       *Organizations must periodically assess the risk to organizational operations (including*  
4926        *mission, functions, image, or reputation), organizational assets, and individuals,*  
4927        *resulting from the operating of organizational information systems and the associated*  
4928        *processing, storage, or transmission of organizational information.*

4929

4930 [NIST SP 800-161 Rev. 1] provides guidance for managing an enterprise's cybersecurity risk  
4931 in supply chains and expands this control to integrate assessments of cybersecurity risk in  
4932 supply chains, as described in *Section 2* and *Appendix C*.

**4933 RA-1 POLICY AND PROCEDURES**

4934

4935       Supplemental C-SCRM Guidance: Risk assessments should be performed at the enterprise,  
4936 mission/program, and operational levels of the enterprise. The system-level risk assessment should include  
4937 both the supply chain infrastructure (e.g., development and testing environments, and delivery systems) and  
4938 the information system/components traversing the supply chain. System-level risk assessments significantly  
4939 intersect with the SDLC and should complement the enterprises broader RMF activities which take part  
4940 during the SDLC. A criticality analysis will ensure that mission-critical functions and components are  
4941 given higher priority due to their impact to the mission, if compromised. The policy should include supply  
4942 chain-relevant cybersecurity roles applicable to performing and coordinating risk assessments across the  
4943 enterprise (see Section 2 for the listing and description of roles). Applicable roles within suppliers,  
4944 developers, system integrators, external system service providers, and other ICT/OT-related service  
4945 providers should be defined.

4946

4947       Level(s): 1, 2, 3

**4947 RA-2 SECURITY CATEGORIZATION**

4948

4949       Supplemental C-SCRM Guidance: Security categorization is critical to C-SCRM at Levels 1, 2, and 3. In  
4950 addition to [FIPS 199] categorization, for C-SCRM, security categorization should be based on the  
4951 criticality analysis which is performed as part of the SDLC. See Section 2 and [NISTIR 8179] for a detailed  
4952 description of criticality analysis.

4953

4954       Level(s): 1, 2, 3

4955

4956       Related Controls: RA-9

## 4957 RA-3 RISK ASSESSMENT

4958        Supplemental C-SCRM Guidance: Risk assessments should include an analysis of criticality, threats,  
4959        vulnerabilities, likelihood, and impact, as described in detail in Appendix C, *C-SCRM Activities in the Risk*  
4960        *Management Process*. Data to be reviewed and collected includes C-SCRM-specific roles, processes, and  
4961        results of system/component and services acquisitions, implementation, and integration. Risk assessments  
4962        should be performed at Levels 1, 2, and 3. Risk assessments at higher levels should consist primarily of a  
4963        synthesis of various risk assessments performed at lower levels and used for understanding the overall  
4964        impact with the Level (e.g., at the enterprise or mission/function levels). C-SCRM risk assessments should  
4965        complement and inform risk assessments which are performed as ongoing activities throughout the SDLC,  
4966        and processes should be appropriately aligned to or integrated into ERM processes and governance.

4967        Level(s): 1, 2, 3

4968        Related Control(s): RA-3(1)

4969

## 4970 RA-5 VULNERABILITY MONITORING AND SCANNING

4971        Supplemental C-SCRM Guidance: Vulnerability monitoring should cover suppliers, developers, system  
4972        integrators, external system service providers, and other ICT/OT-related service providers in the  
4973        enterprise's supply chain. This includes employing data collection tools to maintain a continuous state of  
4974        awareness about potential vulnerability to suppliers as well as the information systems/ system  
4975        components/ and raw inputs they provide through the cybersecurity supply chain. Vulnerability monitoring  
4976        activities should take place at all three levels of the enterprise. Scoping vulnerability monitoring activities  
4977        requires enterprises to consider suppliers as well as their sub-suppliers. Enterprises should consider use of  
4978        the *Impact Analysis Tool for Interdependent Cyber Supply Chain Risks* outlined in NISTIR 8272 to track  
4979        and maintain visibility into the relevant components within their supply chain. Enterprises should require  
4980        its prime contractors to implement this control and flow down this requirement to relevant sub-tier  
4981        contractors.

4982

4983        Level(s): 2, 3

4984        Control Enhancement(s):

## 4985 (3) VULNERABILITY MONITORING AND SCANNING | BREADTH AND DEPTH OF COVERAGE

4986        Supplemental C-SCRM Guidance: Enterprises monitoring the supply chain for vulnerabilities should  
4987        express breadth of monitoring based on the criticality and/or risk profile of the supplier or  
4988        product/component, and the depth of monitoring based on the level of the supply chain monitoring  
4989        takes place at (e.g., sub-supplier). Where possible – a component inventory (e.g., hardware, software)  
4990        may aid enterprises in capturing the breadth and depth of the products/components within their supply  
4991        chain that may need to be monitored and scanned for vulnerabilities.

4992

4993        Level(s): 2, 3

## 4994 (6) VULNERABILITY MONITORING AND SCANNING | AUTOMATED TREND ANALYSIS

4995        Supplemental C-SCRM Guidance: Enterprises should track trends, over time, in vulnerability to  
4996        components within the supply chain. This information may help enterprises develop procurement  
4997        strategies that reduce risk exposure density within the supply chain.

4998

4999        Level(s): 2, 3

5000

## 5001 RA-7 RISK RESPONSE

5006        Supplemental C-SCRM Guidance: Enterprises should integrate capabilities to respond to cybersecurity risk  
5007        in the supply chain into the overall enterprise's response posture, ensuring these responses are aligned to  
5008        and fall within the boundaries of the enterprise's tolerance for risk. Risk Response should include  
5009        consideration of risk response identification, evaluation of alternatives, and risk response decision  
5010        activities.

5011  
5012        Level(s): 1, 2, 3

5013      **RA-9 CRITICALITY ANALYSIS**

5014        Supplemental C-SCRM Guidance: Enterprises should complete a criticality analysis as a prerequisite input  
5015        to assessments activities focused on cybersecurity supply chain risk management activities. First,  
5016        enterprises complete a criticality analysis as part of the *Frame* step of the C-SCRM Risk Management  
5017        Process. Then, findings generated in *Assess* step activities (e.g., criticality analysis, threat analysis,  
5018        vulnerability analysis, and mitigation strategies) update and tailor the criticality analysis. A symbiotic  
5019        relationship exists between the criticality analysis and other *Assess* step activities in that they inform and  
5020        enhance one another. For a high-quality criticality analysis – enterprises should employ it iteratively  
5021        throughout the SLDC and concurrently across the 3 levels. Enterprises should require its prime contractors  
5022        to implement this control and flow down this requirement to relevant sub-tier contractors.

5023  
5024        Level(s): 1, 2, 3

5025      **RA-10 THREAT HUNTING**

5026        Supplemental C-SCRM Guidance: C-SCRM Threat Hunting activities should supplement the enterprises  
5027        internal Threat Hunting activities. As a critical part of the cybersecurity supply chain risk management  
5028        process – enterprises should actively monitor for threats to their supply chain. This requires a collaborative  
5029        effort between C-SCRM and other cyber defense-oriented functions within the enterprise. Threat hunting  
5030        capabilities may also be provided via a shared services enterprise, especially when an enterprise lacks the  
5031        resources to perform threat hunting activities themselves. Typical activities include information sharing  
5032        with peer enterprises and actively consuming threat intelligence feeds that flag potential indicators of  
5033        increased cybersecurity risk in the supply chain, such as cyber incidents, mergers and acquisitions, and  
5034        Foreign Ownership, Control or Influence (FOCI) that may be of concern. Supply Chain Threat intelligence  
5035        should seek out threats to the enterprise's suppliers as well as information systems/ system components/  
5036        and raw inputs they provide. Intelligence gathered enables enterprises to proactively identify and respond to  
5037        threats emanating from the supply chain.

5038  
5039        Level(s): 1, 2, 3

**5042 FAMILY: SYSTEM AND SERVICES ACQUISITION**

5043

5044 [FIPS 200] specifies the System and Services Acquisition minimum security requirement as  
5045 follows:

5046

5047 *Organizations must: (i) allocate sufficient resources to adequately protect  
5048 organizational information systems; (ii) employ system development life cycle  
5049 processes that incorporate information security considerations; (iii) employ software  
5050 usage and installation restrictions; and (iv) ensure that third-party providers employ  
5051 adequate security measures to protect information, applications, and/or services  
5052 outsourced from the organization.*

5053

5054 Enterprises acquire ICT/OT products and services through system and services acquisition.  
5055 These controls address the activities of an acquirer, as well as the activities of suppliers,  
5056 developers, system integrators, external system service providers, and other ICT/OT-related  
5057 service providers and related upstream supply chain relationships. They address both physical  
5058 and logical aspects of supply chain security, from detection to SDLC and security engineering  
5059 principles. C-SCRM concerns are already prominently addressed in [NIST SP 800-53 Rev. 5].  
5060 [NIST SP 800-161 Rev. 1] adds further detail and refinement to these controls.  
5061

**5062 SA-1 POLICY AND PROCEDURES**

5063 Supplemental C-SCRM Guidance: System and services acquisition policy and procedures should address  
5064 C-SCRM throughout the acquisition management life cycle process, to include purchases made via charge  
5065 cards. C-SCRM procurement actions and resultant contracts should include requirements language or  
5066 clauses that address which controls are mandatory or desirable and may include implementation  
5067 specifications, state what is accepted as evidence that the requirement is satisfied, and how conformance to  
5068 requirements will be verified and validated. C-SCRM should also be included as an evaluation factor.  
5069 These applicable procurements should not be limited to only those that are directly related to providing an  
5070 ICT/OT product or service; while C-SCRM considerations must be applied to these purchases, C-SCRM  
5071 should also be considered for any and all procurements of products or services in which there may be an  
5072 unacceptable risk of a supplied product or service contractor compromising the integrity, availability, or  
5073 confidentiality of an enterprise's information. This initial assessment should occur during the acquisition  
5074 planning phase and will be minimally informed by an identification and understanding of the criticality of  
5075 the enterprise's mission functions, its high value assets, and the sensitivity of the information that may be  
5076 accessible by the supplied product or service provider. In addition, enterprises should develop policies and  
5077 procedures that address supply chain risks that may arise during contract performance, such as a change of  
5078 ownership or control of the business or when actionable information is learned that indicates a supplier or a  
5079 product is a target of a supply chain threat. Supply chains evolve continuously through mergers and  
5080 acquisitions, joint ventures, and other partnership agreements. The policy should help enterprises  
5081 understand these changes and use thus obtained information to inform their C-SCRM activities. Enterprises  
5082 can obtain status of such changes through, for example, monitoring public announcements about company  
5083 activities or any communications initiated by suppliers, developers, system integrators, external system  
5084 service providers, and other ICT/OT-related service providers. See Section 3 for further guidance on C-  
5085 SCRM in the federal acquisition process.

5086

5087 Level(s): 1, 2, 3

**5088 SA-2 ALLOCATION OF RESOURCES**

- 5089        **Supplemental C-SCRM Guidance:** The enterprise should incorporate C-SCRM requirements when  
5090        determining and establishing the allocation of resources.  
5091  
5092        Level(s): 1, 2
- 5093      **SA-3 SYSTEM DEVELOPMENT LIFE CYCLE**
- 5094        **Supplemental C-SCRM Guidance:** There is a strong relationship between the SDLC and C-SCRM  
5095        activities. The enterprise should ensure that C-SCRM activities integrated into the SDLC for both the  
5096        enterprise and for applicable suppliers, developers, system integrators, external system service providers,  
5097        and other ICT/OT-related service providers. In addition to traditional SDLC activities, such as requirements  
5098        and design, the SDLC includes activities such as inventory management, acquisition and procurement, and  
5099        logical delivery of systems and components. See *Section 2* and *Appendix C* for further guidance on SDLC.  
5100  
5101        Level(s): 1, 2, 3
- 5102      **SA-4 ACQUISITION PROCESS**
- 5103        **Supplemental C-SCRM Guidance:** Enterprises are to include C-SCRM requirements, descriptions, and  
5104        criteria in applicable contractual agreements.
- 5105  
5106        a. Enterprises are to establish baseline and tailor-able C-SCRM requirements to apply and  
5107        incorporate into contractual agreements when procuring a product or service from suppliers,  
5108        developers, system integrators, external system service providers, and other ICT/OT-related  
5109        service providers; These include but are not limited to:  
5110            1. C-SCRM requirements that cover regulatory mandates (e.g. prohibition of certain ICT/OT or  
5111            suppliers) address identified and selected controls that are applicable to reducing cyber-supply  
5112            chain risk that may be introduced by a procured product or service and provide assurance that  
5113            the contractor is sufficiently responsible, capable, and trustworthy;  
5114            2. Requirements for critical elements in the supply chain to demonstrate a capability to  
5115            remediate emerging vulnerabilities based on open source information and other sources;  
5116            3. Requirements for managing intellectual property ownership and responsibilities for elements  
5117            such as software code, data and information, the manufacturing/development/integration  
5118            environment, designs, and proprietary processes when provided to the enterprise for review or  
5119            use;  
5120            4. Requirements that address the expected life span of the product or system and any element(s)  
5121            which may be in a critical path based on their life span, as well as what is required when end-  
5122            of-life is near or has been reached. Enterprises should conduct research or solicit information  
5123            from bidders or existing providers under contract to understand what end-of-life options exist  
5124            (i.e., replace, upgrade, migrate to a new system, etc.);  
5125            5. Articulate any circumstances when secondary market components may be permitted.  
5126            6. Requirements for functional properties, configuration, and implementation information, as  
5127            well as any development methods, techniques, or practices which may be relevant; Identify  
5128            and specify C-SCRM evaluation criteria, to include weighting of such criteria.
- 5129        b. Enterprises should:  
5130            1. Establish a plan for acquisition of spare parts to ensure adequate supply and execute the plan,  
5131            if/when applicable;  
5132            2. Establish a plan for acquisition of alternative sources of supply, as may be necessary during  
5133            continuity events or if/when a disruption to the supply chain occurs;  
5134            3. Work with suppliers, developers, system integrators, external system service providers, and  
5135            other ICT/OT-related service providers to identify and define existing and acceptable incident  
5136            response and information-sharing processes, including inputs on vulnerabilities from other  
5137            enterprises within their supply chains.
- 5138        c. Establish and maintain verification procedures and acceptance criteria for delivered products and  
5139            services;

- 5140           d. Ensure that the continuous monitoring plan includes supply chain aspects in its criteria such as.  
5141            including the monitoring of functions/ports/protocols in use. See Section 2 and Appendix C;  
5142           e. Ensure the contract addresses the monitoring of suppliers', developers', system integrators',  
5143            external system service providers', and other ICT/OT-related service providers' information  
5144            systems located within the supply chain infrastructure. Monitor and evaluate the acquired work  
5145            processes and work products where applicable;  
5146           f. Communicate processes for reporting information security weaknesses and vulnerabilities detected  
5147            during the use of ICT/OT products or services and ensure reporting to appropriate stakeholders,  
5148            including OEMs where relevant;  
5149           g. Review and confirm sustained compliance s with the terms and conditions of the agreement on an  
5150            ongoing basis.

5151           Level(s): 1, 2, 3

5152           Related Controls: SA-4 (1), (2), (3), (6) and (7)

5153           Control Enhancement(s):

5154           (5) *ACQUISITION PROCESS | SYSTEM, COMPONENT, AND SERVICE CONFIGURATIONS*

5155           Supplemental C-SCRM Guidance: If an enterprise needs to purchase components, they need to ensure  
5156           that the product specifications are "fit for purpose" and meet the enterprise's requirements, whether  
5157           purchasing directly from the OEM, channel partners, or secondary market.

5158           Level(s): 3

5159           (7) *ACQUISITION PROCESS | NIAP-APPROVED PROTECTION PROFILES*

5160           Supplemental C-SCRM Guidance: This control enhancement requires that the enterprise build,  
5161           procure, and/or use U.S. government protection profile-certified information assurance (IA)  
5162           components when possible. NIAP certification can be achieved for OTS (COTS and GOTS).

5163           Level(s): 2, 3

5164           (8) *ACQUISITION PROCESS | CONTINUOUS MONITORING PLAN FOR CONTROLS*

5165           Supplemental C-SCRM Guidance: This control enhancement is relevant to C-SCRM and plans for  
5166           continuous monitoring of control effectiveness and should therefore be extended to suppliers,  
5167           developers, system integrators, external system service providers, and other ICT/OT-related service  
5168           providers.

5169           Level(s): 2, 3

5170           **SA-5 SYSTEM DOCUMENTATION**

5171           Supplemental C-SCRM Guidance: Information system documentation should include relevant C- SCRM  
5172           concerns (e.g., C-SCRM plan).

5173           Level(s): 3

5174           **SA-8 SECURITY AND PRIVACY ENGINEERING PRINCIPLES**

5175           Supplemental C-SCRM Guidance: The following security engineering techniques are helpful in managing  
5176           cybersecurity risk in the supply chain:

- 5186           a. Anticipate the maximum possible ways that the ICT/OT product or service can be misused and  
5187           abused in order to help identify how to protect the product or system from such uses. Address  
5188           intended and unintended use scenarios in architecture and design;  
5189           b. Design network and security architectures, systems and components based on the enterprise's risk  
5190           tolerance as determined by risk assessments (see Section 2 and Appendix C);  
5191           c. Document and gain management acceptance and approval for risks that are not fully mitigated;  
5192           d. Limit the number, size, and privilege levels of critical elements; using criticality analysis will aid  
5193           in determining which elements or functions are critical. See criticality analysis in Appendix C, and  
5194           NISTIR 8179 *Criticality Analysis Process Model: Prioritizing Systems and Components*;  
5195           e. Use security mechanisms that help to reduce opportunities to exploit supply chain cybersecurity  
5196           vulnerabilities, including, for example, encryption, access control, identity management, and  
5197           malware or tampering discovery;  
5198           f. Design information system components and elements to be difficult to disable (e.g., tamper-  
5199           proofing techniques) and, if disabled, trigger notification methods such as audit trails, tamper  
5200           evidence, or alarms;  
5201           g. Design delivery mechanisms (e.g., downloads for software) to avoid unnecessary exposure or  
5202           access to the supply chain and the systems/components traversing the supply chain during  
5203           delivery; and  
5204           h. Design relevant validation mechanisms to be used during implementation and operation.

5205           Level(s): 1, 2, 3

5207       **SA-9 EXTERNAL SYSTEM SERVICES**

5208           Supplemental C-SCRM Guidance: C-SCRM supplemental guidance is provided in control enhancements.

5209           Control Enhancement(s):

5211           **(1) EXTERNAL SYSTEM SERVICES | RISK ASSESSMENTS AND ORGANIZATIONAL APPROVALS**

5212           Supplemental C-SCRM Guidance: See Appendix C - Assess, and Appendices D and E.

5214           Level(s): 2, 3

5215           **(3) EXTERNAL SYSTEM SERVICES | ESTABLISH AND MAINTAIN TRUST RELATIONSHIP WITH PROVIDERS**

5216           Supplemental C-SCRM Guidance: Relationships with providers ("providers" within the context of this  
5217           enhancement may include suppliers, developers, system integrators, external system service providers,  
5218           and other ICT/OT-related service providers) should meet the following supply chain security  
5219           requirements:

- 5220           a. Requirements definition is complete and reviewed for accuracy and completeness including the  
5221           assignment of criticality to various components as well as defining operational concepts and  
5222           associated scenarios for intended and unintended use in requirements;  
5223           b. Requirements are based on needs, relevant compliance drivers, criticality analysis, and  
5224           assessments of cybersecurity risk in the supply chain;  
5225           c. Cyber-supply chain threats, vulnerabilities, and associated risks are identified and documented;  
5226           d. Enterprise data and information integrity, confidentiality, and availability requirements are defined  
5227           and shared with the system suppliers, developers, system integrators, external system service  
5228           providers, and other ICT/OT-related service providers as appropriate;  
5229           e. Consequences of noncompliance with C-SCRM requirements and information system security  
5230           requirements are defined and documented;  
5231           f. Clear delineation of accountabilities, roles, and responsibilities between contractors when multiple  
5232           disparate providers are engaged in supporting a system or mission/business function;  
5233           g. Requirements for service contract completion and what defines the end of the suppliers',  
5234           developers', system integrators', external system service providers', or other ICT/OT-related

5235 service providers' relationship. This is important to know for re-compete, potential change in  
5236 provider, and to manage system end-of-life processes;  
5237 h. Establish negotiated agreements for relationship termination to ensure a safe and secure  
5238 termination, for example removing data from cloud environments.

5240 Level(s): 1, 2, 3

5241 (4) *EXTERNAL SYSTEM SERVICES | CONSISTENT INTERESTS OF CONSUMERS AND PROVIDERS*

5242 Supplemental C-SCRM Guidance: "Providers" in the context of this enhancement may include  
5243 suppliers, developers, system integrators, external system service providers, and other ICT/OT-related  
5244 service providers.

5245 Level(s): 3

5246 (5) *EXTERNAL SYSTEM SERVICES | PROCESSING, STORAGE, AND SERVICE LOCATION*

5247 Supplemental C-SCRM Guidance: Location may be under the control of the suppliers, developers,  
5248 system integrators, external system service providers, and other ICT/OT-related service providers.  
5249 Enterprises should assess C-SCRM risks associated with a given geographic location and apply an  
5250 appropriate risk response, which may include defining locations that are or are not acceptable and  
5251 ensuring appropriate protections are in place to address any associated C-SCRM risks.

5252 Level(s): 3

5253 **SA-10 DEVELOPER CONFIGURATION MANAGEMENT**

5254 Supplemental C-SCRM Guidance: Developer configuration management is critical for reducing  
5255 cybersecurity risk in the supply chain. By conducting configuration management activities, developers  
5256 reduce occurrence and likelihood of flaws, while increasing accountability and ownership for the changes.  
5257 Developer configuration management should be performed both by developers internal to federal agencies  
5258 and integrators or external service providers.

5259 Level(s): 2, 3

5260 Related Controls: SA-10 (1), (2), (3), (4), (5), and (6)

5261 **SA-11 DEVELOPER TESTING AND EVALUATION**

5262 Supplemental C-SCRM Guidance: Depending on the origins of components, this control may be  
5263 implemented differently. For OTS (off-the-shelf) components, the acquirer should conduct research (e.g.,  
5264 via publicly available resources) or request proof to determine whether the supplier (OEM) has performed  
5265 such testing as part of their quality/security processes. When the acquirer has control over the application  
5266 and the development processes, they should require this testing as part of the SDLC. In addition to the  
5267 specific types of testing activities described in the enhancements, examples of C-SCRM-relevant testing  
5268 include testing for counterfeits, verifying the origins of components, examining configuration settings prior  
5269 to integration, and testing interfaces. These types of tests may require significant resources and should be  
5270 prioritized based on criticality, threat, and vulnerability analyses (described in Section 2 and Appendix C),  
5271 and the effectiveness of testing techniques. Enterprises may also require third-party testing as part of  
5272 developer security testing.

5273 Level(s): 1, 2, 3

5274 Related Controls: SA-11 (1), (2), (3), (4), (5), (6), (7), (8), and (9)

5275 **SA-15 DEVELOPMENT PROCESS, STANDARDS, AND TOOLS**

5282        Supplemental C-SCRM Guidance: Providing documented and formalized development processes to guide  
5283        internal and system integrator developers is critical to enterprises efforts to effectively mitigate  
5284        cybersecurity risk in the supply chain. The enterprise should apply national and international standards and  
5285        best practices when implementing this control. Using existing standards promotes consistency of  
5286        implementation, reliable and defendable process, if implemented properly, and interoperability. The  
5287        enterprise's development/maintenance, test, and deployment environments should all be covered by this  
5288        control. The tools included in this control can be manual or automated. Use of automated tools aids  
5289        thoroughness, efficiency, and scale of analysis that helps address cybersecurity risk in the supply chain in  
5290        the development process. Additionally, the output of such activities and tools provides useful inputs for C-  
5291        SCRM processes described in Section 2 and Appendix C. This control has applicability to both the internal  
5292        enterprise's processes, information systems, and networks as well as applicable system integrators'  
5293        processes, systems, and networks.

5294        Level(s): 2, 3

5295        Related Controls: SA-15 enhancements (1), (2), (5), (6), and (7)

5296        Control Enhancement(s):

5300        **(3) DEVELOPMENT PROCESS, STANDARDS, AND TOOLS | CRITICALITY ANALYSIS**

5301        Supplemental C-SCRM Guidance: This enhancement identifies critical components within the  
5302        information system. Doing so will help determine the specific C-SCRM activities to be implemented  
5303        for critical components. See C-SCRM Criticality Analysis described in Appendix C for additional  
5304        context.

5305        Level(s): 2, 3

5307        **(4) DEVELOPMENT PROCESS, STANDARDS, AND TOOLS | THREAT MODELING AND VULNERABILITY  
5308        ANALYSIS**

5309        Supplemental C-SCRM Guidance: This enhancement provides threat modeling/vulnerability analysis  
5310        for the relevant federal agency and contractor products, applications, information systems, and  
5311        networks. Performing this analysis will help integrate C-SCRM into code refinement and modification  
5312        activities. See C-SCRM threat and vulnerability analyses described in Appendix C for additional  
5313        context.

5314        Level(s): 2, 3

5315        Related Control(s): SA-15(5), SA-15(6), SA-15(7)

5319        **(8) DEVELOPMENT PROCESS, STANDARDS, AND TOOLS | REUSE OF THREAT AND VULNERABILITY  
5320        INFORMATION**

5321        Supplemental C-SCRM Guidance: This enhancement encourages developers to reuse threat and  
5322        vulnerability information produced by prior development efforts and lessons learned from using the  
5323        tools to inform ongoing development efforts. Doing so will help determine C-SCRM activities  
5324        described in Section 2 and Appendix C.

5325        Level(s): 3

5327        **SA-16 DEVELOPER-PROVIDED TRAINING**

5328        Supplemental C-SCRM Guidance: Developer-provided training for external and internal (in-house)  
5329        developers is critical to C-SCRM. It addresses training the individuals responsible for federal systems and

5330 networks to include applicable development environments. Developer-provided training in this control also  
5331 applies to the individuals who select system and network components. Developer-provided training should  
5332 include C-SCRM material to ensure that 1) developers are aware of potential threats and vulnerabilities  
5333 when developing, testing, and maintaining hardware and software; and 2) individuals responsible for  
5334 selecting system and network components incorporate C-SCRM when choosing such components.  
5335 Developer training should also cover training for secure coding and use of tools to find vulnerabilities in  
5336 software. Refer to Appendix F for additional guidance on security for critical software.  
5337

5338 Level(s): 2, 3  
5339

5340 Related Controls: AT-3

5341 **SA-17 DEVELOPER SECURITY AND PRIVACY ARCHITECTURE AND DESIGN**

5342 Supplemental C-SCRM Guidance: This control facilitates the use of C-SCRM information to influence  
5343 system architecture, design, and component selection decisions, including security functions. Examples  
5344 include identifying components that compose system architecture and design or selecting specific  
5345 components to ensure availability through multiple supplier or component selections.  
5346

5347 Level(s): 2, 3  
5348

5349 Related Controls: SA-17 (1) and (2)

5350 **SA-20 CUSTOMIZED DEVELOPMENT OF CRITICAL COMPONENTS**

5351 Supplemental C-SCRM Guidance: The enterprise may decide, based on their assessments of cybersecurity  
5352 risk in the supply chain, that they require customized development of certain critical components. This  
5353 control provides additional guidance on this activity. Enterprises should work with suppliers and partners to  
5354 ensure critical components are identified. Organizations should ensure they have a continued ability to  
5355 maintain custom developed critical software components. For example, having the source code, build  
5356 scripts, and tests for a software component could enable an organization to have someone else maintain it if  
5357 necessary.

5358 Level(s): 2, 3

5360 **SA-21 DEVELOPER SCREENING**

5361 Supplemental C-SCRM Guidance: The enterprise should implement screening processes for their internal  
5362 developers. For system integrators who may be providing key developers that address critical components,  
5363 the enterprise should ensure that appropriate processes for developer screening have been used. Screening  
5364 of developers should be included as a contractual requirement and be a flow-down requirement to relevant  
5365 sub-level subcontractors who provide development services or who have access to the development  
5366 environment.

5367 Level(s): 2, 3

5368 Control Enhancement(s):

5369 (1) *DEVELOPER SCREENING | VALIDATION OF SCREENING*

5370 Supplemental C-SCRM Guidance: Internal developer screening should be validated. Enterprises may  
5371 validate system integrator developer screening by requesting summary data from the system integrator  
5372 to be provided post-validation.

5373 Level(s): 2, 3

5377 **SA-22 UNSUPPORTED SYSTEM COMPONENTS**

5378        Supplemental C-SCRM Guidance: Acquiring products directly from qualified original equipment  
5379        manufacturers (OEMs) or their authorized distributors and resellers significantly reduces much  
5380        cybersecurity risks in the supply chain. In the case of unsupported system components, the enterprise  
5381        should use authorized distributors with an ongoing relationship with the supplier of the unsupported system  
5382        components.

5383  
5384        When purchasing alternate sources for continued support, enterprises should acquire directly from vetted  
5385        original equipment manufacturers (OEMs) or their authorized distributors and resellers. Decisions about  
5386        using alternate sources require input from the enterprise's engineering resources regarding the differences  
5387        in alternate component options. For example, if an alternative is to acquire an open source software  
5388        component, what are the open source community development, test, acceptance, and release processes?

5389  
5390        Level(s): 2, 3

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## 5393 FAMILY: SYSTEM AND COMMUNICATIONS PROTECTION

5394

5395 [FIPS 200] specifies the System and Communications Protection minimum security requirement  
5396 as follows:

5397

5398     *Organizations must: (i) monitor, control, and protect organizational communications*  
5399     *(i.e., information transmitted or received by organizational information systems) at the*  
5400     *external boundaries and key internal boundaries of the information systems; and (ii)*  
5401     *employ architectural designs, software development techniques, and systems*  
5402     *engineering principles that promote effective information security within*  
5403     *organizational information systems.*

5404

An enterprise's communications infrastructure is composed of ICT/OT components and systems, which have their own supply chains. These communications allow users or administrators to remotely access an enterprise's systems and to connect to the Internet, with other ICT/OT within the enterprise, contractor systems, and occasionally supplier systems. An enterprise's communications infrastructure may be provided and supported by suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers.

5411

## **5412 SC-1 POLICY AND PROCEDURES**

**Supplemental C-SCRM Guidance:** System and communications protection policies and procedures should address cybersecurity risk in the supply chain to the enterprise's processes, systems, and networks. Enterprise-level and program-specific policies help establish and clarify these requirements and corresponding procedures provide instructions for meeting these requirements. Policies and procedures should include the coordination of communications among and across multiple enterprise entities within the enterprise as well as communications methods, external connections, and processes used between the enterprise and its suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers.

5421

Level(s): 1, 2, 3

## 5423 SC-4 INFORMATION IN SHARED RESOURCES

**Supplemental C-SCRM Guidance:** The enterprise may share information system resources with system suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers. Protecting information in shared resources in support of various supply chain activities is challenging when outsourcing key operations. Enterprises may either share too much, increasing their risk, or share too little, making it difficult for the suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers to be efficient in their service delivery. The enterprise should work with developers to define a structure/process of information sharing including the data shared, method of sharing, and to whom (the specific roles) it is provided. Appropriate privacy, dissemination, handling, and clearance requirements should be accounted for in the information sharing process.

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Level(s): 2, 3

5436 SC-5 DENIAL-OF-SERVICE PROTECTION

- 5437        Supplemental C-SCRM Guidance: C-SCRM Guidance supplemental guidance is provided in control  
5438        enhancement SC-5 (2).
- 5439
- 5440        Control Enhancement(s):
- 5441        (2) *DENIAL-OF-SERVICE PROTECTION | CAPACITY, BANDWIDTH, AND REDUNDANCY*
- 5442        Supplemental C-SCRM Guidance: The enterprise should include requirements for excess capacity,  
5443        bandwidth, and redundancy into agreements with suppliers, developers, system integrators, external  
5444        system service providers, and other ICT/OT-related service providers.
- 5445
- 5446        Level(s): 2
- 5447      SC-7    **BOUNDARY PROTECTION**
- 5448        Supplemental C-SCRM Guidance: The enterprise should implement appropriate monitoring mechanisms  
5449        and processes at the boundaries between the agency systems and suppliers', developers', system  
5450        integrators', external system service providers', and other ICT/OT-related service providers' systems.  
5451        Provisions for boundary protections should be incorporated into agreements with suppliers, developers,  
5452        system integrators, external system service providers, and other ICT/OT-related service providers. There  
5453        may be multiple interfaces throughout the enterprise and supplier systems and networks and the SDLC.  
5454        Appropriate vulnerability, threat, and risk assessments should be performed to ensure proper boundary  
5455        protections for both supply chain components as well as supply chain information flow. The vulnerability,  
5456        threat, and risk assessment can aid in scoping boundary protection to a relevant set of criteria and help  
5457        manage associated costs. For contracts with external service providers, enterprises should ensure that the  
5458        provider satisfies boundary control requirements pertinent to environments and networks within their span  
5459        of control. Further detail is provided in Section 2 and Appendix C. Enterprises should require its prime  
5460        contractors to implement this control and flow down this requirement to relevant sub-tier contractors.
- 5461
- 5462        Level(s): 2
- 5463
- 5464        Control Enhancement(s):
- 5465        (13) *BOUNDARY PROTECTION | ISOLATION OF SECURITY TOOLS, MECHANISMS, AND SUPPORT  
5466        COMPONENTS*
- 5467        Supplemental C-SCRM Guidance: The enterprise should provide separation and isolation of  
5468        development, test, and security assessment tools, and operational environments and relevant  
5469        monitoring tools within the enterprise's information systems and networks. This control applies the  
5470        entity responsible for creating software and hardware, to include federal agencies and prime  
5471        contractors. As such this controls applies to the federal agency and applicable supplier information  
5472        systems and networks. Enterprises should require its prime contractors to implement this control and  
5473        flow down this requirement to relevant sub-tier contractors. If a compromise or information leakage  
5474        happens in any one environment, the other environments should still be protected through the  
5475        separation/isolation mechanisms or techniques.
- 5476
- 5477        Level(s): 3
- 5478
- 5479        Related Controls: SR-3(3)
- 5480
- 5481        (14) *BOUNDARY PROTECTION | PROTECT AGAINST UNAUTHORIZED PHYSICAL CONNECTIONS*
- 5482        Supplemental C-SCRM Guidance: This control is relevant to C-SCRM as it applies to external service  
5483        providers.
- 5484
- 5485        Level(s): 2,3

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Related Controls: SR-3(3)

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**(19) BOUNDARY PROTECTION | BLOCKS COMMUNICATION FROM NON-ORGANIZATIONALLY  
CONFIGURED HOSTS**

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5492  
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Supplemental C-SCRM Guidance: This control is relevant to C-SCRM as it applies to external service providers.

Level(s): 3

5494 **SC-8 TRANSMISSION CONFIDENTIALITY AND INTEGRITY**

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Supplemental C-SCRM Guidance: Requirements for transmission confidentiality and integrity should be integrated into agreements with suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers. Acquirers, suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers may repurpose existing security mechanisms (e.g., authentication, authorization, or encryption) to achieve enterprise confidentiality and integrity requirements. The degree of protection should be based on the sensitivity of information to be transmitted and the relationship between the enterprise and the suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers. Enterprises should require its prime contractors to implement this control and flow down this requirement to relevant sub-tier contractors.

Level(s): 2, 3

5507 **SC-18 MOBILE CODE**

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Supplemental C-SCRM Guidance: The enterprise should use this control in various applications of mobile code within their information systems and networks. Examples include acquisition processes such as electronic transmission of supply chain information (e.g., email), receipt of software components, logistics information management in RFID, or transport sensors infrastructure.

Level(s): 3

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Control Enhancement(s):

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**(2) MOBILE CODE | ACQUISITION, DEVELOPMENT, AND USE**

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Supplemental C-SCRM Guidance: The enterprise should employ rigorous supply chain protection techniques in the acquisition, development, and use of mobile code to be deployed in the information system. Examples include ensuring that mobile code originates from vetted sources when acquired, that vetted system integrators are used for the development of custom mobile code or prior to installing, and that verification processes are in place for acceptance criteria prior to install in order to verify the source and integrity of code. Note that mobile code can be both code for the underlying information systems and networks (e.g., RFID device applications) or for information systems/components.

Level(s): 3

5526 **SC-27 PLATFORM-INDEPENDENT APPLICATIONS**

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Supplemental C-SCRM Guidance: The use of trusted platform-independent applications is essential to C-SCRM. Platform-independent applications' enhanced portability enables enterprises to switch external service providers more readily in the event that one becomes compromised, thereby reducing vendor-dependent cybersecurity risk in the supply chain. This is especially relevant for critical applications on which multiple systems may rely.

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Level(s): 2, 3

5534 **SC-28 PROTECTION OF INFORMATION AT REST**

5535 Supplemental C-SCRM Guidance: The enterprise should include provisions for protection of information at rest into their agreements with suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers. The enterprise should also ensure that they provide appropriate protections within the information systems and networks for data at rest for the suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers information, such as source code, testing data, blueprints, and intellectual property information. This control should be applied throughout the SDLC including during requirements, development, manufacturing, test, inventory management, maintenance, and disposal. Enterprises should require its prime contractors to implement this control and flow down this requirement to relevant sub-tier contractors.

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Level(s): 2, 3

Related Controls: SR-3(3)

5548 **SC-29 HETEROGENEITY**

5549 Supplemental C-SCRM Guidance: Heterogeneity techniques include use of different operating systems, virtualization techniques, and multiple sources of supply. Multiple sources of supply can improve component availability and reduce the impact of a supply chain cybersecurity compromise. In case of a supply chain cybersecurity compromise, an alternative source of supply will allow the enterprises to more rapidly switch to an alternative system/component which may not be affected by the compromise. Also, heterogeneous components decrease the attack surface by limiting the impact to the subset of the infrastructure that is using vulnerable components.

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Level(s): 2, 3

5558 **SC-30 CONCEALMENT AND MISDIRECTION**

5559 Supplemental C-SCRM Guidance: Concealment and misdirection techniques for C-SCRM include the establishment of random resupply times, concealment of location, random change of fake location used, and random change/shifting of information storage into alternate servers/storage mechanisms.

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Level(s): 2, 3

Control Enhancement(s):

5566 **(2) CONCEALMENT AND MISDIRECTION | RANDOMNESS**

5567 Supplemental C-SCRM Guidance: Supply chain processes are necessarily structured with predictable, measurable, and repeatable processes for the purpose of efficiency and cost reduction. This opens up the opportunity for potential breach. In order to protect against compromise, the enterprise should employ techniques to introduce randomness into enterprise operations and assets in the enterprise's systems or networks (e.g., randomly switching among several delivery enterprises or routes, or changing the time and date of receiving supplier software updates if previously predictably scheduled).

5574

Level(s): 2, 3

5575 **(3) CONCEALMENT AND MISDIRECTION | CHANGE PROCESSING AND STORAGE LOCATIONS**

5576 Supplemental C-SCRM Guidance: Changes in processing or storage locations can be used to protect downloads, deliveries, or associated supply chain metadata. The enterprise may leverage such

5578 techniques within the enterprises' information systems and networks to create uncertainty into the  
5579 activities targeted by adversaries. Establishing a few process changes and randomizing the use of them,  
5580 whether it is for receiving, acceptance testing, storage, or other supply chain activities, can aid in  
5581 reducing the likelihood of a supply chain event.

5582  
5583 Level(s): 2, 3

5584 **(4) CONCEALMENT AND MISDIRECTION | MISLEADING INFORMATION**

5585 Supplemental C-SCRM Guidance: The enterprise can convey misleading information as part of  
5586 concealment and misdirection efforts to protect the information system being developed and the  
5587 enterprise's systems and networks. Examples of such efforts in security include honeynets or  
5588 virtualized environments. Implementations can be leveraged in conveying misleading information.  
5589 These may be considered advanced techniques requiring experienced resources to effectively  
5590 implement them. If an enterprise decides to use honeypots, it should be done in concert with legal  
5591 counsel or following the enterprise's policies.

5592  
5593 Level(s): 2, 3

5594 **(5) CONCEALMENT AND MISDIRECTION | CONCEALMENT OF SYSTEM COMPONENTS**

5595 Supplemental C-SCRM Guidance: The enterprise may employ various concealment and misdirection  
5596 techniques to protect information about the information system being developed and the enterprise's  
5597 information systems and networks. For example, delivery of critical components to a central or trusted  
5598 third-party depot can be used to conceal or misdirect any information regarding the component use or  
5599 the enterprise using the component. Separating components from their associated information into  
5600 differing physical and electronic delivery channels and obfuscating the information through various  
5601 techniques can be used to conceal information and reduce the opportunity for potential loss of  
5602 confidentiality of the component or its use, condition, and other attributes.

5603  
5604 Level(s): 2, 3

5605 **SC-36 DISTRIBUTED PROCESSING AND STORAGE**

5606 Supplemental C-SCRM Guidance: Processing and storage can be distributed both across the enterprise's  
5607 systems and networks and across the SDLC. The enterprise should ensure that these techniques are applied  
5608 in both contexts. The following activities can use distributed processing and storage: development,  
5609 manufacturing, configuration management, test, maintenance, and operations. This control applies to the  
5610 entity responsible for processing and storage functions or related infrastructure, to include federal agencies  
5611 and contractors. As such this controls applies to the federal agency and applicable supplier information  
5612 systems and networks. Enterprises should require its prime contractors to implement this control and flow  
5613 down this requirement to relevant sub-tier contractors.

5614  
5615 Level(s): 2, 3

5616  
5617 Related Controls: SR-3(3)

5618 **SC-37 OUT-OF-BAND CHANNELS**

5619 Supplemental C-SCRM Guidance: C-SCRM-specific supplemental guidance is provided in control  
5620 enhancement SC-37 (1).

5621  
5622 Control Enhancement(s):

5623 **(1) OUT-OF-BAND CHANNELS | ENSURE DELIVERY AND TRANSMISSION**

5624            Supplemental C-SCRM Guidance: The enterprise should employ security safeguards to ensure that  
5625            only specific individuals or information systems receive the information about the information system  
5626            or its development environment and processes. For example, proper credentialing and authorization  
5627            documents should be requested and verified prior to the release of critical components such as custom  
5628            chips, custom software, or information during delivery.

5629  
5630            Level(s): 2, 3

5631    **SC-38 OPERATIONS SECURITY**

5632            Supplemental C-SCRM Guidance: The enterprise should ensure that appropriate supply chain threat and  
5633            vulnerability information is obtained from and provided to the applicable operational security processes.

5634  
5635            Level(s): 2, 3

5636  
5637            Related Control(s): SR-7

5638    **SC-47 ALTERNATE COMMUNICATIONS PATHS**

5639            Supplemental C-SCRM Guidance: If necessary and appropriate, suppliers, developers, system integrators,  
5640            external system service providers, and other ICT/OT-related service providers should be included in the  
5641            alternate communication paths described in this control.

5642  
5643            Level(s): 1, 2, 3

**FAMILY: SYSTEM AND INFORMATION INTEGRITY**

[FIPS 200] specifies the System and Information Integrity minimum security requirement as follows:

*Organizations must: (i) identify, report, and correct information and information system flaws in a timely manner; (ii) provide protection from malicious code at appropriate locations within organizational information systems; and (iii) monitor information system security alerts and advisories and take appropriate actions in response.*

System and information integrity for systems and components traversing the supply chain is critical for managing cybersecurity risk in the supply chain. Insertion of malicious code and counterfeits are two primary examples of cybersecurity risk in the supply chain, both of which can at least partially be addressed by deploying system and information integrity controls. Enterprises should ensure that adequate system and information integrity protections are part of C-SCRM.

**SI-1 POLICY AND PROCEDURES**

Supplemental C-SCRM Guidance: The enterprise should include C-SCRM in system and information integrity policy and procedures, including ensuring that program-specific requirements for employing various integrity verification tools and techniques are clearly defined. System and information integrity for information systems and components and the underlying information systems and networks is critical for managing cybersecurity risk in the supply chain. Insertion of malicious code and counterfeits are two primary examples of cybersecurity risk in the supply chain, both of which can be at least partially addressed by deploying system and information integrity controls.

Level(s): 1, 2, 3

Related Controls: SR-1, 9, 10, 11

**SI-2 FLAW REMEDIATION**

Supplemental C-SCRM Guidance: Output of flaw remediation activities provides useful input into ICT/OT SCRM processes described in Section 2 and Appendix C. Enterprises should require its prime contractors to implement this control and flow down this requirement to relevant sub-tier contractors.

Level(s): 2, 3

Control Enhancement(s):

**(5) FLAW REMEDIATION | AUTOMATIC SOFTWARE AND FIRMWARE UPDATES**

Supplemental C-SCRM Guidance: The enterprise should specify the various software assets within its information systems and networks that require automated updates (both indirect and direct). This specification of assets should be defined from criticality analysis results, which provide information on critical and noncritical functions and components (see Section 2 and Appendix C). A centralized patch management process may be employed for evaluating and managing updates prior to deployment. Those software assets that require direct updates from a supplier should only accept updates

5689 originating directly from the OEM unless specifically deployed by the acquirer, such as with a  
5690 centralized patch management process.

5691  
5692 Level(s): 2

5693 **SI-3 MALICIOUS CODE PROTECTION**

5694 Supplemental C-SCRM Guidance: Because the majority of code operated in federal system is not  
5695 developed by the federal government, malicious code threat often originates from the supply chain. This  
5696 controls applies to the federal agency and contractors with code-related responsibilities (e.g., code-  
5697 development, installing patched, performing system upgrades, etc.) as well as applicable contractor  
5698 information systems and networks. Enterprises should require its prime contractors to implement this  
5699 control and flow down this requirement to relevant sub-tier contractors.

5700  
5701 Level(s): 2, 3

5702  
5703 Related Controls: SA-11; SI-7(15); SI-3(4), (6), (8), and (10); SR-3(3)

5704 **SI-4 SYSTEM MONITORING**

5705 Supplemental C-SCRM Guidance: This control includes monitoring of vulnerabilities resulting from past  
5706 supply chain cybersecurity compromises, such as malicious code implanted during software development  
5707 and set to activate after deployment. System monitoring is frequently performed by external service  
5708 providers. Service-level agreements with these providers should be structured to appropriately reflect this  
5709 control. Enterprises should require its prime contractors to implement this control and flow down this  
5710 requirement to relevant sub-tier contractors.

5711  
5712 Level(s): 1, 2, 3

5713  
5714 Control Enhancement(s):

5715 **(17) SYSTEM MONITORING | INTEGRATED SITUATIONAL AWARENESS**

5716 Supplemental C-SCRM Guidance: System monitoring information may be correlated with that of  
5717 suppliers, developers, system integrators, external system service providers, and other ICT/OT-related  
5718 service providers, if appropriate. The results of correlating monitoring information may point to supply  
5719 chain cybersecurity vulnerabilities that require mitigation or compromises.

5720  
5721 Level(s): 2, 3

5722 **(19) SYSTEM MONITORING | RISK FOR INDIVIDUALS**

5723 Supplemental C-SCRM Guidance: Persons identified as being of higher risk may include enterprise  
5724 employees, contractors, and other third parties (e.g., volunteers, visitors) that may have the need or  
5725 ability to access to an enterprise's system, network, or system environment. In accordance with  
5726 policies and procedures and, if relevant, terms of an agreement, and in coordination with appropriate  
5727 officials, the enterprise may implement enhanced oversight of these higher-risk individuals.

5728  
5729 Level(s): 2, 3

5730 **SI-5 SECURITY ALERTS, ADVISORIES, AND DIRECTIVES**

5731 Supplemental C-SCRM Guidance: The enterprise should evaluate security alerts, advisories, and directives  
5732 for cybersecurity supply chain impact and follow up if needed. U.S. Cert, FASC, and other authoritative  
5733 entities, generate security alerts and advisories that are applicable to C-SCRM. Additional laws and  
5734 regulations will impact who and how additional advisories are provided. Enterprises should ensure their

5735 information sharing protocols and processes include sharing alerts, advisories, and directives with relevant  
5736 parties with whom they have an agreement to deliver products or perform services. Enterprises should  
5737 provide direction or guidance as to what actions are to be taken in response to sharing such an alert,  
5738 advisory, or directive. Enterprises should require its prime contractors to implement this control and flow  
5739 down this requirement to relevant sub-tier contractors.

5740

5741 Level(s): 1, 2, 3

5742 **SI-7 SOFTWARE, FIRMWARE, AND INFORMATION INTEGRITY**

5743 Supplemental C-SCRM Guidance: This control applies to the federal agency and applicable supplier  
5744 products, applications, information systems, and networks. The integrity of all applicable systems and  
5745 networks should be systematically tested and verified to ensure that it remains as required so that the  
5746 systems/components traversing through the supply chain are not impacted by unanticipated changes. The  
5747 integrity of systems and components should also be tested and verified. Applicable verification tools  
5748 include digital signature or checksum verification; acceptance testing for physical components; confining  
5749 software to limited privilege environments such as sandboxes; code execution in contained environments  
5750 prior to use; and ensuring if only binary or machine-executable code is available, that it is obtained directly  
5751 from the OEM or a verified supplier or distributor. Mechanisms for this control are discussed in detail in  
5752 NIST SP 800-53 Rev. 5. This control applies to the federal agency and applicable supplier information  
5753 systems and networks. When purchasing an ICT/OT product, an enterprise should perform due diligence to  
5754 understand what a supplier's integrity assurance practices are. Enterprises should require their prime  
5755 contractors to implement this control and flow down this requirement to relevant sub-tier contractors.

5756

5757 Level(s): 2, 3

5758

5759 Related Controls: SR-3(3)

5760

5761 Control Enhancement(s):

5762 **(14) SOFTWARE, FIRMWARE, AND INFORMATION INTEGRITY | BINARY OR MACHINE EXECUTABLE  
5763 CODE**

5764 Supplemental C-SCRM Guidance: The enterprise should obtain binary or machine-executable code  
5765 directly from the OEM/developer or other verified source.

5766

5767 Level(s): 2, 3

5768 **(15) SOFTWARE, FIRMWARE, AND INFORMATION INTEGRITY | CODE AUTHENTICATION**

5769 Supplemental C-SCRM Guidance: The enterprise should ensure that code authentication mechanisms  
5770 such as digital signatures are implemented to assure the integrity of software, firmware, and  
5771 information.

5772 Level(s): 3

5773 **SI-12 INFORMATION MANAGEMENT AND RETENTION**

5774 Supplemental C-SCRM Guidance: C-SCRM should be included in information management and retention  
5775 requirements, especially when system integrator, supplier, and external service provider sensitive and  
5776 proprietary information is concerned.

5777

5778 Level(s): 3

5779 **SI-20 TAINTING**

5780        Supplemental C-SCRM Guidance: Suppliers, developers, system integrators, external system service  
5781        providers, and other ICT/OT-related service providers may have access to federal agency sensitive  
5782        information. In this instance, enterprises should require its prime contractors to implement this control and  
5783        flow down this requirement to relevant sub-tier contractors.

5784  
5785        Level(s): 2, 3

5786  
5787        Related Controls: SR-9

**5788 FAMILY: SUPPLY CHAIN RISK MANAGEMENT**

5789

5790 [FIPS 200] does not specify Supply Chain Risk Management minimum security requirements.  
5791 [NIST SP 800-53 Rev. 5] established a new control family: Supply Chain Risk Management.  
5792 Supplemental guidance below expands upon the SR controls and provides further information  
5793 and context for their application. This is a new family in SP 800-53 Revision 5. A large amount  
5794 of the guidance is already in SP 800-53 Revision 5. This SP (800-161 R1) includes all SR  
5795 control enhancements from SP 800-53 Revision 5 below. The following SR controls and control  
5796 enhancements have been added to NIST SP 800-53 Rev5: [SR-13]. Readers should consult  
5797 NIST SP 800-53 Rev5 SR controls together with the controls in this section.  
5798

**5799 SR-1 POLICY AND PROCEDURES**

5800 Supplemental C-SCRM Guidance: C-SCRM policies is developed at Level 1 for the overall enterprise and  
5801 at Level 2 for specific missions and functions. C-SCRM policies can be implemented at Levels 1, 2, and 3,  
5802 depending on the level of depth and detail. C-SCRM procedures are developed at Level 2 for specific  
5803 missions and functions and at Level 3 for specific systems. Enterprise functions including but not limited to  
5804 information security, legal, risk management, and acquisition should review and concur on the  
5805 development of C-SCRM policies and procedures or provide guidance to system owners for developing  
5806 system-specific C-SCRM procedures.

5807       Level(s): 1, 2, 3  
5808

**5809 SR-2 SUPPLY CHAIN RISK MANAGEMENT PLAN**

5810 Supplemental C-SCRM Guidance: C-SCRM plans describes implementations, requirements, constraints,  
5811 and implications at the system level. C-SCRM plans are influenced by the enterprise's other risk assessment  
5812 activities and may inherit, and tailor common control baselines defined at Level 1 and 2. C-SCRM plans  
5813 defined at Level 3 works in collaboration with the enterprise's C-SCRM Strategy and Policies (Levels 1 &  
5814 2), and the C-SCRM Implementation Plan (Levels 1 & 2) to provide a systematic and holistic approach for  
5815 cybersecurity supply chain risk management across the enterprise.

5816 C-SCRM plans should be developed as a standalone document and only integrated in existing system  
5817 security plans if enterprise constraints require it.

5818       Level(s): 3  
5819

5820       Related Controls: PL-2  
5821

**5822 SR-3 SUPPLY CHAIN CONTROLS AND PROCESSES**

5823 Supplemental C-SCRM Guidance: Section 2 and Appendix C of this document provide detailed guidance  
5824 on implementing this control.

5825       Level(s): 1, 2, 3  
5826

5827       Control Enhancement(s):

5828       (1) *SUPPLY CHAIN CONTROLS AND PROCESSES | DIVERSE SUPPLY BASE*

5829        Supplemental C-SCRM Guidance: Enterprises should diversify their supply base, especially for critical  
5830        ICT/OT products and services. As a part of this exercise, the enterprise should attempt to identify  
5831        single points of failure and risk among primes and lower-level entities in the supply chain. Criticality  
5832        analysis as described in NISTIR 8272, *Impact Analysis Tool for Interdependent Cyber Supply Chain*  
5833        *Risks* can help determine which suppliers are critical. See Section 2, Appendix C, and RA-9 for  
5834        guidance on conducting criticality analysis.

5835        Level(s): 2, 3

5837        Related Controls: RA-9

5838

5839        **(3) SUPPLY CHAIN CONTROLS AND PROCESSES | SUB-TIER FLOWDOWN**

5840        Supplemental C-SCRM Guidance: Enterprises should require its prime contractors to implement this  
5841        control and flow down this requirement to relevant sub-tier contractors throughout the SDLC. The use  
5842        of the acquisition process provides an important vehicle to protect the supply chain. Enterprise should  
5843        include as part of procurement requirements the need for suppliers to flow down controls to  
5844        subcontractors throughout the SDLC. As part of market research and analysis activities, enterprise  
5845        should conduct robust due diligence research on potential suppliers or products as well as their  
5846        upstream dependencies (e.g., 4th and 5th party suppliers), which can help enterprises avoid single  
5847        points of failure within their supply chains. The results of this research can be helpful in shaping the  
5848        sourcing approach and refining requirements. Then, during the solicitation and contract award phase,  
5849        an evaluation of the cybersecurity risk in the supply chain associated with a supplier, product, or  
5850        service should be completed prior to the contract award decision to ensure the holistic risk profile is  
5851        well understood and serves as a weighted factor in award decisions. During the period of performance,  
5852        suppliers should be monitored for conformance to the defined controls and requirements, as well as  
5853        changes in risk conditions. See Section 3 for guidance on the Role of C-SCRM in the Acquisition  
5854        Process.

5855

5856        Level(s): 2, 3

5857

5858        **SR-4 PROVENANCE**

5859        Supplemental C-SCRM Guidance: Provenance should be applied to systems, system components, and  
5860        associated data throughout the SDLC. Wherever possible and applicable, enterprises should mandate that  
5861        SBOMs are produced for all classes of software including purchased software, open source software, and  
5862        in-house software. SBOMs can play a critical role in enabling organizations to maintain provenance. Refer  
5863        to Appendix F for additional guidance on security for critical software.

5864

5865        Level(s): 2, 3

5866

5867        **SR-5 ACQUISITION STRATEGIES, TOOLS, AND METHODS**

5868        Supplemental C-SCRM Guidance: Section 3 and SA controls provide additional guidance on acquisition  
5869        strategies, tools, and methods.

5870

5871        Level(s): 1, 2, 3

5872

5873        Related Controls: SA Control Family

5875 **SR-6 SUPPLIER ASSESSMENTS AND REVIEWS**

5876        Supplemental C-SCRM Guidance: In general, an enterprise should consider any information pertinent to  
5877        the security, integrity, resilience, quality, trustworthiness, or authenticity of the supplier, or their provided  
5878        services or products. Enterprises should consider applying this information against a consistent set of core  
5879        baseline factors and assessment criteria to facilitate equitable comparison (between suppliers as well as  
5880        over time). Depending upon the specific context and purpose for which the assessment is being conducting,  
5881        the enterprise may select additional factors. The quality of information (e.g., its relevance, completeness,  
5882        accuracy, etc.) relied upon for an assessment is also an important consideration. Reference sources for  
5883        assessment information should also be documented. The C-SCRM PMO can help define requirements,  
5884        methods, and tools for enterprise's supplier assessments.

5885  
5886        Level(s): 2, 3  
5887

5888 **SR-7 SUPPLY CHAIN OPERATIONS SECURITY**

5889        Supplemental C-SCRM Guidance: C-SCRM PMO can help determine OPSEC controls that apply to  
5890        specific missions and functions. OPSEC controls are particularly important when there is specific concern  
5891        about an adversarial threat from or to the enterprise's supply chain or an element within the supply chain or  
5892        the nature of the enterprise's mission or business operations, its information, and/or its service/product  
5893        offerings may make it a more attractive target of an adversarial threat.

5894  
5895        Level(s): 2, 3  
5896

5897 **SR-8 NOTIFICATION AGREEMENTS**

5898        Supplemental C-SCRM Guidance: Enterprises should require their suppliers, minimally, have established  
5899        notification agreements with those entities within their supply chain that have a role or responsibility  
5900        related to that critical service or product.

5901        Level(s): 2, 3  
5902  
5903        Related Controls: RA-9  
5904

5905 **SR-9 TAMPER RESISTANCE AND DETECTION**

5906        Supplemental C-SCRM Guidance: Enterprises should apply tamper resistance and detection control to  
5907        critical components, at a minimum. Criticality analysis can help determine which components are critical.  
5908        See Section 2, Appendix C, and RA-9 for guidance on conducting criticality analysis. C-SCRM PMO can  
5909        help identify critical components, especially those that are used by multiple missions, functions, and  
5910        systems within an enterprise.

5911        Level(s): 2, 3  
5912  
5913        Related Controls: RA-9  
5914

5915 **SR-10 INSPECTION OF SYSTEMS OR COMPONENTS**

5916        Supplemental C-SCRM Guidance: Enterprises should inspect critical systems and components, at a  
5917        minimum, for assurance that tamper resistance controls are in place and to examine whether there is  
5918        evidence of tampering. Products or components should be inspected prior to use and periodically thereafter.  
5919        Inspection requirements should also be included in contracts with suppliers, developers, system integrators,  
5920        external system service providers, and other ICT/OT-related service providers. Enterprises should require  
5921        its prime contractors to implement this control and flow down this requirement to relevant sub-tier  
5922        contractors and flow down to subcontractors, when relevant.

5923        Criticality analysis can help determine which systems and components are critical and should therefore be  
5924        subjected to inspection. See Section 2, Appendix C, and RA-9 for guidance on conducting criticality  
5925        analysis. C-SCRM PMO can help identify critical systems and components, especially those that are used  
5926        by multiple missions, functions, and systems (for components) within an enterprise.

5927        Level(s): 2, 3

5929        Related Controls: RA-9

5930

## 5931      **SR-11 COMPONENT AUTHENTICITY**

5932        Supplemental C-SCRM Guidance: Development of anti-counterfeit policy and procedures requires input  
5933        from and coordination with acquisition, Information Technology, IT Security, legal, and the C-SCRM  
5934        PMO. The policy and procedures should address regulatory compliance requirements, contract  
5935        requirements/clauses as well as counterfeit reporting processes to enterprises such as GIDEP and/or other  
5936        appropriate enterprises.

5937        Level(s): 1, 2, 3

5938

5939        Control Enhancement(s):

5940        **(1) COMPONENT AUTHENTICITY | ANTI-COUNTERFEIT TRAINING**

5941        Supplemental C-SCRM Guidance: C-SCRM PMO can assist in identifying resources that can provide  
5942        anti-counterfeit training and/or may be able to conduct such training for the enterprise. The C-SCRM  
5943        PMO can also assist in identifying which personnel should receive the training.

5944

5945        Level(s): 2, 3

5946

5947        **(2) COMPONENT AUTHENTICITY | CONFIGURATION CONTROL FOR COMPONENT SERVICE AND REPAIR**

5948        Supplemental C-SCRM Guidance: Information Technology, IT Security, or the C-SCRM PMO should  
5949        be responsible for establishing and implementing configuration control processes for component  
5950        service and repair, to include, if applicable, integrating component service and repair into the overall  
5951        enterprise configuration control processes. Component authenticity should be addressed in contracts  
5952        when procuring component servicing and repair support.

5953

5954        Level(s): 2, 3

5955

5956        **(3) COMPONENT AUTHENTICITY | ANTI-COUNTERFEIT SCANNING**

5957        Supplemental C-SCRM Guidance: Enterprises should conduct anti-counterfeit scanning for critical  
5958        components, at a minimum. Criticality analysis can help determine which components are critical and  
5959        should be subjected to this scanning. See Section 2, Appendix C, and RA-9 for guidance on conducting  
5960        criticality analysis. C-SCRM PMO can help identify critical components, especially those used by  
5961        multiple missions, functions, and systems within an enterprise.

5963           Level(s): 2, 3

5964           Related Controls: RA-9

5965

5966   **SR-12 COMPONENT DISPOSAL**

5967           Supplemental C-SCRM Guidance: IT Security, in coordination with the C-SCRM PMO, can help establish  
5968 appropriate component disposal policies, procedures, mechanisms, and techniques.

5969           Level(s): 2, 3

5970

5971   **SR-13 SUPPLIER INVENTORY (NEW)**

5972           Control:

- a. Develop, document, and maintain an accurate and complete inventory of suppliers that present  
5974 cybersecurity risk in the supply chain. This inventory should:
  1. Document enterprise suppliers;
  2. Identify whether the supplier provides a product and/or service;
  3. For each supplier, indicate which programs, projects, and systems are using supplier products and  
5978 services;
  4. For each supplier, assign criticality level to each supplier enterprise that aligns to the criticality of  
5980 the program, project and/or system (or component of system).
- b. Review and update supplier inventory [*Assignment: enterprise-defined frequency*].

5982           Supplemental C-SCRM Guidance: Enterprises rely on numerous suppliers to execute their missions and  
5983 functions. Many suppliers provide products and services in support of multiple missions, functions,  
5984 programs, projects, and systems. Some suppliers are more critical than others, based on the criticality of  
5985 missions, functions, programs, projects, systems that their products and services support, as well as the  
5986 enterprise's level of dependency on the supplier. Enterprises should use criticality analysis to help  
5987 determine which products and services are critical to determine criticality of suppliers to be documented in  
5988 the supplier inventory. See Section 2, Appendix C, and RA-9 for guidance on conducting criticality  
5989 analysis.

5990           Level(s): 2, 3

5991

5992           Related Controls: RA-9

5993

5994  
5995

5996 **APPENDIX B: C-SCRM CONTROL SUMMARY**

5997 This appendix lists the C-SCRM controls in this publication and maps them to their  
 5998 corresponding [NIST SP 800-53 Rev. 5] controls as appropriate. Table B-1 indicates those  
 5999 controls that are defined in [NIST SP 800-53 Rev. 5] Low baseline requirements and are deemed  
 6000 to be C-SCRM relevant. Some C-SCRM controls were added to this baseline to form the C-  
 6001 SCRM Baseline. Additionally, controls that should flow down from prime contractors to their  
 6002 relevant sub-tier contractors are listed as Flow Down Controls. Given that C-SCRM is an  
 6003 enterprise-wide activity that requires selection and implementation of controls at the enterprise,  
 6004 mission/business, and operational levels (Levels 1, 2, and 3 of the enterprise according to [NIST  
 6005 SP 800-39], Table B-1 indicates the enterprise levels in which the controls should be  
 6006 implemented. C-SCRM controls and control enhancements not in [NIST SP 800-53 Rev. 5] are  
 6007 noted with an asterisk next to the control identifier, viz., MA-8 and SR-13.

6008  
6009 **Table B-1: C-SCRM Control Summary**

<b>Control Identifier</b>	<b>Control (or Control Enhancement) Name</b>	<b>C-SCRM Baseline</b>	<b>Flow Down Control</b>	<b>Levels</b>		
				<b>1</b>	<b>2</b>	<b>3</b>
<b>AC-1</b>	<b>Policy and Procedures</b>	x	x	x	x	x
<b>AC-2</b>	<b>Account Management</b>	x	x		x	x
<b>AC-3</b>	<b>Access Enforcement</b>	x	x		x	x
AC-3(8)	<i>Access Enforcement   Revocation of Access Authorizations</i>				x	x
AC-3(9)	<i>Access Enforcement   Controlled Release</i>				x	x
<b>AC-4</b>	<b>Information Flow Enforcement</b>		x		x	x
AC-4(6)	<i>Information Flow Enforcement   Metadata</i>				x	x
AC-4(17)	<i>Information Flow Enforcement   Domain Authentication</i>				x	x
AC-4(19)	<i>Information Flow Enforcement   Validation of Metadata</i>				x	x
AC-4(21)	<i>Information Flow Enforcement   Physical or Logical Separation of Information Flows</i>					x
<b>AC-5</b>	<b>Separation of Duties</b>		x		x	x
AC-6(6)	<i>Least Privilege   Privileged Access by Non-organizational Users</i>				x	x
<b>AC-17</b>	<b>Remote Access</b>	x	x		x	x
AC-17(6)	<i>Remote Access   Protection of Mechanism Information</i>				x	x
<b>AC-18</b>	<b>Wireless Access</b>	x			x	x
<b>AC-19</b>	<b>Access Control for Mobile Devices</b>	x			x	x
<b>AC-20</b>	<b>Use of External Systems</b>	x	x	x	x	x
AC-20(1)	<i>Use of External Systems   Limits on Authorized Use</i>				x	x
AC-20(3)	<i>Use of External Systems   Non-organizationally Owned Systems — Restricted Use</i>				x	x
<b>AC-21</b>	<b>Information Sharing</b>			x	x	
<b>AC-22</b>	<b>Publicly Accessible Content</b>	x			x	x
<b>AC-23</b>	<b>Data Mining Protection</b>		x		x	x
<b>AC-24</b>	<b>Access Control Decisions</b>		x	x	x	x
<b>AT-1</b>	<b>Policy and Procedures</b>	x		x	x	
AT-2(1)	<i>Literacy Training and Awareness   Practical Exercises</i>				x	
AT-2(2)	<i>Literacy Training and Awareness   Insider Threat</i>	x	x		x	

AT-2(3)	<i>Literacy Training and Awareness   Social Engineering and Mining</i>			x	
AT-2(4)	<i>Literacy Training and Awareness   Suspicious Communications and Anomalous System Behavior</i>			x	
AT-2(5)	<i>Literacy Training and Awareness   Advanced Persistent Threat</i>			x	
AT-2(6)	<i>Literacy Training and Awareness   Cyber Threat Environment</i>			x	
<b>AT-3</b>	<b>Role-based Training</b>	x	x	x	
AT-3(2)	<i>Role-based Training   Physical Security Controls</i>			x	
<b>AT-4</b>	<b>Training Records</b>	x		x	
<b>AU-1</b>	<b>Policy and Procedures</b>	x		x	x
<b>AU-2</b>	<b>Event Logging</b>	x	x	x	x
<b>AU-3</b>	<b>Content of Audit Records</b>	x	x	x	x
<b>AU-6</b>	<b>Audit Record Review, Analysis, and Reporting</b>	x		x	x
AU-6(9)	<i>Audit Record Review, Analysis, and Reporting   Correlation with Information from Nontechnical Sources</i>				x
<b>AU-10</b>	<b>Non-repudiation</b>				x
AU-10(1)	<i>Non-repudiation   Association of Identities</i>			x	
AU-10(2)	<i>Non-repudiation   Validate Binding of Information Producer Identity</i>			x	x
AU-10(3)	<i>Non-repudiation   Chain of Custody</i>			x	x
<b>AU-12</b>	<b>Audit Record Generation</b>	x	x	x	x
<b>AU-13</b>	<b>Monitoring for Information Disclosure</b>		x	x	x
<b>AU-14</b>	<b>Session Audit</b>		x	x	x
<b>AU-16</b>	<b>Cross-organizational Audit Logging</b>			x	x
AU-16(2)	<i>Cross-organizational Audit Logging   Sharing of Audit Information</i>		x	x	x
<b>CA-1</b>	<b>Policy and Procedures</b>	x		x	x
<b>CA-2</b>	<b>Control Assessments</b>	x		x	x
CA-2(2)	<i>Control Assessments   Specialized Assessments</i>				x
CA-2(3)	<i>Control Assessments   Leveraging Results from External Organizations</i>				x
<b>CA-3</b>	<b>Information Exchange</b>	x	x		x
<b>CA-5</b>	<b>Plan of Action and Milestones</b>	x		x	x
<b>CA-6</b>	<b>Authorization</b>	x		x	x
CA-7(3)	<i>Continuous Monitoring   Trend Analyses</i>				x
<b>CM-1</b>	<b>Policy and Procedures</b>	x		x	x
<b>CM-2</b>	<b>Baseline Configuration</b>	x	x	x	x
CM-2(6)	<i>Baseline Configuration   Development and Test Environments</i>			x	x
<b>CM-3</b>	<b>Configuration Change Control</b>		x	x	x
CM-3(1)	<i>Configuration Change Control   Automated Documentation, Notification, and Prohibition of Changes</i>			x	x
CM-3(2)	<i>Configuration Change Control   Testing, Validation, and Documentation of Changes</i>			x	x
CM-3(4)	<i>Configuration Change Control   Security and Privacy Representatives</i>			x	x
CM-3(8)	<i>Configuration Change Control   Prevent or Restrict Configuration Changes</i>			x	x
<b>CM-4</b>	<b>Impact Analyses</b>	x			x
CM-4(1)	<i>Impact Analyses   Separate Test Environments</i>				x

<b>CM-5</b>	<b>Access Restrictions for Change</b>	X			X	X
CM-5(1)	<i>Access Restrictions for Change   Automated Access Enforcement and Audit Records</i>					X
CM-5(6)	<i>Access Restrictions for Change   Limit Library Privileges</i>					X
<b>CM-6</b>	<b>Configuration Settings</b>	X	X		X	X
CM-6(1)	<i>Configuration Settings   Automated Management, Application, and Verification</i>					X
CM-6(2)	<i>Configuration Settings   Respond to Unauthorized Changes</i>					X
<b>CM-7</b>	<b>Least Functionality</b>	X	X			X
CM-7(1)	<i>Least Functionality   Periodic Review</i>				X	X
CM-7(4)	<i>Least Functionality   Unauthorized Software</i>				X	X
CM-7(5)	<i>Least Functionality   Authorized Software</i>					X
CM-7(6)	<i>Least Functionality   Confined Environments with Limited Privileges</i>				X	X
CM-7(7)	<i>Least Functionality   Code Execution in Protected Environments</i>					X
CM-7(8)	<i>Least Functionality   Binary or Machine Executable Code</i>				X	X
CM-7(9)	<i>Least Functionality   Prohibiting the Use of Unauthorized Hardware</i>				X	X
<b>CM-8</b>	<b>System Component Inventory</b>	X	X		X	X
CM-8(1)	<i>System Component Inventory   Updates During Installation and Removal</i>					X
CM-8(2)	<i>System Component Inventory   Automated Maintenance</i>					X
CM-8(4)	<i>System Component Inventory   Accountability Information</i>					X
CM-8(6)	<i>System Component Inventory   Assessed Configurations and Approved Deviations</i>					X
CM-8(7)	<i>System Component Inventory   Centralized Repository</i>					X
CM-8(8)	<i>System Component Inventory   Automated Location Tracking</i>				X	X
CM-8(9)	<i>System Component Inventory   Assignment of Components to Systems</i>					X
<b>CM-9</b>	<b>Configuration Management Plan</b>		X		X	X
CM-9(1)	<i>Configuration Management Plan   Assignment of Responsibility</i>				X	X
<b>CM-10</b>	<b>Software Usage Restrictions</b>	X			X	X
CM-10(1)	<i>Software Usage Restrictions   Open source Software</i>				X	X
<b>CM-11</b>	<b>User-installed Software</b>	X			X	X
<b>CM-12</b>	<b>Information Location</b>				X	X
CM-12(1)	<i>Information Location   Automated Tools to Support Information Location</i>				X	X
<b>CM-13</b>	<b>Data Action Mapping</b>				X	X
<b>CM-14</b>	<b>Signed Components</b>					X
<b>CP-1</b>	<b>Policy and Procedures</b>	X		X	X	X
<b>CP-2</b>	<b>Contingency Plan</b>	X			X	X
CP-2(1)	<i>Contingency Plan   Coordinate with Related Plans</i>				X	X
CP-2(2)	<i>Contingency Plan   Capacity Planning</i>				X	X
CP-2(7)	<i>Contingency Plan   Coordinate with External Service Providers</i>		X			X
CP-2(8)	<i>Contingency Plan   Identify Critical Assets</i>					X

<b>CP-3</b>	<b>Contingency Training</b>	x	x	x	x
CP-3(1)	<i>Contingency Training   Simulated Events</i>			x	x
<b>CP-4</b>	<b>Contingency Plan Testing</b>	x		x	x
<b>CP-6</b>	<b>Alternate Storage Site</b>			x	x
CP-6(1)	<i>Alternate Storage Site   Separation from Primary Site</i>			x	x
<b>CP-7</b>	<b>Alternate Processing Site</b>			x	x
<b>CP-8</b>	<b>Telecommunications Services</b>			x	x
CP-8(3)	<i>Telecommunications Services   Separation of Primary and Alternate Providers</i>			x	x
CP-8(4)	<i>Telecommunications Services   Provider Contingency Plan</i>			x	x
<b>CP-11</b>	<b>Alternate Communications Protocols</b>			x	x
<b>IA-1</b>	<b>Policy and Procedures</b>	x		x	x
<b>IA-2</b>	<b>Identification and Authentication (organizational Users)</b>	x	x	x	x
<b>IA-3</b>	<b>Device Identification and Authentication</b>			x	x
<b>IA-4</b>	<b>Identifier Management</b>	x	x	x	x
IA-4(6)	<i>Identifier Management   Cross-organization Management</i>			x	x
<b>IA-5</b>	<b>Authenticator Management</b>	x	x	x	x
IA-5(5)	<i>Authenticator Management   Change Authenticators Prior to Delivery</i>				x
IA-5(9)	<i>Authenticator Management   Federated Credential Management</i>				x
<b>IA-8</b>	<b>Identification and Authentication (non-organizational Users)</b>	x		x	x
<b>IA-9</b>	<b>Service Identification and Authentication</b>		x	x	x
<b>IR-1</b>	<b>Policy and Procedures</b>	x	x	x	x
<b>IR-2</b>	<b>Incident Response Training</b>	x	x	x	x
<b>IR-3</b>	<b>Incident Response Testing</b>			x	x
IR-4(6)	<i>Incident Handling   Insider Threats</i>			x	x
IR-4(7)	<i>Incident Handling   Insider Threats — Intra-organization Coordination</i>			x	x
IR-4(10)	<i>Incident Handling   Supply Chain Coordination</i>		x	x	
IR-4(11)	<i>Incident Handling   Integrated Incident Response Team</i>				x
<b>IR-5</b>	<b>Incident Monitoring</b>	x		x	x
IR-6(3)	<i>Incident Reporting   Supply Chain Coordination</i>		x		x
IR-7(2)	<i>Incident Response Assistance   Coordination with External Providers</i>		x		x
<b>IR-8</b>	<b>Incident Response Plan</b>	x	x	x	x
<b>IR-9</b>	<b>Information Spillage Response</b>		x		x
<b>MA-1</b>	<b>Policy and Procedures</b>	x	x	x	x
MA-2(2)	<i>Controlled Maintenance   Automated Maintenance Activities</i>				x
<b>MA-3</b>	<b>Maintenance Tools</b>			x	x
MA-3(1)	<i>Maintenance Tools   Inspect Tools</i>				x
MA-3(2)	<i>Maintenance Tools   Inspect Media</i>				x
MA-3(3)	<i>Maintenance Tools   Prevent Unauthorized Removal</i>				x
<b>MA-4</b>	<b>Nonlocal Maintenance</b>	x	x	x	x
MA-4(3)	<i>Nonlocal Maintenance   Comparable Security and Sanitization</i>			x	x
<b>MA-5</b>	<b>Maintenance Personnel</b>	x		x	x

<b>MA-5(4)</b>	<i>Maintenance Personnel   Foreign Nationals</i>		X	X	X
<b>MA-6</b>	<b>Timely Maintenance</b>				X
<b>MA-7</b>	<b>Field Maintenance</b>				X
<b>MA-8</b>	<b>Maintenance Monitoring and Information Sharing</b>				X
<b>MP-1</b>	<b>Policy and Procedures</b>	X		X	X
<b>MP-4</b>	<b>Media Storage</b>		X	X	X
<b>MP-5</b>	<b>Media Transport</b>			X	X
<b>MP-6</b>	<b>Media Sanitization</b>	X	X	X	X
<b>PE-1</b>	<b>Policy and Procedures</b>	X		X	X
<b>PE-2</b>	<b>Physical Access Authorizations</b>	X	X	X	X
<b>PE-2(1)</b>	<i>Physical Access Authorizations   Access by Position or Role</i>			X	X
<b>PE-3</b>	<b>Physical Access Control</b>	X		X	X
<b>PE-3(1)</b>	<i>Physical Access Control   System Access</i>			X	X
<b>PE-3(2)</b>	<i>Physical Access Control   Facility and Systems</i>			X	X
<b>PE-3(5)</b>	<i>Physical Access Control   Tamper Protection</i>			X	X
<b>PE-6</b>	<b>Monitoring Physical Access</b>	X		X	X
<b>PE-16</b>	<b>Delivery and Removal</b>	X			X
<b>PE-17</b>	<b>Alternate Work Site</b>				X
<b>PE-18</b>	<b>Location of System Components</b>			X	X
<b>PE-20</b>	<b>Asset Monitoring and Tracking</b>			X	X
<b>PE-23</b>	<b>Facility Location</b>		X	X	X
<b>PL-1</b>	<b>Policy and Procedures</b>	X		X	
<b>PL-2</b>	<b>System Security and Privacy Plans</b>	X	X		X
<b>PL-4</b>	<b>Rules of Behavior</b>	X		X	X
<b>PL-7</b>	<b>Concept of Operations</b>				X
<b>PL-8</b>	<b>Security and Privacy Architectures</b>			X	X
<b>PL-8(2)</b>	<i>Security and Privacy Architectures   Supplier Diversity</i>			X	X
<b>PL-9</b>	<b>Central Management</b>			X	X
<b>PL-10</b>	<b>Baseline Selection</b>	X		X	X
<b>PM-2</b>	<b>Information Security Program Leadership Role</b>			X	X
<b>PM-3</b>	<b>Information Security and Privacy Resources</b>			X	X
<b>PM-4</b>	<b>Plan of Action and Milestones Process</b>			X	X
<b>PM-5</b>	<b>System Inventory</b>		X	X	X
<b>PM-6</b>	<b>Measures of Performance</b>			X	X
<b>PM-7</b>	<b>Enterprise Architecture</b>			X	X
<b>PM-8</b>	<b>Critical Infrastructure Plan</b>			X	
<b>PM-9</b>	<b>Risk Management Strategy</b>			X	
<b>PM-10</b>	<b>Authorization Process</b>			X	X
<b>PM-11</b>	<b>Mission and Business Process Definition</b>			X	X
<b>PM-12</b>	<b>Insider Threat Program</b>			X	X
<b>PM-13</b>	<b>Security and Privacy Workforce</b>			X	X
<b>PM-14</b>	<b>Testing, Training, and Monitoring</b>			X	X
<b>PM-15</b>	<b>Security and Privacy Groups and Associations</b>			X	X
<b>PM-16</b>	<b>Threat Awareness Program</b>			X	X
<b>PM-17</b>	<b>Protecting Controlled Unclassified Information on External Systems</b>				X
<b>PM-18</b>	<b>Privacy Program Plan</b>		X	X	X
<b>PM-19</b>	<b>Privacy Program Leadership Role</b>			X	
<b>PM-20</b>	<b>Dissemination of Privacy Program Information</b>			X	X
<b>PM-21</b>	<b>Accounting of Disclosures</b>			X	X

<b>PM-22</b>	<b>Personally Identifiable Information Quality Management</b>			X	X	
<b>PM-23</b>	<b>Data Governance Body</b>			X		
<b>PM-25</b>	<b>Minimization of Personally Identifiable Information Used in Testing, Training, and Research</b>				X	
<b>PM-26</b>	<b>Complaint Management</b>				X	X
<b>PM-27</b>	<b>Privacy Reporting</b>				X	X
<b>PM-28</b>	<b>Risk Framing</b>			X		
<b>PM-29</b>	<b>Risk Management Program Leadership Roles</b>			X		
<b>PM-30</b>	<b>Supply Chain Risk Management Strategy</b>			X	X	
<b>PM-31</b>	<b>Continuous Monitoring Strategy</b>			X	X	X
<b>PM-32</b>	<b>Purposing</b>				X	X
<b>PS-1</b>	<b>Policy and Procedures</b>	X	X	X	X	X
<b>PS-3</b>	<b>Personnel Screening</b>	X	X	X	X	X
<b>PS-6</b>	<b>Access Agreements</b>	X	X	X	X	X
<b>PS-7</b>	<b>External Personnel Security</b>	X			X	
<b>PT-1</b>	<b>Policy and Procedures</b>		X	X	X	X
<b>RA-1</b>	<b>Policy and Procedures</b>	X		X	X	X
<b>RA-2</b>	<b>Security Categorization</b>	X		X	X	X
<b>RA-3</b>	<b>Risk Assessment</b>	X		X	X	X
<b>RA-5</b>	<b>Vulnerability Monitoring and Scanning</b>	X	X	X	X	X
RA-5(3)	<i>Vulnerability Monitoring and Scanning   Breadth and Depth of Coverage</i>				X	X
RA-5(6)	<i>Vulnerability Monitoring and Scanning   Automated Trend Analyses</i>				X	X
<b>RA-7</b>	<b>Risk Response</b>	X		X	X	X
<b>RA-9</b>	<b>Criticality Analysis</b>		X	X	X	X
<b>RA-10</b>	<b>Threat Hunting</b>			X	X	X
<b>SA-1</b>	<b>Policy and Procedures</b>	X		X	X	X
<b>SA-2</b>	<b>Allocation of Resources</b>	X		X	X	
<b>SA-3</b>	<b>System Development Life Cycle</b>	X		X	X	X
<b>SA-4</b>	<b>Acquisition Process</b>	X		X	X	X
SA-4(5)	<i>Acquisition Process   System, Component, and Service Configurations</i>					X
SA-4(7)	<i>Acquisition Process   NIAP-approved Protection Profiles</i>				X	X
SA-4(8)	<i>Acquisition Process   Continuous Monitoring Plan for Controls</i>				X	X
<b>SA-5</b>	<b>System Documentation</b>	X				X
<b>SA-8</b>	<b>Security and Privacy Engineering Principles</b>	X		X	X	X
SA-9(1)	<i>External System Services   Risk Assessments and Organizational Approvals</i>				X	X
SA-9(3)	<i>External System Services   Establish and Maintain Trust Relationship with Providers</i>			X	X	X
SA-9(4)	<i>External System Services   Consistent Interests of Consumers and Providers</i>					X
SA-9(5)	<i>External System Services   Processing, Storage, and Service Location</i>					X
<b>SA-10</b>	<b>Developer Configuration Management</b>				X	X
<b>SA-11</b>	<b>Developer Testing and Evaluation</b>			X	X	X
<b>SA-15</b>	<b>Development Process, Standards, and Tools</b>				X	X

SA-15(3)	<i>Development Process, Standards, and Tools   Criticality Analysis</i>			x	x
SA-15(4)	<i>Development Process, Standards, and Tools   Threat Modeling and Vulnerability Analysis</i>			x	x
SA-15(8)	<i>Development Process, Standards, and Tools   Reuse of Threat and Vulnerability Information</i>				x
<b>SA-16</b>	<b>Developer-provided Training</b>			x	x
<b>SA-17</b>	<b>Developer Security and Privacy Architecture and Design</b>			x	x
<b>SA-20</b>	<b>Customized Development of Critical Components</b>			x	x
<b>SA-21</b>	<b>Developer Screening</b>	x		x	x
SA-21(1)	<i>Developer Screening   Validation of Screening</i>			x	x
<b>SA-22</b>	<b>Unsupported System Components</b>	x		x	x
<b>SC-1</b>	<b>Policy and Procedures</b>	x		x	x
<b>SC-4</b>	<b>Information in Shared System Resources</b>			x	x
SC-5(2)	<i>Denial-of-service Protection   Capacity, Bandwidth, and Redundancy</i>			x	
<b>SC-7</b>	<b>Boundary Protection</b>	x	x	x	
SC-7(13)	<i>Boundary Protection   Isolation of Security Tools, Mechanisms, and Support Components</i>	x			x
SC-7(14)	<i>Boundary Protection   Protect Against Unauthorized Physical Connections</i>			x	x
SC-7(19)	<i>Boundary Protection   Block Communication from Non-organizationally Configured Hosts</i>				x
<b>SC-8</b>	<b>Transmission Confidentiality and Integrity</b>		x	x	x
<b>SC-18</b>	<b>Mobile Code</b>				x
SC-18(2)	<i>Mobile Code   Acquisition, Development, and Use</i>				x
<b>SC-27</b>	<b>Platform-independent Applications</b>			x	x
<b>SC-28</b>	<b>Protection of Information at Rest</b>	x		x	x
<b>SC-29</b>	<b>Heterogeneity</b>			x	x
<b>SC-30</b>	<b>Concealment and Misdirection</b>			x	x
SC-30(2)	<i>Concealment and Misdirection   Randomness</i>			x	x
SC-30(3)	<i>Concealment and Misdirection   Change Processing and Storage Locations</i>			x	x
SC-30(4)	<i>Concealment and Misdirection   Misleading Information</i>			x	x
SC-30(5)	<i>Concealment and Misdirection   Concealment of System Components</i>			x	x
<b>SC-36</b>	<b>Distributed Processing and Storage</b>	x		x	x
SC-37(1)	<i>Out-of-band Channels   Ensure Delivery and Transmission</i>			x	x
<b>SC-38</b>	<b>Operations Security</b>			x	x
<b>SC-47</b>	<b>Alternate Communications Paths</b>			x	x
<b>SI-1</b>	<b>Policy and Procedures</b>	x		x	x
<b>SI-2</b>	<b>Flaw Remediation</b>	x	x	x	x
SI-2(5)	<i>Flaw Remediation   Automatic Software and Firmware Updates</i>			x	
<b>SI-3</b>	<b>Malicious Code Protection</b>	x	x	x	x
<b>SI-4</b>	<b>System Monitoring</b>	x	x	x	x
SI-4(17)	<i>System Monitoring   Integrated Situational Awareness</i>			x	x
SI-4(19)	<i>System Monitoring   Risk for Individuals</i>			x	x
<b>SI-5</b>	<b>Security Alerts, Advisories, and Directives</b>	x	x	x	x

<b>SI-7</b>	<b>Software, Firmware, and Information Integrity</b>		X	X	X
SI-7(14)	<i>Software, Firmware, and Information Integrity   Binary or Machine Executable Code</i>			X	X
SI-7(15)	<i>Software, Firmware, and Information Integrity   Code Authentication</i>				X
<b>SI-12</b>	<b>Information Management and Retention</b>	X			X
<b>SI-20</b>	<b>Tainting</b>		X	X	X
<b>SR-1</b>	<b>Policy and Procedures</b>	X		X	X
<b>SR-2</b>	<b>Supply Chain Risk Management Plan</b>	X			X
<b>SR-3</b>	<b>Supply Chain Controls and Processes</b>	X		X	X
SR-3(1)	<i>Supply Chain Controls and Processes   Diverse Supply Base</i>			X	X
SR-3(3)	<i>Supply Chain Controls and Processes   Sub-tier Flow Down</i>		X	X	X
<b>SR-4</b>	<b>Provenance</b>				X X
<b>SR-5</b>	<b>Acquisition Strategies, Tools, and Methods</b>	X		X	X X
<b>SR-6</b>	<b>Supplier Assessments and Reviews</b>				X X
<b>SR-7</b>	<b>Supply Chain Operations Security</b>				X X
<b>SR-8</b>	<b>Notification Agreements</b>	X			X X
<b>SR-9</b>	<b>Tamper Resistance and Detection</b>				X X
<b>SR-10</b>	<b>Inspection of Systems or Components</b>	X	X	X	X X
<b>SR-11</b>	<b>Component Authenticity</b>	X		X	X X
SR-11(1)	<i>Component Authenticity   Anti-counterfeit Training</i>	X			X X
SR-11(2)	<i>Component Authenticity   Configuration Control for Component Service and Repair</i>	X		X	X
SR-11(3)	<i>Component Authenticity   Anti-counterfeit Scanning</i>			X	X
<b>SR-12</b>	<b>Component Disposal</b>	X			X X
<b>SR-13</b>	<b>Supplier Inventory</b>				X X

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## 6012 APPENDIX C: RISK EXPOSURE FRAMEWORK

6013 There are numerous opportunities for vulnerabilities that impact the enterprise environment or the  
6014 system/element to be intentionally or unintentionally inserted, created, or exploited throughout the supply  
6015 chain. Exploitation of these vulnerabilities is known as a supply chain threat event. *A Threat Scenario is a*  
6016 *set of discrete threat events, associated with a specific potential or identified existing threat source or*  
6017 *multiple threat sources, partially ordered in time.* Developing and analyzing threat scenarios can help  
6018 enterprises have a more comprehensive understanding of the various types of threat events that can occur  
6019 and lay the ground work for analyzing the likelihood and impact a specific event or events would have on  
6020 an enterprise. Conducting this analysis is a useful way to discover gaps in controls and to identify and  
6021 prioritize appropriate mitigating strategies.<sup>19</sup>

6022 Threat scenarios are generally used in two ways:

- 6023
- 6024 • To translate the often disconnected information garnered from a risk assessment, as is described  
6025 in [NIST SP 800-30 Rev. 1], into a more narrowly scoped and tangible story-like situation for  
6026 further evaluation. These stories can help enterprises discover dependencies and additional  
6027 vulnerabilities requiring mitigation and used for training; and
  - 6028 • To determine the impact a successful exercise of a specific vulnerability would have on the  
6029 enterprise and identify the benefits of mitigating strategies.

6030 Threat scenarios serve as a critical component of the enterprise's cybersecurity supply chain risk  
6031 management process described in Appendix C of this publication. An enterprise forms a threat scenario to  
6032 analyze a disparate set of threat and vulnerability conditions to assemble a cohesive story that can be  
6033 analyzed as part of a risk assessment. With a threat scenario defined, the enterprise can complete a risk  
6034 assessment to understand how likely the scenario is and what would happen (i.e., the impact) as a result.  
6035 Ultimately the analyzed components of a threat scenario are used to reach a risk determination which  
6036 represents the conclusion of an enterprise's level of exposure to cybersecurity risk in the supply chain.

6037 Once a risk determination has been made, the enterprise will determine a path for responding to the risk  
6038 using the Risk Exposure Framework. Within the Risk Exposure Framework, enterprises will document  
6039 the threat scenario, the risk analysis, and the identified a risk response strategy and any associated C-  
6040 SCRM controls.

6041 This appendix provides an example of a Risk Exposure Framework for C-SCRM that can be used by  
6042 enterprises to develop a tailored Risk Exposure Framework for potential and identified threats that best  
6043 suits their needs. It contains six examples of how this framework may be used. The examples differ  
6044 slightly in their implementation of the framework so as to show how the framework may be tailored by an  
6045 enterprise. Each example identifies one or more vulnerabilities, describes a specific threat source,  
6046 identifies the expected impact on the enterprise, and proposes [SP 800-161, Rev. 1] C-SCRM controls  
6047 that would help mitigate the resulting risk.

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<sup>19</sup> Additional example threat scenarios and threat lists can be found in the ICT SCRM Task Force: Threat Scenarios Report, February 2021, <https://www.cisa.gov/publication/ict-scrm-task-force-threat-scenarios-report>. This report leveraged the 2015 version of the NIST SP 800-161.

## 6053 RISK EXPOSURE FRAMEWORK

6054

**Step 1: Create a Plan for Developing and Analyzing Threat Scenarios**

6055

- Identify the purpose of the threat scenario analysis in terms of the objectives, milestones, and expected deliverables;
- Identify the scope of enterprise applicability, level of detail, and other constraints;
- Identify resources to be used, including personnel, time, and equipment; and
- Define a Risk Exposure Framework to be used for analyzing scenarios.

6056

**Step 2: Characterize the Environment**

6057

- Identify core mission/business processes and key enterprise dependencies;
- Describe threat sources that are relevant to the enterprise. Include the motivation and resources available to the threat source, if applicable;
- List known vulnerabilities or areas of concern. (Note: areas of concern include the planned outsourcing of a manufacturing plant, the pending termination of a maintenance contract, or the discontinued manufacture of an element);
- Identify existing and planned controls;
- Identify related regulations, standards, policies, and procedures; and
- Define an acceptable level of risk (risk threshold) per the enterprise's assessment of Tactics, Techniques, and Procedures (TTPs), system criticality, and a risk owner's set of mission or business priorities. The level of risk or risk threshold can be periodically revisited and adjusted to reflect the elasticity of the global supply chain, enterprise changes, and new mission priorities.

6058

**Step 3: Develop and Select Threat Event(s) for Analysis**

6059

- List possible ways threat sources could exploit known vulnerabilities or impact areas of concern to create a list of events. (Note: historical data is useful in determine this information);
- Briefly outline the series of consequences that could occur as a result of each threat event. These may be as broad or specific as necessary. If applicable, estimate the likelihood and impact of each event;
- Eliminate those events that are clearly outside the defined purpose and scope of the analysis;
- Describe in more detail the remaining potential threat events. Include the TTPs a threat source may use to carry out attacks. (Note: the level of detail in the description is dependent upon the needs of the enterprise); and
- Select for analysis those events that best fit the defined purpose and scope of the analysis. More likely or impactful events, areas of concern to the enterprise, and an event that can represent several of the other listed events are generally useful candidates.

6060

**Step 4: Conduct an Analysis using the Risk Exposure Framework**

6061

- For each threat event, note any immediate consequences of the event and identify those enterprise units and processes that would be affected, taking into account existing and planned controls and the extent to which those controls are able to effectively prevent, withstand, or otherwise mitigate the harm that could result from the threat event, and applicable regulations, standards, policies, and procedures;
- Estimate the impact these consequences would have on the mission/business processes, information, assets, as well as the enterprise units or other stakeholders affected, preferably in quantitative terms from historical data and taking into account existing and planned controls, and applicable regulations, standards, policies, and procedures. (Note: it may be beneficial to identify a "most likely" impact level and a "worst-case" or "100-year" impact level); and

- 6101     • Identify those enterprise units, processes, information (access or flows), and/or assets that may or  
6102        would be subsequently affected, the consequences and the impact levels, until each affected  
6103        critical item has been analyzed, taking into account existing and planned controls and applicable  
6104        regulations, standards, policies, and procedures (e.g., if a critical server goes down, one of the  
6105        first processes affected may be the technology support department, but if they determine a new  
6106        part is needed to bring the server backup, the procurement department may become involved).  
6107

6108     **Step 5: Determine C-SCRM Applicable Controls**

- 6109     • Determine if and which threat scenario events create a risk level that exceeds a risk owner's  
6110        acceptable level of risk (risk threshold). (Note: in some cases, the level of acceptable risk may be  
6111        dependent on the capability to implement, or the cost of, mitigating strategies.) Identify  
6112        opportunities to strengthen existing controls or potential new mitigating controls. Using a list of  
6113        standards or recommended controls can make this process simpler. This appendix uses the  
6114        controls in Section 4 of [NIST SP 800-161 Rev. 1];  
6115     • Estimate the effectiveness of existing and planned controls at reducing the risk of a scenario;  
6116     • Estimate the capability and resources needed (in terms of money, personnel, time) to implement  
6117        potential new or strengthened controls; and  
6118     • Identify those C-SCRM controls or combinations of C-SCRM controls that could cause the  
6119        estimated residual risk of a threat event to drop to an acceptable level in the most resource-  
6120        effective manner, taking into account any rules or regulations that may apply. (Note:  
6121        consideration should be given to the potential that one control will help mitigate the risk from  
6122        more than one event, or that a control may increase the risk of a separate event).  
6123

6124     **Step 6: Evaluate / Feedback**

- 6125     • Develop a plan to implement the selected controls and evaluate their effectiveness; and  
6126     • Evaluate the effectiveness of the Risk Exposure Framework and make improvements as needed.  
6127

6129  
6130**Table C-1: Sample Risk Exposure Framework**

Threat Scenario		Threat
	<b>Threat Event Description</b>	<p><i>Describe possible ways threat sources could exploit known vulnerabilities or impact areas of concern to create a list of events.</i></p> <p>Threat event: An event or situation that has the potential for causing undesirable consequences or impact.</p>
	<b>Threat Event Outcome</b>	<p><i>Describe the outcome of the threat event.</i></p> <p>Threat Event Outcome: The effect a threat acting upon a vulnerability has on the confidentiality, integrity, and/or availability of the enterprise's operations, assets, and/or individuals.</p>
	<b>Enterprise units / processes/information/assets/stakeholders affected</b>	<p><i>List the affected enterprise units / processes/information/assets/stakeholders affected.</i></p>
Risk	<b>Impact</b>	<p><i>Enter the estimate of the impact the outcome of the consequences would have on the mission/business processes, information, assets, as well as the enterprise units or other stakeholders affected, preferably in quantitative terms from historical data and taking into account existing and planned controls, and applicable regulations, standards, policies, and procedures (Note: It may be beneficial to identify a "most likely" impact level and a "worst-case" or "100-year" impact level.)</i></p> <p>The effect on enterprise operations, enterprise assets, individuals, other enterprises, or the Nation (including the national security interests of the United States) of a loss of confidentiality, integrity, or availability of information or a system.</p>
	<b>Likelihood</b>	<p><i>Enter the likelihood a specific event or events would have on an enterprise</i></p> <p>Likelihood: Chance of something happening</p>
	<b>Risk Score (Impact x Likelihood)</b>	<p><i>Enter the risk score by multiplying impact x likelihood.</i></p> <p><i>A measure of the extent to which an entity is threatened by a potential circumstance or event, and typically a function of: (i) the adverse impacts that would arise if the circumstance or event occurs; and (ii) the likelihood of occurrence.</i></p>
	<b>Acceptable Level of Risk</b>	<p><i>Define an acceptable level of risk (risk threshold) per the enterprise's assessment of Tactics, Techniques, and Procedures (TTPs), system criticality, risk appetite and tolerance, and a risk owner's set strategic goals and objectives.</i></p> <p>Acceptable Risk: A level of residual risk to the enterprise's operations, assets, or individuals that falls within the defined risk appetite and risk tolerance thresholds set by the enterprise.</p>
Mitigation	<b>Potential Mitigating Strategies / C-SCRM Controls</b>	<p><i>List the potential mitigating risk strategies and any relevant C-SCRM controls.</i></p> <p>C-SCRM Risk Mitigation: A systematic process for managing exposures to cybersecurity risk in supply chains, threats, and vulnerabilities throughout the supply chain and developing risk response strategies to the cybersecurity</p>

	risk in the supply chain presented by the supplier, the supplied products and services, or the supply chain.
<b>Estimated Cost of Mitigating Strategies</b>	<i>Enter estimated cost of risk mitigating strategies.</i>
<b>Change in Likelihood</b>	<i>Identify potential changes in likelihood.</i>
<b>Change in Impact</b>	<i>Identify potential changes in impact.</i>
<b>Selected Strategies</b>	<i>List selected strategies to reduce impact.</i>
<b>Estimated Residual Risk</b>	<p><i>Enter the estimated amount of residual risk</i></p> <p>Residual Risk: Portion of risk remaining after security measures have been applied.</p>

6131

6132

## 6133 **SAMPLE SCENARIOS**

6134  
6135 This appendix provides six example threat scenarios specific to the U.S. government using a fictitious  
6136 ‘ABC Company’ and the Risk Exposure Framework described above. The examples purposely vary in  
6137 level of specificity and detail to show that threat scenarios can be as broad or specific—as detailed or  
6138 generic—as necessary. While these scenarios use percentages and basic scoring measures (High,  
6139 Moderate, Low) for likelihood, impact, and risk, enterprises may use any number of different units of  
6140 measure (e.g., CVSS score, etc.). Additionally, these scenarios vary slightly in implementation of the risk  
6141 response framework to show the Risk Exposure Framework can be adapted as needed.  
6142

### 6143 ***SCENARIO 1: Influence or Control by Foreign Governments Over Suppliers<sup>20</sup>***

#### 6144 **Background**

6145 An enterprise has decided to perform a threat scenario analysis of its Printed Circuit Board (PCB)  
6146 suppliers. The scenario will focus on the sensitivity of the business to unforeseen fluctuations in  
6147 component costs.

#### 6148 **Threat Source**

6149 ABC Company designs, assembles, and ships 3.5 million personal computers per year. It has a global  
6150 footprint both in terms of customer and supply bases. Five years ago, in an effort to reduce the cost of  
6151 goods sold, ABC Company shifted a majority of its PCB procurement to Southeast Asia. To avoid being  
6152 single sourced, ABC Company finalized agreements with five different suppliers within the country and  
6153 has enjoyed a positive partnership with each during this time.  
6154

#### 6155 **Vulnerability**

6156 Though sourcing from multiple vendors, ABC Company relies on suppliers in a single country (i.e.,  
6157 Southeast Asia). This exposes ABC Company to geopolitical threats due to the potential for policies of a  
6158 single government to have a dramatic impact on the availability of supplied inputs.<sup>23</sup>  
6159

#### 6160 **Threat Event Description**

6161 The enterprise has established the following fictitious threat for the analysis exercise: Last year, the  
6162 country where ABC Company does most of their PCB business has seen a new regime take over the  
6163 government. This regime has been more focused on improving finances and business environment within  
6164 the country, allowing larger firms who set up headquarters and other major centers within country  
6165 advantages to do business more easily and cost-efficiently with suppliers within the same region. In  
6166 February of 2019, this now-corrupt regime has passed new legislation establishing an additional 20  
6167 percent tax on all electronic components and goods sold outside of the country. This new law was to take  
6168 effect on June 1, 2019.  
6169

6170 When the new law was announced, the current ABC Company inventory of PCBs was about 10 percent  
6171 of yearly demand, which was the typical inventory level with which they were comfortable. Before June,  
6172 ABC Company reached out to all five suppliers to order additional materials, but there was quickly a  
6173

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<sup>20</sup> Scenario 1 prose is slightly modified (e.g., changed company names) from ICT SCRM Task Force: Threat Scenarios Report, February 2021, <https://www.cisa.gov/publication/ict-scrm-task-force-threat-scenarios-report>. This report leveraged the 2015 version of the NIST SP 800-161.

6179 shortage due to higher demand from many foreign customers of these products. By June 1, the day the  
6180 new tax law took effect, ABC Company had reached an inventory level of up to 15 percent of yearly  
6181 demand.

6182

## 6183 **Outcome**

6184

6185 Between February and June, ABC Company also looked to partner with new suppliers, but there were  
6186 several issues identified. One in every 10 new suppliers ABC Company reached out to require a lead time  
6187 for ramping up to desired demand of anywhere from 6 months to 18 months. This would necessitate  
6188 additional work on ABC Company's part, including testing samples of the supplier PCBs and finalizing  
6189 logistical details, to monitoring supplier-side activities such as procurement of raw materials and  
6190 acquisition of additional personnel, production space, etc. necessary to meet the new demand.

6191

6192 The second issue due to the current contracts with all five current suppliers in Southeast Asia involved  
6193 meeting minimum demand requirements, in that ABC Company was committed to purchasing at  
6194 minimum 100,000 PCB's per month for the duration of the contracts (which ranged anywhere from 3  
6195 months to 24 months in length). This would mean ABC Company could not easily avoid the cost  
6196 implications of the new tax. Could ABC Company absorb the cost of the PCBs? With a 20 percent cost  
6197 increase, this eroded the margins of a PC from 13.5 percent down to 4.5 percent on average. For some of  
6198 the lower-margin ABC Company offerings, it would likely result in discontinuing the line and using the  
6199 now more expensive PCB's on higher-end models that could carry more margin.

6200

## 6201 **Enterprise Units / Processes Affected**

6202

6203 N/A

6204

## 6205 **Potential Mitigating Strategies / C-SCRM Controls**

6206

- 6207 • Perform regular assessment and review of supplier risk;<sup>21</sup>
- 6208 • Diversify suppliers not only by immediate location, but also by country, region and other factors;
- 6209 • Build cost implications into supplier contracts, making it easier to part ways with suppliers when  
6210 costs rise too high (whether by fault of the supplier or otherwise);
- 6211 • Adjust desired inventory levels to better account for unexpected shortage of demand at critical  
6212 times; and
- 6213 • Employ more resources in countries or regions of critical suppliers with the intent to source  
6214 advanced notice of new legislature that may negatively affect business.

6215

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<sup>21</sup> Regular assessment and review of supplier risk mitigating strategy was added to original Scenario 1 text from ICT SCRM Task Force: Threat Scenarios Report, February 2021, <https://www.cisa.gov/publication/ict-scrm-task-force-threat-scenarios-report>. This report leveraged the 2015 version of the NIST SP 800-161.

6216

**Table B-2: Scenario 1**

Threat Scenario	<b>Threat Source</b>	Dynamic geopolitical conditions that impact the supply of production components for PCs
	<b>Vulnerability</b>	Geographical concentration of suppliers for a key production component
	<b>Threat Event Description</b>	<p>ABC Company shifted a majority of its Printed Circuit Board (PCB) procurement to Southeast Asia to reduce cost of goods sold. In an effort to avoid being single sourced, ABC Company finalized agreements with five different suppliers within the country.</p> <p>The country in which ABC Company conducts most of their PCB business has seen a new regime assume governmental authority. In February of 2019, this now-corrupt regime passed legislation establishing an additional 20 percent tax on all electronic components and goods sold outside of the country. This law was to take effect on June 1, 2019.</p> <p>When the new law was announced, the current ABC Company inventory of PCBs was about 10 percent of yearly demand, at the typical level of inventory with which they were comfortable. Before June, ABC Company reached out to all five suppliers to order additional materials, but there was quickly a shortage due to higher demand from many foreign customers of these products. By June 1, the day the new tax law took effect, ABC Company had reached an inventory level up to 15 percent of annual demand.</p>
	<b>Threat Event Outcome</b>	ABC Company also looked to partner with new suppliers, but there were issues identified with this approach: 1) One out of every 10 new suppliers to which ABC Company reached out required a lead time to ramp up to desired demand of anywhere from 6 months to 18 months; and 2) Current contracts with all five active suppliers in Southeast Asia stipulated minimum demand requirements, meaning ABC Company was committed to purchasing a minimum of 100,000 PCB's per month for the duration of the contracts (which ranged anywhere from 3 months to 24 months in length). This would mean ABC Company could not easily avoid the cost implications of this new tax. With a 20 percent cost increase, the margins of a PC eroded from 13.5 percent to 4.5 percent, on average.
	<b>Enterprise units / processes affected</b>	N/A
	<b>Impact</b>	High: \$40,000,000 decline in PC product line profit
	<b>Likelihood</b>	Moderate: 10% annualized probability of occurrence
	<b>Risk Score (Impact x Likelihood)</b>	High: Inherent Risk Exposure equal to approx. \$4,000,000 in product line profit
	<b>Acceptable Level of Risk</b>	No greater than 10% probability of greater than \$10,000,000 in product line profit

Mitigation	<b>Potential Mitigating Strategies / C-SCRM Controls</b>	Assess and review supplier risk to include FOCI [SR-6(1)], employ supplier diversity requirements [C-SCRM_PL-3(1)], employ supplier diversity [SCRM_PL-8(2)], and adjust inventory levels [CM-8]	Perform regular assessment and review of supplier risk; Diversify suppliers not just by immediate location, but by country, region and other factors; Build cost implications into supplier contracts, making it easier to walk away from suppliers when costs rise too high (whether its fault of the supplier or not); Adjust desired inventory levels to better account for unexpected shortage of demand at critical times; and Employ more resources in countries or regions of critical suppliers with the intent to source advanced notice of new legislature that may negatively affect business.
	<b>Estimated Cost of Mitigating Strategies</b>	N/A	
	<b>Change in Likelihood</b>	Low: 10% probability of occurrence	
	<b>Change in Impact</b>	Moderate: \$2,000,000 in product line profit	
	<b>Selected Strategies</b>	Combination of strategies using the mitigation noted.	
	<b>Estimated Residual Risk</b>	Low: Residual risk exposure 0.02% of PC product line profit margin	

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**SCENARIO 2: Telecommunications Counterfeits**

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**Background**

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A large enterprise, ABC Company, has developed a system that is maintained by contract with an external integration company. The system requires a common telecommunications element that is no longer available from the Original Equipment Manufacturer (OEM). The OEM has offered a newer product as a replacement which would require modifications to the system at a cost of approximately \$1 million. If the element is not upgraded, the agency and system integrator would have to rely on secondary market suppliers for replacements. The newer product provides no significant improvement on the element currently being used.

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6231

ABC Company has decided to perform a threat scenario analysis to determine whether to modify the system to accept the new product or accept the risk of continuing to use a product that is no longer in production.

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6235

**Environment**

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6237

The environment is characterized as follows:

- 6238 • The system is expected to last ten more years without any major upgrades/modifications and has  
6239 a 99.9% uptime requirement;
- 6240 • Over 1000 of the \$200 elements are used throughout the system and approximately 10% are  
6241 replaced every year due to regular wear-and-tear, malfunctions, or other reasons. The integrator  
6242 has an approximate three-month supply on hand at any given time;
- 6243 • The element is continuously monitored for functionality, and efficient procedures exist to reroute  
6244 traffic and replace the element should it unexpectedly fail;
- 6245 • Outages resulting from unexpected failure of the element are rare, localized, and last only a few  
6246 minutes. More frequently, when an element fails, the system's functionality is severely reduced  
6247 for approximately one to four hours while the problem is diagnosed and fixed or the element  
6248 replaced;
- 6249 • Products such as the element in question have been a common target for counterfeiting;
- 6250 • The integrator has policies restricting the purchase of counterfeit goods and a procedure to follow  
6251 if a counterfeit is discovered [Ref. SR-11];
- 6252 • The integrator and acquiring agency have limited testing procedures to ensure functionality of the  
6253 element before acceptance [Ref. SR-5(2)].

## 6254 Threat Event

6255 To support the threat scenario, the agency created a fictitious threat source described as a group motivated  
6256 by profit with vast experience creating counterfeit solutions. The counterfeiter is able to make a high  
6257 profit margin by creating and selling as genuine products that are visually identical to their genuine  
6258 counterparts, but which use lower-quality materials. They have the resources to copy most trademark and  
6259 other identifying characteristics and insert counterfeits into a supply chain commonly used by the  
6260 enterprise with little to no risk of detection. The counterfeit product is appealing to unaware purchasing  
6261 authorities as it is generally offered at a discount, sold as excess inventory or as stockpile.

6262 If an inferior quality element was inserted into the system, it would likely fail more often than expected,  
6263 causing reduced functionality of the system. In the event of a large number of counterfeit products  
6264 integrating with genuine parts into the system randomly, the number and severity of unexpected outages  
6265 could grow significantly. The agency and integrator decided that the chances a counterfeit product could  
6266 be purchased to maintain the system and the estimated potential impact of such an event were high  
6267 enough to warrant further evaluation.

## 6268 Threat Scenario Analysis

6269 The person(s) purchasing the element from a supplier will be the first affected by a counterfeit product.  
6270 Policy requires they attempt to purchase a genuine product from vetted suppliers. This individual would  
6271 have to be led to believe that the product is genuine. As the counterfeit product in question is visually  
6272 identical to the element desired, and at a discount, there is a high chance the counterfeit will be purchased.  
6273 One will be tested to ensure functionality, and then the items will be placed into storage.

6274 When one of the elements in the system needs replacing, an engineer will install a counterfeit, quickly test  
6275 to ensure it is running properly, and record the change. It could take two years for the counterfeit product  
6276 to fail, so up to 200 counterfeit elements could be inserted into the system before the first sign of failure.  
6277 If all the regularly replaced elements are substituted for counterfeits and each counterfeit fails after two  
6278 years, the cost of the system would increase by \$160,000 in ten years. The requisite maintenance time  
6279 would also cost the integration company in personnel and other expenses.

6287 When a counterfeit fails, it will take approximately one to four hours to diagnose and replace the element.  
 6288 During this time, productivity is severely reduced. If more than one of the elements fails at the same time,  
 6289 the system could fail entirely. This could cause significant damage to agency operations and violate the  
 6290 99.9% uptime requirements set forth in the contract. Plus, if it becomes determined that the element failed  
 6291 because it was counterfeit, additional costs associated with reporting the counterfeit would be incurred.  
 6292

### Mitigation Strategy

The following were identified as potential mitigating activities (from [NIST SP 800-161 Rev. 1]):

- Require developers to perform security testing/evaluation at all post-design phases of the SDLC [Ref. SA-11];
- Validate that the information system or system component received is genuine and has not been altered [Ref. SR-11];
- Incorporate security requirements into the design of information systems (security engineering) [Ref. PL-8, SC-36]; and
- Employ supplier diversity requirements [PL-8(2)].

Based on these controls, the agency was able to devise a strategy that would include:

- Acceptance testing: Examination of elements to ensure they are new, genuine, and that all associated licenses are valid. Testing methods include, where appropriate: physical inspection by trained personnel using digital imaging, digital signature verification, serial/part number verification, and sample electrical testing;
- Increasing security requirements into the design of the system by adding redundant elements along more critical paths (as determined by a criticality analysis) and to minimize the impact of an element failure; and
- Search for alternative vetted suppliers/trusted components.

It was determined that this strategy would cost less than accepting the risk of allowing counterfeits into the system or modifying the system to accept the upgraded element. The estimated cost for implementing a more rigorous acquisition and testing program was \$80,000; the cost for increasing security engineering requirements was \$100,000.

**Table B-3: Scenario 2**

<b>Threat Scenario</b>	<b>Threat Source</b>	Counterfeit telecommunications element introduced into supply chain
	<b>Vulnerability</b>	Element no longer produced by OEM Purchasing authorities unable / unwilling to identify and purchase only genuine elements
	<b>Threat Event Description</b>	Threat agent inserts their counterfeit element into a trusted distribution chain. → Purchasing authorities buy the counterfeit element. → Counterfeit elements installed into the system
	<b>Threat Event Outcome</b>	The element fails more frequently than before, increasing the number of outages
	<b>Enterprise units / processes/information/assets/stakeholders affected</b>	Acquisitions Maintenance OEM / supplier relations Mission-essential functions

<b>Risk</b>	<b>Impact</b>	Moderate: Element failure leads to 1-4-hour system downtime	
	<b>Likelihood</b>	High: Significant motivation by threat actor and high vulnerability due to agency's inability to detect counterfeits with 25% annualized probability of premature component failure	
	<b>Risk Score (Impact x Likelihood)</b>	Medium: Significant short-term disruptions that lead downtime to exceed uptime threshold by 0.5% (e.g., 99.4% < 99.9% requirement)	
	<b>Acceptable Level of Risk</b>	Low: System must have less than 10% annualized probability of missing 99% uptime thresholds	
<b>Mitigation</b>	<b>Potential Mitigating Strategies / C-SCRM Controls</b>	Increase acceptance testing capabilities [C-SCRM_SA-9; C-SCRM_SA-10], increase security requirements in design of systems [C-SCRM_PL-2, and employ supplier diversity requirements [C-SCRM_PL-8(2)]	Modify the system to accept element upgrade
	<b>Estimated Cost of Mitigating Strategies</b>	\$180,000	\$1 million
	<b>Change in Likelihood</b>	Low: 8% annualized probability of component failure	
	<b>Change in Impact</b>	Low: Element failure causes failover to redundant system component – cost limited to maintenance and replacement	
	<b>Selected Strategies</b>	Agency-level examination and testing Place elements in escrow until they pass defined acceptance testing criteria Increase security engineering Search for multiple suppliers of the element	
	<b>Estimated Residual Risk</b>	Low: 8% annualized probability of component failures leading to system downtime (i.e., less than 99.9% uptime)	

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6326**SCENARIO 3: Industrial Espionage**

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**Background**6328  
6329

ABC Company, a semiconductor (SC) company used by the enterprise to produce military and aerospace systems, is considering a partnership with a KXY Co. to leverage their fabrication facility. This would represent a significant change in the supply chain related to a critical system element. A committee was formed including representatives from the enterprise, ABC Company, and the integration company to help identify the impact the partnership would have on the enterprise and risk-appropriate mitigating practices to enact when the partnership is completed.

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**Environment**

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The systems of concern are vital to the safety of military and aerospace missions. While not classified, the element that KXY would be expected to manufacture is unique, patented, and critical to the operational

6341 status of the systems. Loss of availability of the element while the system is operational could have  
6342 significant, immediate impact across multiple agencies and the civilian populous, including loss of life  
6343 and millions of dollars in damages. An initial Risk Assessment was accomplished using [NIST SP 800-30  
6344 Rev. 1], and the existing level of risk for this is was given a score of “Moderate.”  
6345

6346 KXY currently produces a state-of-the-art, low-cost wafer fabrication with a primarily commercial focus.  
6347 The nation-state in which KXY operates has a history of conducting industrial espionage to gain  
6348 IP/technology. They have shown interest in semiconductor technology and provided a significant grant to  
6349 KXY to expand into the military and aerospace markets. While KXY does not currently have the testing  
6350 infrastructure to meet U.S. industry compliance requirements, the nation-state’s resources are significant,  
6351 including the ability to provide both concessions as well as incentives to help KXY meet those  
6352 requirements.  
6353

6354 The key area of concern was that the nation-state in which KXY operates would be able to use its  
6355 influence to gain access to the element or the element’s design.  
6356

6357 The committee reviewed current mitigation strategies in place and determined that ABC Company, the  
6358 integration company, and the enterprise had several existing practices to ensure that the system and all  
6359 critical elements, as determined by a criticality analysis, met specific functionality requirements. For  
6360 example, the system and critical elements are determined compliant with relevant industry standards. As  
6361 part of their requirements under [NIST SP 800-53 Rev.5], the agency had some information protection  
6362 requirements (Ref. PM-11). In addition, ABC Company had a sophisticated inventory tracking system  
6363 that required that most elements to be uniquely tagged using RFID technology or otherwise identified for  
6364 traceability (Ref. SR-4)).  
6365  
6366

### 6367 Threat Scenario 6368

6369 Based on past experience, the enterprise decided that KXY’s host nation would likely perform one of two  
6370 actions if given access to the technology: sell it to interested parties or insert/identify vulnerabilities for  
6371 later exploitation. For either of these threat events to succeed, the host nation would have to understand  
6372 the purpose of the element and be given significant access to the element or element’s design. This could  
6373 be done with cooperation of KXY’s human resources department, through deception, or by physical or  
6374 electronic theft. Physical theft would be difficult given existing physical control requirements and  
6375 inventory control procedures. For a modified element to be purchased and integrated with the system, it  
6376 would need to pass various testing procedures at both the integrator and agency levels. Testing methods  
6377 currently utilized included radiographic examination, material analysis, electrical testing, and sample  
6378 accelerated life testing. Modifications to identification labels/schemes would need to be undetectable in a  
6379 basic examination. In addition, KXY would need to pass routine audits, which would check KXY’s  
6380 processes for ensuring the quality and functionality of the element.  
6381

6382 The committee decided that, despite existing practices, there was a 30% chance that the host nation would  
6383 have the motivation and ability to develop harmful modifications to the element without detection, exploit  
6384 previously unknown vulnerabilities, or provide the means for one of their allies to do the same. This could  
6385 result in a loss of availability or integrity of the system, causing significant harm. Using information from  
6386 an initial Risk Assessment accomplished using [NIST SP 800-30 Rev. 1], the committee identified this as  
6387 the worst-case scenario with an impact score of “High.”  
6388

6389 There is approximately a 40% chance that the host nation could and would sell the technology to  
6390 interested parties, resulting in a loss of technological superiority. If this scenario occurred, friendly

6391 military and civilian lives could be at risk, intelligence operations would be damaged, and more money  
6392 would be required to invest in a new solution. The committee assigned an impact score for this scenario  
6393 of "Moderate."

6394  
6395 The committee determined that the overall combined risk score for the vulnerability of concern was  
6396 "High."  
6397

## 6398 **Mitigating Strategies**

6399

6400 Using [NIST SP 800-161 Rev. 1] as a base, three broad strategies were identified by the committee: (1)  
6401 improve traceability capabilities, (2) increase provenance and information requirements, and (3) choose  
6402 another supplier. These three options were analyzed in more detail to determine specific implementation  
6403 strategies, their impact on the scenarios, and their estimated cost to implement. (Specific technologies and  
6404 techniques are not described in this case but would be useful in an actual threat scenario evaluation).

6405

6406 Improve traceability and monitoring capabilities

- 6407 • CM-8 - SYSTEM COMPONENT INVENTORY
- 6408 • IA-1 - POLICY AND PROCEDURES
- 6409 • SA-10 - DEVELOPER CONFIGURATION MANAGEMENT
- 6410 • SR-8 - NOTIFICATION AGREEMENTS
- 6411 • SR-4 - PROVENANCE

6412 Cost = 20 % increase

6413 Impact = 10 % decrease

6414

6415 Increase provenance and information control requirements

- 6416 • AC-21 - INFORMATION SHARING
- 6417 • SR-4 - PROVENANCE

6418 Cost = 20 % increase

6419 Impact = 20 % decrease

6420

6421 Choose another supplier

- 6422 • SR-6- SUPPLIER ASSESSMENTS AND REVIEWS

6423 Cost = 40 % increase

6424 Impact = 80 % decrease

6425

6426 Based on this analysis, the committee decided to implement a combination of practices:

- 6427 • Develop and require unique, difficult-to-copy labels or alter labels to discourage cloning or  
6428 modification of the component [Ref. SR-3(2)];
- 6429 • Minimize the amount of information that is shared to suppliers. Require that the information be  
6430 secured [Ref. AC-21]; and
- 6431 • Require provenance be kept and updated throughout the SDLC [Ref. SR-4].

6432

6433 With this combination of controls, the estimated residual risk was determined to be equivalent with the  
6434 existing risk without the partnership at a cost increase that is less than if the enterprise had changed  
6435 suppliers.

6436

6437  
6438**Table B-4: Scenario 3**

<b>Threat Scenario</b>	<b>Threat Source</b>	Nation-state with significant resources looking to steal IP				
	<b>Vulnerability</b>	Supplier considering partnership with company that has relationship with threat source				
	<b>Threat Event Description</b>	Nation-state helps KXY meet industry compliance requirements. ABC Company partners with KXY to develop chips				
	<b>Existing Practices</b>	Strong contractual requirements as to the functionality of the system and elements Comprehensive inventory tracking system at ABC Company Industry compliance requirements				
	<b>Threat Event Outcome</b>	Nation-state extracts technology threat actor, modifies technology, or exploits previously unknown vulnerability				
<b>Enterprise units / processes/information/assets/stakeholders affected</b>		KXY Supplier ABC Company integrator functionality testing Technology users Other federal agencies / customers				
<b>Risk</b>	<b>Impact</b>	Technology modified / vulnerabilities exploited – High	Technology sold to interested parties – Moderate			
	<b>Likelihood</b>	Moderate	Moderate			
	<b>Risk Score (Impact x Likelihood)</b>	High				
	<b>Acceptable Level of Risk</b>	Moderate				
<b>Mitigation</b>	<b>Potential Mitigating Strategies / C-SCRM Controls</b>	(1) Improve traceability and monitoring capabilities	(2) Increase provenance and information control requirements	(3) Choose another supplier		
	<b>Estimated Cost of Mitigating Strategies</b>	20% increase	20% increase	40% increase		
	<b>Change in Likelihood</b>	Moderate → Low				
	<b>Change in Impact</b>	High → Moderate				
	<b>Selected Strategies</b>	Develop and require unique, difficult-to-copy labels or alter labels to discourage cloning or modification of the component [C-SCRM_PF-3] Minimize the amount of information that is shared to suppliers. Require that the information be secured [C-SCRM AC-21] Require provenance be kept and updated throughout the SDLC [C-SCRM_SR-4]				
	<b>Estimated Residual Risk</b>	Moderate – The residual risk was determined to be equivalent with the existing risk without the partnership				

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6440

**SCENARIO 4: Malicious Code Insertion**

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**Background**

6442

ABC Company has decided to perform a threat scenario analysis on a traffic control system. The scenario is to focus on software vulnerabilities and should provide general recommendations regarding mitigating practices.

6443

**Environment**

6444

The system runs nearly automatically and uses computers running a commonly available operating system along with centralized servers. The software was created in-house and is regularly maintained and updated by an integration company on contract for the next five years. The integration company is large, frequently used by ABC Company in a variety of projects and has significant resources to ensure that the system maintains its high availability and integrity requirements.

6445

Threats to the system could include loss of power to the system, loss of functionality, or loss of integrity causing incorrect commands to be processed. Some threat sources could include nature, malicious outsiders, and malicious insiders. The system is equipped with certain safety controls such as backup generator power, redundancy of design, and contingency plans if the system fails.

6446

**Threat Event**

6447

ABC Company decided that the most concerning threat event would result from a malicious insider compromising the integrity of the system. Possible attacks could include the threat actor inserting a worm or a virus into the system, reducing its ability to function, or they could manually control the system from one of the central servers or by creating a back-door in the server to be accessed remotely. Depending on the skillfulness of the attack, an insider could gain control of the system, override certain fail-safes, and cause significant damage.

6448

Based on this information, ABC Company developed the following fictitious threat event for analysis:

6449

*John Poindexter, a disgruntled employee of the integration company, decides to insert some open source malware into a component of the system. He then resigns from the firm, leaving no traceability of his work. The malware has the ability to call home to John and provide him access to stop or allow network traffic at any or all 50 of the transportation stations. As a result, unpredictable, difficult-to-diagnose disruptions would occur, causing significant monetary losses and safety concerns.*

6450

After a Risk Assessment was accomplished using [NIST SP 800-30 Rev. 1], management decided that the acceptable level of risk for this scenario was “Moderate.”

6451

**Threat Scenario Analysis**

6452

If John were successful, a potential course of events could occur as follows:

6453

John conducts a trial run, shutting off the services of one station for a short time. It would be discounted as a fluke and have minimal impact. Later, John would create increasingly frequent disruptions at various stations. These disruptions would cause anger among employees and

6490 customers and some safety concerns. The integration company would be made aware of the  
 6491 problem and begin to investigate the cause. They would create a workaround, and make the  
 6492 assumption there was a bug in the system. However, because the malicious code would be buried  
 6493 and difficult to identify, the integration company wouldn't discover it. John would then create a  
 6494 major disruption across several transportation systems at once. The workaround created by the  
 6495 integration company would fail due to the size of the attack, and all transportation services would  
 6496 be halted. Travelers would be severely impacted, and the media alerted. The method of attack  
 6497 would be identified, and the system modified to prevent John from accessing the system again.  
 6498 However, the underlying malicious code would remain. Revenue would decrease significantly for  
 6499 several months. Legal questions would arise. Resources would be invested in assuring the public  
 6500 that the system was safe.

6501

## Mitigating Practices

6502

ABC Company identified the following potential areas for improvement:

6503

- Establish and retain identification of supply chain elements, processes, and actors [SR-4];
- Control access and configuration changes within the SDLC and require periodic code reviews [AC-1, AC-2, CM-3];
- Require static code testing [RA-9]; and
- Incident Handling [IR-4].

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**Table B-5: Scenario 4**

Threat Scenario	<b>Threat Source</b>	Integrator– Malicious Code Insertion
	<b>Vulnerability</b>	Minimal oversight of integrator activities - no checks and balances for any individual inserting a small piece of code
	<b>Threat Event Description</b>	Disgruntled employee of an Integrator company inserts malicious functionality into traffic navigation software, and then leaves the ABC Company
	<b>Existing Practices</b>	Integrator: peer-review process Acquirer: Contract that sets down time, cost, and functionality requirements
	<b>Threat Event Outcome</b>	50 large metro locations and 500 instances affected by malware. When activated, the malware causes major disruptions to traffic
Risk	<b>Enterprise units / processes/information/ assets/stakeholders affected</b>	Traffic Navigation System Implementation company Legal Public Affairs
	<b>Impact</b>	High – Traffic disruptions are major and last for two weeks while a workaround is created. Malicious code is not discovered and remains a vulnerability
	<b>Likelihood</b>	High
	<b>Risk Score (Impact x Likelihood)</b>	High

	<b>Acceptable Level of Risk</b>	Moderate
<b>Mitigation</b>	<b>Potential Mitigating Strategies / C-SCRM Controls</b>	C-SCRM_AC-1; C-SCRM_AC-2; C-SCRM_CM-3; C-SCRM_IR-2; C-SCRM_SA-10; C-SCRM_SA-11
	<b>Estimated Cost of Mitigating Strategies</b>	\$2.5 million
	<b>Change in Likelihood</b>	High → Low
	<b>Change in Impact</b>	High (no change)
	<b>Selected Strategies</b>	Combination of strategies using the mitigation noted
	<b>Estimated Residual Risk</b>	Moderate

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### 6517 **SCENARIO 5: Unintentional Compromise**

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#### 6519 **Background**

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6521 Uninformed insiders replace components with more cost-efficient solutions without understanding the  
 6522 implications to performance, safety, and long-term costs.

6523

6524 ABC Company has concerns about its acquisition policies and has decided to conduct a threat scenario  
 6525 analysis to identify applicable mitigating practices. Any practices selected must be applicable to a variety  
 6526 of projects and have significant success within a year.

6527

#### 6528 **Environment**

6529

6530 ABC Company acquires many different systems with varying degrees of requirements. Because of the  
 6531 complexity of the environment, ABC Company officials decide they should use a scenario based on an  
 6532 actual past event.

6533

#### 6534 **Threat Event**

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6536 Using an actual event as a basis, the agency designs the following threat event narrative:

6537

6538 Gill, a newly hired program manager, is tasked with reducing the cost of a \$5 million system  
 6539 being purchased to support complex research applications in a unique physical environment. The  
 6540 system would be responsible for relaying information regarding temperature, humidity, and toxic  
 6541 chemical detection as well as storing and analyzing various data sets. There must not be any  
 6542 unscheduled outages more than 10 seconds long, or serious safety concerns and potential  
 6543 destruction of research will occur. ABC Company's threat assessment committee determined that  
 6544 the acceptable level of risk for this type of event has a score of 2/10.

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Gill sees that a number of components in the system design are priced high compared with similar components he has purchased in the commercial acquisition space. Gill asks John, a junior engineer with the integration company, to replace several load balancer/routers in the system design to save costs.

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## Threat Scenario Analysis

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ABC Company decides that there were three potential outcomes to the scenario:

1. It is determined that the modifications are inadequate before any are purchased (30 % chance, no impact);
2. It is determined that the modifications are inadequate during testing (40 % chance, low impact); or
3. The inadequacy of the modifications is undetected, the routers are installed in the system, begin to fail, and create denial of service incidents (30 % chance, high impact).

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## Mitigating Strategies

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Three potential mitigating strategies were identified:

- Improve the existing training program [Ref. AT-1] and add configuration management controls to monitor all proposed changes to critical systems [Ref. CM-1];
- Improve the testing requirements [Ref. SA-11]; and
- Require redundancy and heterogeneity in the design of systems [Ref. SC-29, SC-36].

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Adding configuration management controls would increase the likelihood that the modifications were rejected either at the initial stage or during testing, but it was determined that a \$200,000 investment in training alone could not bring the level of risk to an acceptable level in the time required.

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Improving the testing requirements would increase the likelihood of the modifications being rejected during testing, but it was determined that no amount of testing alone could bring the level of risk to an acceptable level.

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Requiring redundancy and heterogeneity in the design of the system would significantly reduce the impact of this and other events of concern but could double the cost of a project. In this scenario, it was determined that an investment of \$2 million would be required to bring the risk to an acceptable level.

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As a result of this analysis, ABC Company decides to implement a combination of practices:

- A mandatory, day-long training program for those handling the acquisition of critical systems and adding configuration management controls requiring changes be approved by a configuration management board (CMB) (\$80,000 initial investment);
- \$60,000 investment in testing equipment and software for critical systems and elements; and
- Redundancy and diversity of design requirements as deemed appropriate for each project.

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It was determined that this combination of practices would be most cost-effective for a variety of projects and help mitigate the risk from a variety of threats.

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**Table B-6: Scenario 5**

Threat Scenario	<b>Threat Source</b>	Internal Employee – Unintentional Compromise		
	<b>Vulnerability</b>	Lax training practices		
	<b>Threat Event Description</b>	A new acquisition officer (AO) with experience in commercial acquisition is tasked with reducing hardware costs. The AO sees that a number of components are priced high and works with an engineer to change the purchase order		
	<b>Existing Practices</b>	Minimal training program that is not considered mandatory Basic testing requirements for system components		
	<b>Threat Event Outcome</b>	Change is found unsuitable before purchase	Change is found unsuitable in testing	Change passes testing, routers installed and start to fail, causing denial of service
<b>Enterprise units / processes/information/assets/stakeholders affected</b>		None	Acquisitions	Acquisitions, System, Users
Risk	<b>Impact</b>	None	Low	High
	<b>Likelihood</b>	Moderate: 30%	High: 40 %	Moderate: 30 %
	<b>Risk Score (Impact x Likelihood)</b>	None	Moderate	Moderate
	<b>Acceptable Level of Risk</b>	Low	Moderate	High
Mitigation	<b>Potential Mitigating Strategies / SCRM Controls</b>	Improve training program and require changes be approved by CMB.	Improve acquisition testing	Improve design of system
	<b>Estimated Cost of Mitigating Strategies</b>	\$200,000	---	\$2 million
	<b>Change in Impact</b>	None – No Change	Low – No Change	High → Low
	<b>Change in Likelihood</b>	30% → 10%	40% → 20%	30% -- No Change
	<b>New Risk Score</b>	None	Low	Moderate
	<b>Selected Strategies</b>	Require mandatory training for those working on critical systems and require approval of changes to critical systems by a configuration management board (Cost = \$100,000)		
	<b>Residual Risk</b>	Low		

**SCENARIO 6: Vulnerable Reused Components Within Systems**

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**Background**

6594  
6595 As part of their standard development practices, ABC Company reuses internally-developed and open  
6596 source system components in the development of their COTS solutions. Recent high-profile cyber attacks  
6597 have capitalized on vulnerabilities present in reused system components and ABC Company's customers  
6598 are demanding increased transparency as a means of mitigating their own risk exposure.

6600

6601 ABC Company has decided to perform a threat scenario analysis to determine which steps can be taken to  
6602 improve the security of their software products and offer customers greater confidence that ABC  
6603 Company is taking the necessary steps to protect them from these types of attacks.

6604

**Environment**

6605

6606 ABC Company is a well-known, market-leader in the Financial Planning & Analysis (FP&A) software  
6607 market. ABC Company's customers rely on Acme's FP&A solution to store, process, and analyze  
6608 sensitive financial information (e.g., closing the books).

6609

**Threat Event**

6610

6611 Apache Struts (a widely-used software component) is used as a component within ABC Company's  
6612 COTS FP&A solution. A vulnerability present in Apache Struts was patched in March of 2021. Motivated  
6613 by financial gain, opportunistic cyber-criminal organizations were hunting for opportunities to capitalize  
6614 on vulnerabilities in COTS solutions.

6615

6616 ABC Company's provides frequent updates to mitigate software vulnerabilities in their COTS solutions.  
6617 However, in this case the software component in question was not included as part of these updates.

6618

6619 The vulnerability in question is present and exploitable within ABC Company's FP&A solution.

6620

**Threat Scenario Analysis**

6621

6622 If the attackers were to discover the vulnerability in ABC Company's product, a potential course of  
6623 events could occur as follows:

6624

6625 A well-resourced cyber-criminal organization could install rogue code in customer instances of  
6626 the FP&A solution. Using this rogue code, the cyber criminals could extract and sell sensitive,  
6627 undisclosed financial information of public companies which trade on global stock markets. Upon  
6628 discovery of the attack, ABC Company could face significant reputational harm due to the  
6629 negative publicity. ABC Company's customers may engage in legal action against ABC  
6630 Company as a result of their failure to appropriately patch known-vulnerabilities in their software  
6631 products.

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**Mitigating Strategies**

6642 ABC Company identified the following areas for improvement in order to enhance their secure software  
 6643 development practices and improve the confidence in their products:

- 6644
- 6645 • Ensure that developers receive training on secure development practices and are instructed on the  
 6646 use of vulnerability tooling to ensure developed software is secure
  - 6647 • Ensure that reused system components either internally or open source are evaluated as part of a  
 6648 standard process for known vulnerabilities (Ref. SA-15)
  - 6649 • Maintain a system component inventory to aid in maintenance of the software product throughout  
 6650 its life cycle (Ref. CM-8)
  - 6651 • Continuously monitor system components for vulnerabilities that arise and ensure appropriate  
 6652 processes are in place to remediate expeditiously once a fix is available. Automate this process  
 6653 where possible. (Ref. CA-7, RA-5)

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**Table B-7: Scenario 5**

Threat Scenario	<b>Threat Source</b>	Cyber Criminal Organization – Vulnerable Software Components
	<b>Vulnerability</b>	Failure to understand and monitor the vulnerability state of reused components used in FP&A software products and provide timely updates to patch known vulnerabilities
	<b>Threat Event Description</b>	Cyber Criminal Organization exploits a known vulnerability in an FP&A software product to install rogue code and gain access to sensitive financial information contained within the application instances used by ABC Company customers
	<b>Existing Practices</b>	ABC Company has a comprehensive Secure SDLC which focuses on identifying and mitigating vulnerabilities within their in-house developed code. ABC Company releases frequent patches to close vulnerabilities in their products
	<b>Threat Event Outcome</b>	10+ major ABC Company customers are compromised as a result of the vulnerable software. Negative press surrounding the attack has lead to significant impact, a 5% drop, to ABC Company's share price. ABC Company's competitors are capitalizing on the attack and using their own security practices to differentiate themselves and gain market share. ABC company faces significant legal costs due to action taken by affected customers. ABC Company has seen a 5% abnormal customer churn in the year following the attack.
Risk	<b>Enterprise units / processes/information/ assets/stakeholders affected</b>	FP&A Software Products Divison
	<b>Impact</b>	High – \$350M in aggregate cost. substantial reputational impact, loss of market share, share price, and customers.
	<b>Likelihood</b>	High – 20% annual probability of occurrence
	<b>Risk Score (Impact x Likelihood)</b>	High: \$70M loss exposure
	<b>Acceptable Level of Risk</b>	Moderate - \$20M: ABC Company's Risk Committee has stated that it is unwilling to lose more than \$20 million due to a single cybersecurity event affecting customer products

<b>Mitigation</b>	<b>Potential Mitigating Strategies / SCRM Controls</b>	<ul style="list-style-type: none"> <li>• Ensure that developers receive training on secure development practices and are instructed on the use of vulnerability tooling to ensure developed software is secure</li> <li>• Ensure that reused system components either internally or open source are evaluated as part of a standard process for known vulnerabilities (Ref. SA-15)</li> <li>• Maintain a system component inventor to aid in maintenance of the software product throughout its life cycle (Ref. CM-8)</li> <li>• Continuously monitor system components for vulnerabilities that arise and ensure appropriate processes are in place to remediate expeditiously once a fix is available. Automate this process where possible. (Ref. CA-7, RA-5)</li> </ul>
	<b>Estimated Cost of Mitigating Strategies</b>	<ul style="list-style-type: none"> <li>• Developer training: \$500-\$800K</li> <li>• System Component Inventory Process: \$1.2-1.5M</li> <li>• Continuous Monitoring of System Component Vulnerabilities: \$800K – \$1.2M</li> </ul>
	<b>Change in Impact</b>	High \$350M (no change based on identified controls)
	<b>Change in Likelihood</b>	Low 5% annual probability of occurrence
	<b>New Risk Score</b>	Moderate: \$17.5M

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6659

**6660 APPENDIX D: C-SCRM TEMPLATES****6661 1. C-SCRM STRATEGY & IMPLEMENTATION PLAN**

6662 To address supply chain risks, enterprises develop a C-SCRM strategy. The C-SCRM strategy,  
6663 accompanied by an implementation plan, is at the enterprise level (Level 1), though different  
6664 mission/business areas (Level 2) may further tailor the C-SCRM strategy to address specific  
6665 mission/business needs as outlined at the enterprise level. The C-SCRM strategy and  
6666 implementation plan should anchor to the overarching enterprise risk management strategy and  
6667 comply with applicable laws, executive orders, directives, and regulations.

6668 Typical components of the strategy and implementation plan, as outlined in the below template,  
6669 include strategic approaches to reducing an enterprise's supply chain risk exposure via  
6670 enterprise-wide risk management requirements, ownership, risk tolerance, roles and  
6671 responsibilities, and escalation criteria. Note that the strategy and implementation plan may be  
6672 developed as a single document or split apart into multiple documents. In any case, these C-  
6673 SCRM outputs should be closely related in nature.  
6674

**6675 1.1. C-SCRM Strategy & Implementation Plan Template****6676**  
**6677 1.1.1. Purpose**

6678 *6679 Outline the enterprise's high-level purpose for the strategy and implementation document,  
6680 aligning that purpose to enterprise mission, vision, and values. Describe where the strategy and  
6681 implementation document reside relative to other C-SCRM documentation that must be  
6682 maintained at various tiers. Provide clear direction around the enterprise's C-SCRM priorities  
6683 and its general approach for achieving those priorities.*

**6684**  
**6685 Sample Text**

6686 The purpose of this strategy and implementation document is to provide a strategic roadmap for  
6687 implementing effective C-SCRM capabilities, practices, processes, and tools within the  
6688 enterprise and in support of its vision, mission, and values.

6689 The strategic approach is organized around a set of objectives that span the scope of the  
6690 enterprise's mission and reflect a phased, achievable, strategic approach to ensure successful  
6691 implementation and effectiveness of C-SCRM efforts across the enterprise.

6692 This strategy and implementation document discusses the necessary core functions, roles, and  
6693 responsibilities, and the approach the enterprise will take to implement C-SCRM capabilities  
6694 within the enterprise. As mission/business policies and system plans are developed and  
6695 completed, they will be incorporated as attachments to this document. All three tiers of  
6696 documentation should be periodically reviewed together to ensure cohesion and consistency.

6697 The focus of this strategy and implementation plan is intentionally targeted toward establishing a  
6698 core foundational capability. These baseline functions, such as defining policies, ownership, and  
6699 dedicated resources will ensure the enterprise can expand and mature its C-SCRM capabilities  
6700 over time. This plan also acknowledges and emphasizes the need to raise awareness among staff

6701 and ensure proper training in order to understand C-SCRM and grow the competencies necessary  
6702 to be able to perform C-SCRM functions.

6703 This initial strategy and implementation plan also recognizes the dependencies on industry-wide  
6704 coordination efforts, processes, and decisions. As government and industry-wide direction,  
6705 process guidance, and requirements are clarified and communicated, the enterprise will update  
6706 and refine its strategy and operational implementation plans and actions.

### 6707 **1.1.2. Authority & Compliance**

6708  
6709 *List of the laws, executive orders, directives, regulations, policies, standards, and guidelines that*  
6710 *govern C-SCRM Strategy and Implementation.*

#### 6711 **Sample Text**

- 6713 • Legislation
  - 6714 ○ Strengthening and Enhancing Cyber-capabilities by Utilizing Risk Exposure
  - 6715 Technology Act (SECURE) Technology of 2018
  - 6716 ○ Federal Information Security Modernization Act of 2014
  - 6717 ○ Section 889 of the 2019 National Defense Authorization Act - "Prohibition on"
  - 6718 Certain Telecommunications and Video Surveillance Services or Equipment"
  - 6719 ○ Gramm-Leach-Bliley Act
  - 6720 ○ Health Insurance Portability and Accountability Act
  - 6721 ○ Executive Order 14028 of May 12, 2021, Improving the Nation's Cybersecurity
- 6722 • Regulations
  - 6723 ○ NYDFS 23 NYCRR 500: Section 500.11 Third Party Service Provider Security
  - 6724 Policy
  - 6725 ○ CIP-013-1: Cyber Security - Supply Chain Risk Management
  - 6726 ○ FFIEC Information Security Handbook II.C.20: Oversight of Third-Party Service
  - 6727 Providers
- 6728 • Guidelines
  - 6729 ○ NIST 800-53 Revision 5: CA-5, SR-1, SR-2, SR-3
  - 6730 ○ NIST 800-37 Revision 2
  - 6731 ○ NIST 800-161 Revision 1: Appendix C
  - 6732 ○ ISO 28000:2007

### 6733 **1.1.3. Strategic Objectives**

6734 *Strategic objectives establish the foundation for determining enterprise-level C-SCRM controls*  
6735 *and requirements. Each objective supports achievement of the enterprise's stated purpose in*  
6736 *pursuing sound C-SCRM practices and risk-reducing outcomes. Together, the objectives provide*  
6737 *the enterprise with the essential elements needed to bring C-SCRM capabilities to life, and*  
6738 *effectively pursue the enterprise's purpose.*

6739 In aggregate, strategic objectives should address essential C-SCRM capabilities and enablers,  
6740 such as:

- 6741 • Implementing a risk management hierarchy and risk management approach;

- 6745 • Establishing an enterprise governance structure that integrates C-SCRM requirements  
6746 and incorporates these requirements into enterprise policies;
- 6747 • Defining a supplier risk assessment approach;
- 6748 • Implementing a quality and reliability program that includes quality assurance and  
6749 quality control process and practices;
- 6750 • Establishing explicit collaborative roles, structures, and processes for supply chain,  
6751 cybersecurity, product security, and physical security (and other relevant) functions;
- 6752 • Ensuring that adequate resources are dedicated and allocated to information security and  
6753 C-SCRM to ensure proper implementation of policy, guidance, and controls;
- 6754 • Implementing a robust incident management program to successfully identify, respond to,  
6755 and mitigate security incidents; and
- 6756 • Including critical suppliers in contingency planning, incident response, and disaster  
6757 recovery planning and testing.

### 6759 **Sample Text**

#### 6760 **Objective 1: Effectively manage cybersecurity risk in the supply chain**

6761 This objective addresses the primary intent of the enterprise's pursuit of C-SCRM.  
6762 Establishing and sustaining an enterprise-wide C-SCRM program will enable the  
6763 enterprise's risk owners to identify, assess, and mitigate supply chain risk to the  
6764 enterprise's assets, functions, and associated services. Implementing an initial capability  
6765 that can sustain and grow in scope of focus and breadth and depth of function will be  
6766 done in phases and will incorporate holistic "people, process, and technology" needs to  
6767 ensure the enterprise is able to achieve desired C-SCRM goals in areas such as improving  
6768 enterprise awareness, protection, and resilience.

#### 6771 **Objective 2: Serve as a trusted source of supply for customers**

6772 Addressing customer supply chain risks at scale and across the enterprise's diverse  
6773 portfolio demands a prioritization approach, structure, improved processes, and ongoing  
6774 governance. C-SCRM practices and controls need to be tailored to address the distinct  
6775 and varied supply chain threats and vulnerabilities that are applicable to the enterprise's  
6776 customers. This objective can be achieved by:

- 6777 • Strengthening vetting processes, C-SCRM requirements, and oversight of external  
6778 providers;
- 6779 • Ensuring customer needs are met in line with their cybersecurity risk in the supply  
6780 chain appetite, tolerance, and environment.

#### 6782 **Objective 3: Position as an industry leader in C-SCRM**

6783 The enterprise is well-positioned to enable and drive forward improvements that address  
6784 how cybersecurity risk is managed in the supply chains across the industry. Therefore, we  
6785 must use this position to advocate with industry stakeholders about communication,  
6786 incentivization, and education of industry players about our requirements and  
6787 expectations related to addressing supply chain risk.

### 6790 1.1.4. Implementation Plan & Progress Tracking

6791  
 6792 *Outline the methodology and milestones by which progress against the enterprise's C-SCRM*  
 6793 *strategic objectives will be tracked. Though enterprise context heavily informs this process,*  
 6794 *enterprises should define prioritized time horizons to encourage execution of tasks critical or*  
 6795 *foundational in nature. Common nomenclature for defining such time horizons includes "crawl,*  
 6796 *walk, run" or "do now, do next, do later." Regardless of the time horizon designated,*  
 6797 *implementation of practical, prioritized plans is essential to building momentum in the*  
 6798 *establishment or enhancement of C-SCRM capabilities.*

6799  
 6800 Once the implementation plan is baselined, an issue escalation process and feedback mechanism  
 6801 are included to drive change to the implementation plan and progress tracking.

#### 6802 6803 Sample Text

6804 [Enterprise's] execution of its C-SCRM strategic objectives and sustained operational  
 6805 effectiveness of underlying activities requires a formal approach and commitment to progress  
 6806 tracking. [Enterprise] will track and assess implementation of its strategic objectives by defining  
 6807 subsidiary milestones and implementation dates in an implementation plan. Monitoring and  
 6808 reporting against implementation plan require shared responsibility across multiple disciplines  
 6809 and a cross-enterprise, team-based approach.

6810  
 6811 The following implementation plan will be continuously maintained by mission/business owners  
 6812 and reviewed by the Senior Leadership team as a part of regular oversight activities.

6813  
 6814 Risks and issues impacting the implementation plan should be raised proactively by  
 6815 mission/business owners, or their team, to the Senior Leadership Team. The implementation plan  
 6816 may then be revised in accordance with Senior Leadership Team's discretion.

Objective 1: Effectively manage cybersecurity risk in the supply chains				
Implementation Plan Milestone	Status	Owner	Priority	Target Date
Establish policy and authority	Planned	J. Doe	Do Now	XX/XX/XX
Establish and provide executive oversight and direction	Complete	...	Do Next	...
Integrate C-SCRM into enterprise risk management (ERM) framework	Delayed	...	Do Later	...
Establish C-SCRM PMO capability and enterprise	Cancelled	...	...	...
Establish roles, responsibilities, and assign accountability	...	...	...	...
Develop C-SCRM plans	...	...	...	...
Stand up internal awareness function	...	...	...	...

Identify, prioritize, and implement supply chain risk assessment capabilities	...	...	...	...
Establish, document, and implement enterprise-level C-SCRM controls	...	...	...	...
Identify C-SCRM resource requirements and secure sustained funding	...	...	...	...
Establish C-SCRM program performance monitoring	...	...	...	...

6818

**Objective 2: Serve as a trusted source of supply for customers**

Implementation Plan Milestone	Status	Owner	Priority	Target Date
Incorporate C-SCRM activities, customer-facing business lines, programs, and solution offerings	Planned	J. Doe	Do Now	XX/XX/XX
Ensure customer support personnel are well versed in cybersecurity risk in the supply chains and management requirements	Complete	...	Do Next	...
Establish minimum baseline levels of cybersecurity supply chain assurance	Delayed	...	Do Later	...
Establish processes to respond to identified risks and to monitor for impacts to the enterprise's supply chain	Cancelled	...	...	...

6819

**Objective 3: Position as an industry leader in C-SCRM**

Implementation Plan Milestone	Status	Owner	Priority	Target Date
Coordinate and engage with national security and law enforcement to ensure rapid access to mission-critical supply chain threats	Planned	J. Doe	Do Now	XX/XX/XX
Evaluate C-SCRM improvement opportunities and strengthen requirements and oversight for industry-wide common solutions / shared services	Complete	...	Do Next	...
Advocate for C-SCRM awareness and competency through training and workforce development – to include secure coding training for developers	Delayed	...	Do Later	...

Release whitepapers and public guidance related to C-SCRM	Cancelled	...	...	...
---	-----------	-----	-----	-----

6820

### 6821 1.1.5. Roles & Responsibilities

6822

6823 Designate those responsible for the Strategy & Implementation template, as well as its key  
 6824 contributors. Include the role and name of each individual or group, as well contact information  
 6825 where necessary (e.g., enterprise affiliation, address, email address, and phone number).

6826

#### 6827 Sample Text

6828

- Senior Leadership Team shall:
  - endorse the enterprise's C-SCRM strategic objectives and implementation plan;
  - provide oversight of C-SCRM implementation and effectiveness;
  - communicate C-SCRM direction and decisions for priorities and resourcing needs;
  - determine the enterprise's risk appetite and risk tolerance; and
  - respond to high-risk C-SCRM issue escalations that could impact the enterprise's risk posture in a timely manner.
- Mission/Business Owners shall:
  - determine mission-level risk appetite and tolerance, ensuring they are in line with enterprise expectations;
  - define supply chain risk management requirements and implementation of controls that support enterprise objectives;
  - maintain criticality analyses of mission functions and assets; and
  - perform risk assessments for mission/business-related procurements.

6836

### 6837 1.1.6. Definitions

6838

6839 List the key definitions described within the Strategy & Implementation template, providing  
 6840 enterprise-specific context and examples where needed.

6841

#### 6842 Sample Text

6843

- Enterprise: An enterprise with a defined mission/goal and a defined boundary, using information systems to execute that mission, and with responsibility for managing its own risks and performance. An enterprise may consist of all or some of the following business aspects: acquisition, program management, financial management (e.g., budgets), human resources, security, and information systems, information, and mission management.
- Objective: An enterprise's broad expression of goals. Specified target outcome for operations.

6859 **1.1.7. Revision & Maintenance**

6860

6861 Define the required frequency of Strategy & Implementation template revisions. Maintain a table  
 6862 of revisions to enforce version control. Strategy & Implementation templates are living  
 6863 documents that must be updated and communicated to all appropriate individuals (e.g., staff,  
 6864 contractors, and suppliers).

6865

6866 **Sample Text**

6867

6868 [Enterprise's] Strategy & Implementation template must be reviewed at a minimum every 3-5  
 6869 years (within the federal environment) since changes to laws, policies, standards, guidelines, and  
 6870 controls are dynamic and evolving. Additional criteria that may trigger interim revisions include:

6871

- change of policies that impact the Strategy & Implementation template;
- significant Strategy & Implementation events;
- introduction of new technologies;
- discovery of new vulnerabilities;
- operational or environmental changes;
- shortcomings in the Strategy & Implementation template;
- change of scope; and
- other enterprise-specific criteria.

6877

6878 **Sample Version Management Table**

6879

6880

Version Number	Date	Description of Change/Revision	Section/Pages Affected	Changes made by Name/Title/Enterprise

6881

6882

## 6883 2. C-SCRM POLICY

6884

6885 The C-SCRM policies direct the implementation of the C-SCRM strategy. C-SCRM policies can  
6886 be developed at Level 1 and/or at Level 2 and are informed by the mission/business specific  
6887 factors, including risk context, risk decisions and risk activities from the C-SCRM strategy. The  
6888 C-SCRM policies support applicable enterprise policies (e.g., acquisition and procurement,  
6889 information security and privacy, logistics, quality, and supply chain). The C-SCRM policies  
6890 address the goals and objectives outlined in the enterprise's C-SCRM strategy, which in turn is  
6891 informed by the enterprise's strategic plan. The C-SCRM policies should also address missions  
6892 and business functions, and the internal and external customer requirements. C-SCRM policies  
6893 also define the integration points for C-SCRM with the risk management and processes for the  
6894 enterprise. Finally, the C-SCRM policies define at a more specific and granular level the C-  
6895 SCRM roles and responsibilities within the enterprise, any interdependencies among those roles,  
6896 and the interaction between the roles; the C-SCRM policies at Level 1 are more broad-based,  
6897 whereas the C-SCRM policies at Level 2 are specific to the mission/business function. C-SCRM  
6898 roles specify the responsibilities for procurement, conducting risk assessments, collecting supply  
6899 chain threat intelligence, identifying and implementing risk-based mitigations, performing  
6900 monitoring, and other C-SCRM functions.

### 6901 2.1. C-SCRM Policy Template

6902

#### 6903 2.1.1. Authority & Compliance

6904

6905 *List of the laws, executive orders, directives, regulations, policies, standards, and guidelines that*  
6906 *govern the C-SCRM policy.*

6907

#### 6908 Sample Level 1 Text

6909

- Policies
  - [Enterprise Name] Enterprise Risk Management Policy
  - [Enterprise Name] Information Security Policy
- Legislation
  - Strengthening and Enhancing Cyber-capabilities by Utilizing Risk Exposure Technology Act (SECURE) Technology of 2018
- Regulations
  - NYDFS 23 NYCRR 500: Section 500.11 Third Party Service Provider Security Policy
  - CIP-013-1: Cyber Security - Supply Chain Risk Management
  - FFIEC Information Security Handbook II.C.20: Oversight of Third-Party Service Providers

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6922

#### Sample Level 2 Text

6923

6924

- Policies
  - [Enterprise Name] C-SCRM Policy

- 6925           ○ [Mission and Business Process Name] Information Security Policy  
6926     • Regulations  
6927        ○ NYDFS 23 NYCRR 500: Section 500.11 Third Party Service Provider Security  
6928        Policy  
6929     • Guidelines  
6930        ○ NIST 800-53 Revision 5: SR-1, PM-9, PM-30, PS-8, SI-12  
6931        ○ NIST 800-161 Revision 1: Appendix C  
6932

### 6933     **2.1.2. Description**

6934  
6935     *Describe the purpose and scope of the C-SCRM policy, outlining the enterprise leadership's  
6936     intent to adhere to the plan, enforce its controls, and ensure it remains current. Define the tier(s)  
6937     at which the policy applies. C-SCRM policies may need to be derived in whole or in part from  
6938     existing policies or other guidance.*

6939  
6940     *For Level 2, C-SCRM policies should list all Level 1 policies and plans that inform the Level 2  
6941     policies, provide a brief explanation of what this mission/business encompasses, and briefly  
6942     describe the scope of applicability (e.g. plans, systems, type of procurements, etc.) for these  
6943     Level 2 C-SCRM policies.*

### 6944     **Sample Level 1 Text**

6945     [Enterprise] is concerned about the risks in the products, services, and solutions bought, used,  
6946     and offered to customers.

6947     The policy objective of the [Enterprise's] C-SCRM Program is to successfully implement and  
6948     sustain the capability of providing improved assurance that the products, services, and solutions  
6949     used and offered by [Enterprise] are trustworthy, appropriately secure and resilient, and able to  
6950     perform to the required quality standard.

6951     C-SCRM is a systematic process for identifying and assessing susceptibilities, vulnerabilities,  
6952     and threats throughout the supply chain and implementing strategies and mitigation controls to  
6953     reduce risk exposure and combat threats. The establishment and sustainment of an enterprise-  
6954     wide C-SCRM Program will enable [Enterprise's] risk owner(s) to identify, assess, and mitigate  
6955     supply chain risk to [Enterprise's] mission assets, functions, and associated services.

### 6956     **Sample Level 2 Text**

6957     [Mission and Business Process] recognizes its criticality to [Enterprise Objective]. A key  
6958     component of producing products involves coordinating among multiple suppliers, developers,  
6959     system integrators, external system service providers, and other ICT/OT-related service  
6960     providers. [Mission and Business Process] understands the realization of cybersecurity risk in the  
6961     supply chain may disrupt or completely inhibit [Mission and Business Process]'s ability to  
6962     generate products in a timely manner and in accordance with the required quality standard.

6970 Based on the C-SCRM objectives set forth by [Enterprise Level 1 Policy Name], [Mission and  
6971 Business Process]’s policy objective is to implement C-SCRM capabilities allowing for the  
6972 assessment, response, and monitoring of cybersecurity risk in the supply chain. C-SCRM  
6973 capabilities that align with the policy and requirements set forth by the enterprise-wide C-SCRM  
6974 program will provide the boundaries within which [Mission and Business Process Name] will  
6975 tailor C-SCRM processes and practices to meet the unique requirements associated with sourcing  
6976 components and assembling key products.  
6977

6978 **2.1.3. Policy**

6979  
6980 *Outline the mandatory high-level policy statements that underpin the goals and objectives of the*  
6981 *enterprise’s C-SCRM strategic plan, missions and business functions, and the internal and*  
6982 *external customer requirements.*

6983  
6984 **Sample Level 1 Text**

6985 [Enterprise’s] enterprise-level C-SCRM Program is established to implement and sustain the  
6986 capability to:

- 6987 • assess and provide appropriate risk response to cybersecurity risk in the supply chain  
6988 posed by the acquisition and use of covered articles;
- 6989 • prioritize assessments of cybersecurity risk in the supply chain and risk response actions  
6990 based on criticality assessment of mission, system, component, service, or asset;
- 6991 • develop an overall C-SCRM strategy and high-level implementation plan and policies  
6992 and processes;
- 6993 • integrate supply chain risk management practices throughout the acquisition and asset  
6994 management life cycle of covered articles;
- 6995 • share C-SCRM information in accordance with industry-wide criteria and guidelines; and
- 6996 • guide and oversee implementation progress and program effectiveness.

6997  
6998 The C-SCRM Program shall:

- 6999 • be centrally led and coordinated by a designated senior leadership who shall function as  
7000 the [Enterprise’s] C-SCRM Program Executive and chair the C-SCRM Program  
7001 Management Office (PMO);
- 7002 • leverage and be appropriately integrated into existing [Enterprise’s] risk-management and  
7003 decision-making governance processes and structures;
- 7004 • reflect a team-based approach and be collaborative, interdisciplinary, and intra-enterprise  
7005 in nature and composition;
- 7006 • incorporate a Leveled risk management approach, consistent with the NIST Risk  
7007 Management Framework and NIST’s supply chain risk management Special Publication  
7008 800-161 Revision 1; and
- 7009 • implement codified and regulatory C-SCRM requirements and industry-wide and  
7010 [Enterprise]-specific policy direction, guidance, and processes.

7011  
7012 **Sample Level 2 Text**

7013 [Mission and Business Process]’s C-SCRM Program shall:

- 7014 • operate in accordance with requirements and guidance set forth by [Enterprise] C-SCRM  
7015 Program;
- 7016 • collaborate with the C-SCRM Program Management Office (PMO) to apply C-SCRM  
7017 practices and capabilities needed to assess, respond to, and monitor cybersecurity risk in  
7018 the supply chain arising from pursuit of [Mission and Business Process]'s core  
7019 objectives;
- 7020 • integrate C-SCRM activities into applicable activities to support [Enterprise]'s objective  
7021 to manage cybersecurity risk in the supply chain;
- 7022 • assign and dedicate resources responsible for coordinating C-SCRM activities within  
7023 [Mission and Business Process];
- 7024 • identify [Mission and Business Process]'s critical suppliers and assess level of risk  
7025 exposure arising from that relationship;
- 7026 • implement risk response efforts to reduce exposure to cybersecurity risk in the supply  
7027 chain; and
- 7028 • monitor [Mission and Business Process]'s ongoing cybersecurity risk exposure in the  
7029 supply chain profile and provide periodic reporting to identified [Enterprise] enterprise  
7030 risk management and C-SCRM stakeholders.

#### 7031 7032 2.1.4. Roles & Responsibilities

7033 State those responsible for the C-SCRM policies, as well as its key contributors. Include the role  
7034 and name of each individual or group, as well contact information where necessary (e.g.,  
7035 enterprise affiliation, address, email address, and phone number).

#### 7036 Sample Level 1 Text

- 7037 • The C-SCRM Program Executive shall be responsible for:
  - 7038 ○ leading the establishment, development, and oversight of the C-SCRM Program,  
7039 in coordination and consultation with designated C-SCRM Leads;
  - 7040 ○ establishing and serving as the Chair of the C-SCRM PMO. This Team will be  
7041 comprised of the chair and the designated C-SCRM Leads and will be responsible  
7042 for developing and coordinating C-SCRM strategy and implementation plans and  
7043 actions, addressing C-SCRM-related issues, program reporting and oversight, and  
7044 identifying and making program resource recommendations; and
  - 7045 ○ escalating and/or reporting C-SCRM issues to Senior Officials, as may be  
7046 appropriate.
- 7047 • Each C-SCRM Security Officer shall be responsible for:
  - 7048 ○ identify C-SCRM Leads (the Lead will be responsible for participating as a  
7049 collaborative and core member of the C-SCRM PMO);
  - 7050 ○ incorporate relevant C-SCRM functions into enterprise and position-level  
7051 functions; and
  - 7052 ○ implement and conform to C-SCRM Program requirements.

#### 7053 Sample Level 2 Text

- 7059     • C-SCRM Leads shall be responsible for:
- 7060       ○ representing the interests and needs of C-SCRM PMO members; and
- 7061       ○ leading and/or coordinating the development and execution of program or
- 7062       business-line C-SCRM plan(s). This shall include ensuring such plan(s) are
- 7063       appropriately aligned to and integrated with the enterprise-level C-SCRM plan.
- 7064
- 7065     • Mission and Business Process C-SCRM Staff shall be responsible for:
- 7066       ○ Primary execution of C-SCRM activities (e.g., supplier or product assessments);
- 7067       and
- 7068       ○ Support mission and business-specific C-SCRM activities driven by non-C-
- 7069       SCRM staff.
- 7070

### 7071     **2.1.5. Definitions**

7072

7073     *List the key definitions described within the policy, providing enterprise-specific context and*

7074     *examples where needed.*

### 7075     **Sample Text (Applies to Level 1 and/or Level 2)**

- 7077     • Covered Articles: Information technology, including cloud computing services of all
- 7078       types; Telecommunications equipment or telecommunications service; the processing of
- 7079       information on a Federal or non-Federal information system, subject to the requirements
- 7080       of the Controlled Unclassified Information program; all IoT/OT (hardware, systems,
- 7081       devices, software, or services that include embedded or incidental information
- 7082       technology).
- 7083     • Cybersecurity Supply Chain Risk Assessment: Cybersecurity Supply Chain Risk
- 7084       Assessment is a systematic examination of cybersecurity risk in the supply chain,
- 7085       likelihoods of their occurrence, and potential impacts.
- 7086     • Risk Owner: A person or entity with the accountability and authority to manage a risk.

### 7087     **2.1.6. Revision & Maintenance**

7088     *Define the required frequency for the C-SCRM policy. Maintain a table of revisions to enforce*

7089     *version control. C-SCRM policies are living documents that must be updated and communicated*

7090     *to all appropriate individuals (e.g., staff, contractors, and suppliers).*

### 7091     **Sample Text (Applies to Level 1 and/or Level 2)**

7092     [Enterprise's] C-SCRM policy must be reviewed at minimum on an annual basis since changes

7093     to laws, policies, standards, guidelines, and controls are dynamic and evolving. Additional

7094     criteria that may trigger interim revisions include:

- 7095
- 7096     • change of policies that impact the C-SCRM policy;
- 7097     • significant C-SCRM events;

- 7101     • introduction of new technologies;  
7102     • discovery of new vulnerabilities;  
7103     • operational or environmental changes;  
7104     • shortcomings in the C-SCRM policy;  
7105     • change of scope; and  
7106     • other enterprise-specific criteria.

7107

7108   **Sample Version Management Table**

7109

Version Number	Date	Description of Change/Revision	Section/Pages Affected	Changes made by Name/Title/Enterprise

7110

### 7111 3. C-SCRM PLAN

7112  
7113 The C-SCRM plan is developed at Tier 3 and is implementation specific, providing policy  
7114 implementation, requirements, constraints, and implications. It can either be stand-alone or  
7115 components may be incorporated into system security and privacy plans. If incorporated, the C-  
7116 SCRM components must be clearly discernable. The C-SCRM plan addresses managing,  
7117 implementation, and monitoring of C-SCRM controls and the development/sustainment of  
7118 systems across the SDLC to support mission and business functions. The C-SCRM Plan applies  
7119 to High and Moderate Impact systems per [FIPS 199].

7120 Given supply chains can differ significantly across and within enterprises, C-SCRM plans should  
7121 be tailored to individual program, enterprise, and operational contexts. Tailored C-SCRM plans  
7122 provide the basis for determining whether a technology, service, system component, or system is  
7123 fit for purpose, and as such, the controls need to be tailored accordingly. Tailored C-SCRM plans  
7124 help enterprises focus their resources on the most critical mission and business functions based  
7125 on mission and business requirements and their risk environment.

7126 The following C-SCRM Plan template is provided only as an example. Enterprises have the  
7127 flexibility to develop and implement various approaches for the development and presentation of  
7128 the C-SCRM plan. Enterprises can leverage automated tools to ensure all relevant sections of the  
7129 C-SCRM plan are captured. Automated tools can help document C-SCRM plan information such  
7130 as component inventories, individuals filling roles, security control implementation information,  
7131 system diagrams, supply chain component criticality, and interdependencies.

#### 7132 3.1. C-SCRM Plan Template

##### 7133 3.1.1. System Name & Identifier

7136 *7134 Designate a unique identifier and/or name for the system. Include any applicable historical  
7135 names and relevant Tier 1 and Tier 2 document titles.*

##### 7138 Sample Text

7139 This C-SCRM Plan provides an overview of the security requirements for the [SYSTEM  
7140 NAME] [UNIQUE IDENTIFIER] and describes the supply chain cybersecurity controls in place  
7141 or planned for implementation to provide fit for purpose C-SCRM controls appropriate for the  
7142 information to be transmitted, processed or stored by the system.

7143 The security safeguards implemented for the [UNIQUE IDENTIFIER] meet the requirements set  
7144 forth in the enterprise's C-SCRM strategy and policy guidance.

##### 7145 3.1.2. System Description

7146 *7147 Describe the function, purpose, and scope of the system and include a description of the  
7148 information processed. Provide a general description of the system's approach to managing  
7149 supply chain risks associated with the research and development, design, manufacturing,*

7150 acquisition, delivery, integration, operations and maintenance, and disposal of the following  
7151 systems, system components or system services.

7152 Ensure the C-SCRM plan describes the system in the context of the enterprise's supply chain risk  
7153 tolerance, acceptable supply chain risk mitigation strategies or controls, a process for  
7154 consistently evaluating and monitoring supply chain risk, approaches for implementing and  
7155 communicating the plan, and a description of and justification for supply chain risk mitigation  
7156 measures taken. Descriptions must be consistent with the high-level mission/business function of  
7157 the system, the authorization boundary of the system, overall system architecture, including any  
7158 supporting systems and relationships, how the system supports enterprise missions, and the  
7159 system environment (e.g., standalone, managed/enterprise, custom/specialized security-limited  
7160 functionality, cloud) established in Level 1 and 2.

## 7161 **Sample Text**

7162 The [Enterprise's] document management system (DMS) serves to provide dynamic information  
7163 repositories, file hierarchies, and collaboration functionality to streamline internal team  
7164 communication and coordination. The data managed within the system contains personally  
7165 identifiable information (PII). The DMS is a commercial off-the-shelf (COTS) solution that was  
7166 purchased directly from a verified supplier [Insert Supplier's name] within the United States. It  
7167 has been functionally configured to meet the enterprise's needs; no third-party code libraries are  
7168 utilized to deploy or maintain the system. It is hosted within the management layer of the  
7169 enterprise's primary virtual private cloud provider.

7170 The DMS is a Category 1 system, mandating a recovery time objective (RTO) of one hour in the  
7171 event of downtime. The enterprise maintains a disaster recovery environment with a second  
7172 private cloud provider to which the enterprise can cutover if the Category 1 RTO is not likely to  
7173 be met on the primary platform.

### 7174 **3.1.3. System Information Type & Categorization**

7175 The following tables specify the information types that are processed, stored, or transmitted by  
7176 the system and/or its in-boundary supply chain. Enterprises utilize NIST [[SP 800-60 v2](#)], [[NARA](#)  
7177 [CUI](#)], or other enterprise-specific information types to identify information types and provisional  
7178 impact levels. Using guidance regarding the categorization of federal information and systems in  
7179 [[FIPS 199](#)], the enterprise determines the security impact levels for each information type. For  
7180 each security objective (i.e., confidentiality, integrity, availability), articulate the impact level  
7181 (i.e., low, moderate, high).

7182 **Sample Text**

<b>Information Type</b>	<b>Security Objectives</b>		
	<b>Confidentiality (Low, Moderate, High)</b>	<b>Integrity (Low, Moderate, High)</b>	<b>Availability (Low, Moderate, High)</b>

7183 Based on the table above, indicate the high-water mark for each of the security impacts (i.e., low, moderate, high). Determine the overall system categorization.

<b>Security Objective</b>	<b>Security Impact Level</b>
Confidentiality	<input type="checkbox"/> Low <input type="checkbox"/> Moderate <input type="checkbox"/> High
Integrity	<input type="checkbox"/> Low <input type="checkbox"/> Moderate <input type="checkbox"/> High
Availability	<input type="checkbox"/> Low <input type="checkbox"/> Moderate <input type="checkbox"/> High
Overall System Security Categorization	<input type="checkbox"/> Low <input type="checkbox"/> Moderate <input type="checkbox"/> High

7185

7186 **3.1.4. System Operational Status**

7187

7188 **Sample Text**

7189

7190 *Indicate the operational status of the system. If more than one status is selected, list which part of the system is covered under each status*

<b>System Status</b>		
<input type="checkbox"/>	Operational	The system is currently operating and is in production.
<input type="checkbox"/>	Under Development	The system is being designed, developed, or implemented
<input type="checkbox"/>	Major Modification	The system is undergoing a major change, development, or transition.
<input type="checkbox"/>	Disposition	The system is no longer operational.

7192

7193

**7194 3.1.5. System/Network Diagrams, Inventory, & Life Cycle Activities**

7195 *Include a current and detailed system and network diagram including a system component*  
7196 *inventory or reference to where diagrams and inventory information can be found.*

7197 *Contextualize the above components against the system's SDLC to ensure activities are mapped*  
7198 *and tracked. This ensures full coverage of C-SCRM activities since these activities may require*  
7199 *repeating and reintegrating (using spiral or agile techniques) throughout the life cycle. C-SCRM*  
7200 *plan activities are required from concept, all the way through development, production,*  
7201 *utilization, support, and retirement steps.*

**7202 Sample Text**

7203 [SYSTEM NAME] components may include:

- 7204 • Component description
- 7205 • Version number
- 7206 • License number
- 7207 • License holder
- 7208 • License type (e.g., single user, public license, freeware)
- 7209 • Barcode/property number
- 7210 • Hostname (i.e., the name used to identify the component on a network)
- 7211 • Component type (e.g., server, router, workstation, switch)
- 7212 • Manufacturer
- 7213 • Model
- 7214 • Serial number
- 7215 • Component revision number (e.g., firmware version)
- 7216 • Physical location: (include specific rack location for components in computer/server
- 7217 rooms)
- 7218 • Vendor name(s)

7219

**7220 3.1.6. Information Exchange & System Connections**

7221 *List any information exchange agreements (e.g., Interconnection Security Agreements (ISA),*  
7222 *Memoranda of Understanding (MOU), Memoranda of Agreement (MOA)) between the system*  
7223 *and another system, date of the agreement, security authorization status of the other system(s),*  
7224 *the name of the authorizing official, a description of the connection, and any diagrams showing*  
7225 *the flow of any information exchange.*

**7226 Sample Text**

Agreement Date	Name of System	Enterprise	Type of Connection or Information Exchange Method	FIPS 199 Categorization	Authorization Status	Authorization Official Name and Title

7227

### 3.1.7. Security Control Details

7228

7229 Document C-SCRM controls to ensure the plan addresses requirements for developing  
 7230 trustworthy, secure, privacy-protective, and resilient system components and systems, including  
 7231 the application of the security design principles implemented as part of life cycle-based systems  
 7232 security engineering processes. Consider relevant topic areas such as assessments, standard  
 7233 operating procedures, responsibilities, software, hardware, product, service, and DevSecOps  
 7234 considerations.

7235

7236 For each control, provide a thorough description of how the security controls in the applicable  
 7237 baseline are implemented. Include any relevant artifacts for control implementation. Incorporate  
 7238 any control-tailoring justification, as needed. Reference applicable Level 1 and/or Level 2 C-  
 7239 SCRM policies that provide inherited controls where applicable. There may be multiple Level 1  
 7240 policies that come from the CIO, CAO, or PMO.

7241

### Sample Text

7242

## SR-6 SUPPLIER ASSESSMENTS AND REVIEWS

7243

7244 Implementation: As a part of a comprehensive, defense-in-breadth information security strategy,  
 7245 the enterprise established a C-SCRM program to address the management of cybersecurity risk  
 7246 in the supply chain. The C-SCRM PMO is responsible for conducting assessments of  
 7247 cybersecurity risk in the supply chain for business partners seeking to integrate with [SYSTEM  
 7248 NAME] in accordance with enterprise-wide C-SCRM Level 2 policy requirements. C-SCRM  
 7249 training and awareness materials must also be provided for all individuals prior to receiving  
 7250 access to [SYSTEM NAME].

7251

7252 Control Enhancements: Control enhancements 2, 7 and 8 from [NIST 800-161] are applicable.

7253

### (2) SUPPLIER REVIEWS

7254

7255 Implementation: C-SCRM PMO provides supplier reviews to business partners in the form of  
 7256 SCRAs before entering into a contractual agreement to acquire information systems,  
 7257 components, or services in relation to [SYSTEM NAME]. The Level 1 strategy and Level 2  
 7258 policy documents place SCRA requirements on business partners seeking to acquire IT systems,

7262 components, and/or services. The SCRA provides a step-by-step guide for business partners to  
 7263 follow in preparation for an assessment of suppliers by the C-SCRM PMO.

7264

7265 **(7) ASSESSMENT PRIOR TO SELECTION/ACCEPTANCE/UPDATE**

7266 Implementation: The Level 2 policy defines what [SYSTEM NAME] integration activities  
 7267 require an SCRA. The process and requirements are defined in the SCRA Standard Operating  
 7268 Procedure.

7269

7270 **(8) USE OF ALL-SOURCE INTELLIGENCE**

7271 Implementation: The C-SCRM PMO utilizes all-source intelligence when conducting supply  
 7272 chain risk assessments for [SYSTEM NAME].

7273

7274 **3.1.8. Role Identification**

7275 *Identify the role, name, department/division, primary and alternate phone number, email address  
 7276 of key cybersecurity supply chain personnel or designate contacts (e.g., vendor contacts,  
 7277 acquisitions subject matter experts (SME), engineering leads, business partners, service  
 7278 providers), with role, name, address, primary and alternate phone numbers, and email address.*

7279 **Sample Text**

Role	Name	Department/ Division	Primary Phone Number	Alternate Phone Number	Email Address
Vendor Contact					
Acquisitions SME					
Engineering Lead					
Business Partner					
Service Provider					

7280

7281 **3.1.9. Contingencies & Emergencies**

7282

7283 *For organizations that choose to do this in the event of contingency or emergency operations,  
 7284 enterprises may need to bypass normal C-SCRM acquisition processes to allow for mission  
 7285 continuity. Contracting activities that are not vetted using approved C-SCRM plan processes  
 7286 introduce operational risks to the enterprise.*

7287

7288 *Where appropriate, describe abbreviated acquisition procedures to follow during contingencies  
 7289 and emergencies, such as the contact information for C-SCRM, acquisitions, and legal subject  
 7290 matter experts who can provide advice absent a formal tasking and approval chain of command.*

**7292      Sample Text**

7293  
7294 In the event of an emergency where equipment is urgently needed, the C-SCRM PMO will offer  
7295 its assistance through C-SCRM Subject Matter Experts (SMEs) to provide help in the absence of  
7296 the formal tasking and chain of command approval. The CIO has the authority to provide such  
7297 waivers to bypass normal procedures. The current contact information for C-SCRM SMEs is  
7298 provided below:

7299      • C-SCRM SME POC

7300              Name

7301              Email

7302              Phone

7303      • Acquisitions SME POC

7304              Name

7305              Email

7306              Phone

7307      • Legal SME POC

7308              Name

7309              Email

7310              Phone

**7312      3.1.10. Related Laws, Regulations, & Policies**

7313 *List any applicable laws, executive orders, directives, policies, and regulations that are  
7314 applicable to the system, for example: Executive Order 14028, FAR, FERC, etc. For Level 3,  
7315 include applicable Level 1 C-SCRM Strategy and Implementation Plans and Level 2 C-SCRM  
7316 Policy titles.*

**7317      Sample Text**

7318 The enterprise shall ensure that C-SCRM plan controls are consistent with applicable statutory  
7319 authority, including the Federal Information Security Modernization Act (FISMA); with  
7320 regulatory requirements and external guidance, including Office of Management and Budget  
7321 (OMB) policy and Federal Information Processing Standards (FIPS) publications promulgated  
7322 by the National Institute of Standards and Technology (NIST); and with internal C-SCRM  
7323 policies and strategy documents.

7324  
7325 The following references apply:

- 7326      • Committee on National Security Systems. CNSSD No. 505. *(U) Supply Chain Risk  
7327              Management (SCRM)*
- 7328      • NIST SP 800-53 Revisions 5 *Security and Privacy Controls for Information Systems and  
7329              Enterprises*
- 7330      • NIST SP 800-161 Revision 1 *Supply Chain Risk Management Practices for Information  
7331              Systems and Enterprises*
- 7332      • OMB Circular A-130 *Managing Information as a Strategic Resource*
- 7333      • Federal Acquisition Supply Chain Security Act of 2018

- 7334     • Executive Order 14028 of May 12, 2021, *Improving the Nation's Cybersecurity*

7335

7336

7337     **3.1.11. Revision & Maintenance**

7338     *Include a table identifying the date of the change, a description of the modification, and the name of the individual who made the change. At a minimum, review and update Level 3 C-SCRM plans at life cycle milestones, gate reviews, and significant contracting activities, and verify for compliance with upper tier plans as appropriate. Ensure the plan adapts to shifting impacts of exogenous factors, such as threats, enterprise, and environmental changes.*

7343     **Sample Text**

Version Number	Date	Description of Change/Revision	Section/Pages Affected	Changes made by Name/Title/Enterprise

7344

7345     **3.1.12. C-SCRM Plan Approval**

7346     *Include a signature (either electronic or handwritten) and date when the system security plan is reviewed and approved.*

7348     **Sample Text**

7349     Authorizing Official:




---

Name \_\_\_\_\_  
Date \_\_\_\_\_

7350

7351     **3.1.13. Acronym List**

7352     *Include and detail any acronyms utilized in the C-SCRM plan.*

7353     **Sample Text**

Acronym	Detail
AO	Authorizing Official
C-SCRM	Cybersecurity Supply Chain Risk Management

SDLC	System Development Life Cycle
------	-------------------------------

7354

7355 **3.1.14. Attachments**

7356

7357 *Attach any relevant artifacts that can be included to support the C-SCRM plan.*

7358

7359 **Sample Text**

7360

- 7361     • Contractual agreements
- 
- 7362     • Contractors' or suppliers' C-SCRM plans

7363 **3.1.15. C-SCRM Plan and Life Cycles**

7364

7365 C-SCRM plans should cover the full SDLC of systems and programs, including research and  
7366 development, design, manufacturing, acquisition, delivery, integration, operations, and  
7367 disposal/retirement. The C-SCRM plan activities should be integrated into the enterprise's  
7368 system and software life cycle processes to ensure that C-SCRM activities are integrated into  
7369 those processes. Similar controls in the C-SCRM plan can be applied in more than one life cycle  
7370 process. The figure below shows how the C-SCRM plan activities can be integrated into various  
7371 example life cycles.

7372

7373

Nominal System Development Lifecycle (NIST)									
		Initiation		Development and Acquisition		Implementation/ Assessment	Operation/ Maintenance	Disposal	
Government (Tier 3) SCRM Plan Activities		Enterprise and end-user risk determination	Outline Tier 3 (Draft) SCRM Plan	Perform Acquisition SCRM Plan tasks	POA&M to address SCRM Plan Weakness	SCRM Plan Update	Contingency/ Emergency Response	SCRM Plan Update	Conduct SCRM Plan Training
				verification Check w/ Tier 2 Plan	Tier 3 SCRM Plan Adequacy Check	verification Check w/ Tier 2 Plan	Tier 3 SCRM Plan Adequacy Check	verification Check w/ Tier 2 Plan	Tier 3 SCRM Plan Adequacy Check
System Engineering Lifecycle (DHS)		Solution Engineering	Planning	Requirement Definition	Design	Development	Integration/ Test	Implement-ation	Operations/ Maintenance
Example lifecycle stages described in 15288									
		Concept		Development		Production	Utilization		Support
									Retirement

## 7375 4. SUPPLY CHAIN CYBERSECURITY RISK ASSESSMENT TEMPLATE

7376  
7377 The Supply Chain Cybersecurity Risk Assessment (S-CSRA) guides the review of any third-  
7378 party product, service, or supplier<sup>22</sup> that could present a cybersecurity risk in the supply chain to  
7379 a procurer. The objective of the S-CSRA template is to provide a toolbox of questions that an  
7380 acquirer can choose to use or not use depending on the controls selected. Typically executed by  
7381 C-SCRM PMOs at the operational level (Level 3), the S-CSRA takes into account available  
7382 public and private information to perform a holistic assessment, including known cybersecurity  
7383 risk in the supply chain, likelihoods of their occurrence, and potential impacts to an enterprise  
7384 and its information and systems. As enterprises may be inundated with S-CSRAs, and suppliers  
7385 inundated with S-CSRA requests, the enterprise should evaluate the relative priority of its S-  
7386 CSRAs as an influencing factor on the rigor of the S-CSRA.

7387 As with the other featured templates, the below S-CSRA is provided only as an example.  
7388 Enterprises must tailor the below content to align with their Level 1 and 2 risk postures. The  
7389 execution of S-CSRAs is perhaps the most visible and time-consuming component of C-SCRM  
7390 operations and must therefore be designed for efficient execution at scale with dedicated support  
7391 resources, templated workflows, and automation wherever possible. Federal agencies should  
7392 refer to Appendix E for additional guidance concerning supply chain risk assessments.

7393

### 7394 4.1. C-SCRM Template

7395

#### 7396 4.1.1. Authority & Compliance

7397

7398 *List of the laws, executive orders, directives, regulations, policies, standards, and guidelines that*  
7399 *govern S-CSRA execution.*

7400

#### 7401 Sample Text

- 7402 • Legislation
  - 7403 ○ Strengthening and Enhancing Cyber-capabilities by Utilizing Risk Exposure  
7404 Technology Act (SECURE) Technology of 2018
- 7405 • Policies
  - 7406 ○ [Enterprise Name] S-CSRA Standard Operating Procedures
  - 7407 ○ [Enterprise Name] S-CSRA Risk Assessment Factors
  - 7408 ○ [Enterprise Name] S-CSRA Criticality Assessment Criteria
- 7409 • Guidelines
  - 7410 ○ NIST 800-53 Revision 5: PM-30, RA-3, SA-15, SR-5
  - 7411 ○ NIST 800-37 Revision 2
  - 7412 ○ NIST 800-161 Revision 1: Appendix C
  - 7413 ○ ISO 28001:2007

---

<sup>22</sup> A supplier may also refer to a source, as defined in the Strengthening and Enhancing Cyber-capabilities by Utilizing Risk Exposure Technology Act (SECURE) Technology of 2018

**4.1.2. Description**

Describe the purpose and scope of the S-CSRA template, referencing the enterprise commitment to C-SCRM and mandate to perform S-CSRAs as an extension of that commitment. Outline the templates relationship to enterprise risk management principles, frameworks, practices. This may include providing an overview of the enterprise's S-CSRA processes, standard operating procedures, and/or criticality designations that govern usage of this template.

Reinforce the business case for executing S-CSRAs by highlighting the benefits of reducing expected loss from adverse supply chain cybersecurity events, as well as the C-SCRM PMOs role in executing these assessments efficiently at scale.

Provide an overview of the enterprise boundaries, systems, and services within the scope of the S-CSRAs.

List the contact information and other resources that readers may access in order to further engage with the S-CSRA process.

**Sample Text**

This S-CSRA is intended to evaluate risks, in a fair and consistent manner, posed to the [Enterprise] via third parties that hold the potential for harm or compromise arising as a result of cybersecurity risks. Cybersecurity risk in the supply chain include exposures, threats, and vulnerabilities associated with the products and services traversing the supply chain as well as the exposures, threats, and vulnerabilities to the supply chain and its suppliers.

The S-CSRA template provides tactical guidelines for the [Enterprise's C-SCRM PMO] to review cybersecurity risk in the supply chain and ensure that S-CSRAs are appropriately carried out in line with enterprise mandates efficiently and effectively.

Requestors seeking to introduce third-party products, services, or suppliers into enterprise boundaries should familiarize themselves with the following template. This will ensure that requestors can provide the requisite information to the C-SCRM PMO to ensure timely execution of S-CSRAs and are otherwise aligned with adherence to the steps of the S-CSRA.

The S-CSRA process contains five primary steps, as outlined in the below template:<sup>23</sup>

1. Information Gathering & Scoping Analysis
2. Threat Analysis
3. Vulnerability Analysis
4. Impact Analysis
5. Risk Response Analysis

To learn more about the S-CSRA process and/or submit an assessment request to the C-SCRM PMO, please go to [Enterprise intranet page] or contact [C-SCRM PMO email].

<sup>23</sup> See Appendix D's "Assess" section for the methodological principles and guidance that underpin these steps.

7459

**4.1.3. Information Gathering & Scoping Analysis**

7460

7461

7462

*Define the purpose and objectives for the requested S-CSRA, outlining the key information required to appropriately define the system, operations, supporting architecture, and boundaries. Provide key questions to requestors to facilitate collection and analysis of this information. The C-SCRM PMO will then use this information as a baseline for subsequent analyses and data requests.*

7463

7464

7465

7466

7467

7468

**Sample Text**

Supply Chain Risk Management Assessment Scoping Questionnaire		
Section 1: Request Overview	Provide Response:	Response Provided by:
Requestor Name		Acquirer
S-CSRA Purpose and Objective		Acquirer
System Description		Acquirer
Architecture Overview		Acquirer
Boundary Definition		Acquirer
Date of Assessment		Acquirer
Assessor Name		Acquirer
Section 2: Product/Service Internal Risk Overview		
What is the suppliers market share for this particular product/service		Acquirer
What % of this supplier's sales of this product/service does your enterprise consume?		Acquirer
How widely used will the product or service be in your enterprise?		Acquirer
Is the product/service manufactured in a geographic location that is considered an area of geopolitical risk for your enterprise based on its primary area of operation (e.g., in the United States).		Acquirer
Would switching to an alternative supplier for this product or service constitute significant cost or effort for your enterprise?		Acquirer
Does your enterprise have an existing relationship with another supplier for this product/service?		Acquirer
How confident is your enterprise that they will be able to obtain quality products/services regardless of major supply chain disruptions, both manmade and natural		Acquirer

Does your enterprise maintain a reserve of this product/service?		Acquirer
Is the product/service fit for purpose? (i.e., capable of meeting its objectives or service levels)		Acquirer
Does the product/service perform an essential security function? Please describe		Acquirer
Does the product/service have root access to IT networks, OT systems or sensitive platforms?		Acquirer
Can compromise of the product/service lead to system failure or severe degradation?		Acquirer
Is there a known independent reliable mitigation for compromise leading to system failure or severe degradation?		Acquirer
Does the product/service connect to a platform that is provided by your enterprise to customers?		Acquirer
Does the product/service transmit, generate, maintain, or process high value data?		Acquirer
Does the product/service have access to systems that transmit, generate, maintain or process high value data (e.g., PII, PHI, PCI)		Acquirer
Does the supplier require physical access to the companies facilities as a result of its provision of the product/service?		Acquirer
Based on holistic consideration of the above responses, how critical is this product/service to your enterprise (e.g., Critical, High, Moderate, Low)		Acquirer
<b>Section 2: Supplier Overview</b>		
Have you identified the supplier's critical suppliers?		Supplier
Did you verify the supplier ownership, both foreign and domestic?		Supplier
If the supplier uses distributors, did you investigate them for potential threats?		Supplier
Is the supplier located in the United States?		Supplier
Has the supplier declared where replacement components will be purchased from?		Supplier
Have all of the suppliers', subcontractors', and suppliers' owners and locations been validated?		Supplier
Does the supplier vet suppliers for threat scenarios?		Supplier

Does the supplier have documents which track part numbers to manufacturers?		Supplier
Can the supplier provide a list of who they procure COTS software from?		Supplier
Does the supplier have counterfeit controls in place?		Supplier
Does the supplier safeguard key program information that may be exposed through interactions with suppliers?		Supplier
Does the supplier perform reviews, inspections, and have safeguards to detect/avoid counterfeit equipment, tampered hardware/software (HW/SW), vulnerable HW/SW, and/or operations security leaks?		Supplier
Does the supplier use industry standards baselines (e.g., CIS, NES) when purchasing software?		Supplier
Does the supplier comply with regulatory and legislation mandates?		Supplier
Does the supplier have procedures for secure maintenance and upgrades following deployment?		Supplier
<b>Section 3: Policies &amp; Procedures</b>		
Does the supplier have definitive policies and procedures that help minimize supply chain risk, including subsidiary sourcing needs?		Supplier
Does the supplier define and manage system criticality and capability?		Supplier
Does everyone associated with the procurement (e.g., supplier, C-SCRM PMO) understand the threats and risks in the subject supply chain?		Supplier
Are all engaged personnel US citizens?		Supplier
Does the supplier have "insider threat" controls in place?		Supplier
Does the supplier verify and monitor all personnel that interact with the subject product, system, or service to know if they pose a threat?		Supplier
Does the supplier use, record, and track risk mitigation activities throughout the life cycle of the product, system, or service?		Supplier

Have all of the supplier's personnel signed non-disclosure agreements?		Supplier
Does the supplier allow its personnel or suppliers to access environments remotely (i.e. from an out of boundary)?		Supplier
<b>Section 4: Logistics (if applicable)</b>		
Does the supplier have documented tracking and version controls in place?		Supplier
Does the supplier analyze events (environmental or man-made) that could interrupt their supply chain?		Supplier
Are the supplier's completed parts controlled, so they are never left unattended or exposed to tampering?		Supplier
Are the supplier's completed parts locked up?		Supplier
Does the C-SCRM PMO have a process that ensures integrity when ordering inventory from the supplier?		Supplier
Does the C-SCRM PMO periodically inspect the supplier's inventory for exposure or tampering?		Supplier
Does the C-SCRM PMO have secure material destruction procedures for unused and scrap parts procured from the supplier?		Supplier
Is there a documented chain of custody for the deployment of products and systems?		Supplier
<b>Section 5: Software Design &amp; Development (if applicable)</b>		
Is the C-SCRM PMO familiar with all the suppliers that will work on the design of the product/system?		Supplier and Manufacturer
Does the supplier align its SDLC to a secure software development standard (e.g., Microsoft Security Development Life Cycle)		Supplier and Manufacturer
Does the supplier perform all development onshore?		Supplier and Manufacturer
Do only United States citizens have access to development environments?		Supplier and Manufacturer
Does the supplier provide cybersecurity training to its developers?		Supplier and Manufacturer
Does the supplier use trusted software development tools?		Supplier and Manufacturer
Is the supplier using trusted information assurance controls to safeguard the development environment (e.g., secure		Supplier and Manufacturer

network configurations, strict access controls, dynamic/static vulnerability management tools, penetration testing)?		
Does the supplier validate open source software prior to use?		Supplier and Manufacturer
Are the supplier's software compilers continuously monitored?		Supplier and Manufacturer
Does the supplier have codified software test and configuration standards?		Supplier and Manufacturer
Section 6: Product/Service Specific Security (if applicable, one questionnaire per product/service)		
Product / Service Name		Manufacturer
Product Type (s) (Hardware, Software, Service)		Manufacturer
Product / Service Description		Manufacturer
Part Number (if applicable)		Manufacturer
Does the manufacturer implement formal enterprise roles and governance responsible for the implementation and oversight of Secure Engineering across the development or manufacturing process for product offerings?		Manufacturer
Does the manufacturer have processes for product integrity conform to any of the following standards (e.g., ISO 27036, SAE AS6171, etc.)?		Manufacturer
Is the product Federal Information Processing Standards (FIPS) compliant? If yes, please provide the FIPS level		Manufacturer
Does the manufacturer document and communicate security control requirements for your hardware, software, or solution offering?		Manufacturer
Has the manufacturer received fines or sanctions from any governmental entity or regulatory body in the past year related to the delivery of the product or service? If yes, please describe.		Manufacturer
Has the manufacturer experienced litigation claims over the past year related to the delivery of the product or service? If yes, please describe		Manufacturer
Does the manufacturer provide a bill of materials (BOM) for the products or service, and components which includes all logic-		Manufacturer

bearing (e.g., readable/writable/programmable) hardware, firmware, and software?		
For hardware components included in the product or service offering, does the supplier only buy from original equipment manufacturers or licensed resellers?		Supplier
Does the manufacturer have a policy or process to ensure that none of your suppliers or third-party components are on any banned list?		Manufacturer
How does the manufacturer prevent malicious and/or counterfeit IP components within their product offering or solution?		Manufacturer
Does the manufacturer manage the integrity of IP for its product or service offering?		Manufacturer
How does the manufacturer assess, prioritize, and remediate reported product or service vulnerabilities?		Manufacturer
How does the manufacturer ensure that product or service vulnerabilities are remediated in a timely period, reducing the window of opportunity for attackers?		Manufacturer
Does the manufacturer maintain and manage a Product Security Incident Reporting and Response program (PSRT)?		Manufacturer
What is the manufacturer's process to ensure customers and external entities (such as government agencies) are notified of an incident when their product or service is impacted?		Manufacturer

7469

#### 4.1.4. Threat Analysis

7470

7471 Define threat analysis as well as the criteria that will be utilized to assess the threat of the  
 7472 product, service, or supplier. Include a rubric with categorical definitions to encourage  
 7473 transparency behind assessment results.

7474

7475

#### Sample Text

7476

7477

The S-CSRA threat analysis evaluates and characterizes the level of threat to the integrity, trustworthiness, and authenticity of the product, service, or supplier as described below. This analysis is based on a threat actor's capability and intent to compromise or exploit the product, service, or supplier being introduced into the supply chain. Following completion of the analysis, one of the following threat levels is assigned:

7478

7479

7480

7481

7482

- 7483 • **Critical:** Information indicates adversaries are engaged in subversion, exploitation, or  
7484 sabotage of the product, service, or supplier.
- 7485 • **High:** Information indicates adversaries have established an overt or clandestine  
7486 relationship with the product, service, or supplier, with the capability and intent to engage  
7487 in subversion, exploitation or sabotage of the supply chain; however, there are no known  
7488 indications of subversion, exploitation, or sabotage.
- 7489 • **Moderate:** Information indicates adversaries have the capability but *not* the intent to  
7490 engage in subversion, exploitation or sabotage of the product, service, or supplier.  
7491 Conversely, they may have the intent but *not* the capability.
- 7492 • **Low:** Information indicates adversaries have neither the capability nor the intent to  
7493 engage in subversion, exploitation, or sabotage of the product, service, or supplier.

7494 To appropriately assign the above threat analysis designation, C-SCRM PMOs and requestors  
7495 should leverage the Information Gathering & Scoping questionnaire to coordinate collection of  
7496 information related to the product, service, or supplier's operational details, ownership structure,  
7497 key management personnel, financial information, business ventures, government restrictions,  
7498 and potential threats. Additional investigations should be performed against the aforementioned  
7499 topics if red flags are observed during initial data collection.

#### 7500 7501 4.1.5. Vulnerability Analysis

7502 7503 *Define vulnerability analysis as well as the criteria that will be utilized to assess the  
7504 vulnerability of the product, service, or supplier being assessed. Include a rubric with  
7505 categorical definitions to encourage transparency behind assessment results.*

#### 7506 7507 Sample Text

7508 The S-CSRA vulnerability analysis evaluates and then characterizes the vulnerability of the  
7509 product, service, or supplier throughout its life cycle and/or engagement. The analysis includes  
7510 an assessment of the ease of exploitation by a threat actor with moderate capabilities. This  
7511 analysis is based on a threat actor's capability and intent to compromise or exploit the product,  
7512 service, or supplier being introduced into the supply chain. Following completion of the analysis,  
7513 one of the following threat levels is assigned:

- 7514 7515 • **Critical:** The product, service, or supplier contains vulnerabilities that are wholly  
7516 exposed (physically or logically) and are easily exploitable.
- 7517 • **High:** The product, service, or supplier contains vulnerabilities that are highly exposed  
7518 and are reasonably exploitable.
- 7519 • **Moderate:** The product, service, or supplier contains vulnerabilities that are moderately  
7520 exposed and would be difficult to exploit.
- 7521 • **Low:** The product, service, or supplier is not exposed and would be unlikely to be  
7522 exploited.

7523 To appropriately assign the above vulnerability analysis designation, C-SCRM PMOs and  
7524 requestors should coordinate the collection of information related to the product, service, or  
7525 supplier's operational details, exploitability, service details, attributes of known vulnerabilities,

7526 and mitigation techniques.

7527

#### 7528 4.1.6. Impact Analysis

7529

7530 *Define impact analysis as well as the criteria that will be utilized to assess the criticality of the*  
7531 *product, service, or supplier being assessed. Include a rubric with categorical definitions to*  
7532 *encourage transparency behind assessment results.*

7533

#### 7534 Sample Text

7535 The S-CSRA impact analysis evaluates and then characterizes the impact of the product, service,  
7536 or supplier throughout its life cycle and/or engagement. The analysis includes an end-to-end  
7537 functional review to identify critical functions and components based on an assessment of the  
7538 potential harm caused by the probable loss, damage, or compromise of a product, material, or  
7539 service to an [Enterprise's] operations or mission. Following completion of the analysis, one of  
7540 the following impact levels is assigned:

- 7541 • **Critical:** The product, service, or supplier's failure to perform as designed would result  
7542 in a total enterprise failure or a significant and/or unacceptable level of degradation of  
7543 operations that could only be recovered with exceptional time and resources.
- 7544 • **High:** The product, service, or supplier's failure to perform as designed would result in  
7545 severe enterprise failure or a significant and/or unacceptable level of degradation of  
7546 operations that could only be recovered with significant time and resources.
- 7547 • **Moderate:** The product, service, or supplier's failure to perform as designed would result  
7548 in serious enterprise failure that could readily and quickly managed with no long-term  
7549 consequences.
- 7550 • **Low:** The product, service, or supplier's failure to perform as designed would result in  
7551 very little adverse effects on the enterprise that could readily and quickly managed with  
7552 no long-term consequences.

7553 To appropriately assign the above impact analysis designation, C-SCRM PMOs and requestors  
7554 should coordinate the collection of information related to [Enterprise's] critical functions and  
7555 components, identification of the intended user environment for the product or service, and  
7556 supplier information.

7557

#### 7558 4.1.7. Risk Response Analysis

7559 *Define risk analysis as well as the criteria that will be utilized to assess the scoring of the*  
7560 *product or service being assessed. Include a rubric with categorical definitions to encourage*  
7561 *transparency behind assessment results.*

7562

#### 7563 Sample Text

7564 The S-CSRA risk score reflects a combined judgement based on likelihood and impact analyses.  
7565 The likelihood analysis is scored via a combination of the aforementioned threat and  
7566 vulnerability analysis score, as outlined in the figure below.

Likelihood Level					
Threat	Vulnerability				
		Low	Moderate	High	Critical
	Very Likely	Moderately Likely	Highly Likely	Very Likely	Very Likely
	Highly Likely	Moderately Likely	Highly Likely	Highly Likely	Very Likely
	Moderately Likely	Unlikely	Moderately Likely	Highly Likely	Highly Likely
	Unlikely	Unlikely	Unlikely	Moderately Likely	Moderately Likely

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The S-CSRA risk score is then aggregated based upon that likelihood score and the impact score. If multiple vulnerabilities are identified for a given product or service, each vulnerability shall be assigned a risk level based upon its likelihood and impact.

Overall Risk Score					
Likelihood (threat and vulnerability)	Impact				
		Low	Moderate	High	Critical
	Very Likely	Moderate	High	Critical	Critical
	Highly Likely	Moderate	Moderate	High	Critical
	Moderately Likely	Low	Moderate	High	High
	Unlikely	Low	Low	Moderate	High

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The aforementioned risk analyses and scoring provide measures by which [Enterprise] determines whether or not to proceed with procurement of the product, service, or supplier. Decisions to proceed must be weighed against the risk appetite and tolerance across the tiers of the enterprise, as well as the mitigation strategy that may be put in place to manage the risks as a result of procuring the product, service, or supplier.

**4.1.8. Roles & Responsibilities**

State those responsible for the S-CSRA policies, as well as its key contributors. Include the role and name of each individual or group, as well contact information where necessary (e.g., enterprise affiliation, address, email address, and phone number).

**Sample Text**

- C-SCRM PMO shall:
  - maintaining S-CSRA policies, procedures, and scoring methodologies
  - performing S-CSRA standard operating procedures
  - liaising with requestors seeking to procure a product, service or supplier
  - reporting S-CSRA results to leadership to help inform enterprise risk posture
- Each requestor shall:
  - complete S-CSRA request forms and provide all required information
  - address any information follow-up requests from the C-SCRM PMO resource completing the S-CSRA
  - adhering to any stipulations or mitigations mandated by the C-SCRM PMO following approval of a S-CSRA request.

**4.1.9. Definitions**

List the key definitions described within the policy, providing enterprise-specific context and examples where needed.

**Sample Text**

- Procurement: Process of obtaining a system, product, or service.

**4.1.10. Revision & Maintenance**

Define the required frequency for the S-CSRA template. Maintain a table of revisions to enforce version control. S-CSRA templates are living documents that must be updated and communicated to all appropriate individuals (e.g., staff, contractors, and suppliers).

**Sample Text**

[Enterprise's] S-CSRA template must be reviewed at a minimum on an annual basis since changes to laws, policies, standards, guidelines, and controls are dynamic and evolving. Additional criteria that may trigger interim revisions include:

- change of policies that impact the S-CSRA template;
- significant C-SCRM events;
- introduction of new technologies;
- discovery of new vulnerabilities;
- operational or environmental changes

- 7626     • shortcomings in the S-CSRA template;  
7627     • change of scope; and  
7628     • other enterprise-specific criteria.

7629

7630 **Sample Version Management Table**

Version Number	Date	Description of Change/Revision	Section/Pages Affected	Changes made by Name/Title/Enterprise

7631

7632

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7634

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7636 **APPENDIX E: FASCSA**

7637 **INTRODUCTION**

7638

7639 **Purpose, Audience, and Background**

7640

7641 This Appendix augments the current content in NIST SP 800-161 Revision 1 and provides  
7642 additional guidance specific to federal executive agencies (agencies) related to supply chain risk  
7643 assessment factors, assessment documentation, risk severity levels, and risk response.

7644 As discussed in the introductory section of the main body of SP 800-161 Rev 1., *The Federal*  
7645 *Acquisition Supply Chain Security Act of 2018* (FASCSA), Title II of the *SECURE Technology*  
7646 *Act* (P. L. 115-390) was enacted to improve executive branch coordination, supply chain  
7647 information sharing, and actions to address supply chain risks. The law established the Federal  
7648 Acquisition Security Council (FASC)<sup>24</sup>, an interagency executive body at the federal enterprise  
7649 level. This Council is authorized to perform a range of functions intended to reduce the federal  
7650 government's supply chain risk exposure and risk impact.

7651

7652 The FASCSA also provides the FASC and executive agencies with authorities relating to  
7653 mitigating supply chain risks, to include exclusion and/or removal of sources and covered  
7654 articles<sup>25</sup>. The law also mandates agencies conduct and prioritize supply chain risk assessments  
7655 (SCRAs). The guidance in this appendix is specific to this FASCSA requirement, as described  
7656 below, and addresses the need for a baseline level of consistency and alignment between agency-  
7657 level C-SCRM risk assessment and response functions and those SCRM functions occurring at  
7658 the government-wide level by authorized bodies such as the FASC.

7659

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<sup>24</sup> For additional information about the FASC authorities, membership, functions, and processes, readers should refer to the Federal Acquisition Security Council Final Rule, 41 CFR Parts 201 and 201-1.

See: <https://www.govinfo.gov/content/pkg/FR-2021-08-26/pdf/2021-17532.pdf>

<sup>25</sup> As defined by FASCSA, a covered article means: Information technology, including cloud computing services of all types; Telecommunications equipment or telecommunications service; the processing of information on a Federal or non-Federal information system, subject to the requirements of the Controlled Unclassified Information program; all IoT/OT - (hardware, systems, devices, software, or services that include embedded or incidental information technology.

7661   **Scope**

7662

7663   **IN SCOPE**

7664

7665   This appendix is primarily focused on providing agencies with additional guidance concerning  
7666   Section 1326 (a) (1) of the FASCSA, which requires executive agencies to assess the supply  
7667   chain risk posed by the acquisition and use of covered articles and respond to that risk as  
7668   appropriate. The law directs agencies to perform this activity, and other SCRM activities  
7669   described therein, consistent with NIST standards, guidelines, and practices.<sup>26</sup>

7670

7671   **OUT OF SCOPE**

7672

7673   Section 4713 of the FASCA pertains to executive agencies' covered procurement actions and  
7674   specific guidance concerning those actions is outside the scope of this Appendix. The FASCSA  
7675   requires the Federal Acquisition Regulatory (FAR) Council to prescribe such regulations as may  
7676   be necessary to carry out this section. NIST does and will continue to work closely with our  
7677   interagency colleagues, within the FASC, and the federal acquisition community to help ensure  
7678   harmonized guidance.

7679

7680   This appendix does not provide guidance about how to conduct an assessment. This is best  
7681   addressed through role-based training, education, and work experience. Agencies should take  
7682   steps to ensure personnel with current and prospective responsibility for performing SCRAs have  
7683   adequate skills, knowledge, and depth and breadth of experience sufficient to identify and  
7684   discern indications of cybersecurity risk in the supply chain and the assessment of those risks.  
7685   Agencies are strongly encouraged to invest in training to grow and sustain competencies in  
7686   analytic skills and SCRM knowledge. Counter-intelligence and security training is also strongly  
7687   recommended for C-SCRM PMO staff or those personnel with responsibility dedicated to  
7688   performing SCRAs to help ensure there is sufficient understanding and awareness of adversarial-  
7689   related supply chain risks and provide advice and support for risk response decisions and actions.

7690

7691   **Relationship to SP 800-161 Revision 1, Cybersecurity Supply Chain Risk Management  
7692   Practices for Systems and Organizations**

7693   The practices and processes to assess, respond to, and otherwise manage cyber-supply chain  
7694   risks are discussed at length throughout the main body and appendices of SP 800-161 Rev. 1.  
7695   This appendix provides supplemental and expanded guidance and is tailored and applicable to  
7696   federal agencies. This guidance describes the scope and type of supply chain risk assessment  
7697   information and documentation to support recommendations and decisions concerning an  
7698   escalation of risk response decisions and actions, internally to senior agency officials or to  
7699   external bodies such as the FASC.

7700   This augmented guidance is also intended to ensure a baseline consistency and sufficiency of  
7701   processes and supply chain risk information utilized for assessment and documentation and to  
7702   facilitate information sharing and referrals to applicable decision makers, whether at a given

7703 agency or at the government-wide level. Within the constraints of requisite support for federal  
7704 enterprise-level analysis and decision-making, agencies continue to have the flexibility to assess  
7705 and manage their supply risk in a manner consistent with the broader guidance outlined in the  
7706 main body and other appendices of NIST SP 800-161 Rev.1, and their policies, mission and  
7707 priority needs, and existing practices (assuming these are sufficient).

7708 **FASCSA Supply Chain Risk vs. NIST SP 800-161 Revision 1 Cybersecurity-Supply Chain  
7709 Risk**

7711 Agencies should take note that the FASCSA definition of supply chain risk is narrowly focused  
7712 on risk that arises from an adversarial threat actor. In contrast, NIST's definition and scope of  
7713 cybersecurity-supply chain risk is otherwise consistent with the FASCSA definition but broader  
7714 in scope as it includes both adversarial and non-adversarial-related risks. Consistent with the  
7715 FASCSA's direction that agencies rely upon NIST standards and guidance, agencies need to  
7716 ensure their assessment and risk response activities address all applicable cyber-supply chain  
7717 risks.

7718

7719 **SUPPLY CHAIN RISK ASSESSMENTS (SCRAs)**

7720

7721 **General Information**

7722

7723 The FASCSA requires agencies to conduct and prioritize supply chain risk assessments when  
7724 acquiring a covered article as well during its use or performance. In most cases, this also  
7725 compels the need to assess the source associated with the covered article. Supply chain  
7726 cybersecurity risk assessments conducted by agencies are highly dependent on the operating  
7727 environment and use case associated with a covered article. Agencies have flexibility in how  
7728 they apply NIST guidelines to their operations and there is not, nor should there be, a one-size-  
7729 fits-all approach to conducting a SCRA. However, to facilitate assessments that may need to take  
7730 place at the government-wide level to evaluate risk that may impact national security or multiple  
7731 agency missions; for example: there is a need to ensure agencies' SCRA information and  
7732 documentation reflects an acceptable baseline level of due diligence and standardization.

7733

7734 In general, information used for an assessment will be comprised of up to three categories of  
7735 inputs:

7736

- 1) Purpose and context information (i.e., use-case specific) used to understand the risk  
environment and to inform and establish risk tolerance relative to the use case;
- 2) Data/information obtained from the source;
- 3) All-source information, which may come from publicly available data, government sources  
(which may include classified sources), and/or commercial fee-based sources.

7737

7738 The purpose and context, as well as when in the SDLC or procurement life cycle a given  
7739 assessment of a supplier and/or covered article is performed, will necessarily drive variations in  
7740 terms of focus, degree of rigor, and scope with regard to what type, how much, and from what  
7741 source(s) information used in an assessment is obtained.

7742

7747 The FASCSA recognizes that agencies have constrained resources, and it is necessary to  
7748 prioritize the conduct of SCRAs<sup>27</sup>. Prioritization is not meant to be understood to mean that only  
7749 a subset of sources or covered articles should be assessed; rather, agencies should establish a  
7750 tiered set of priority levels, commensurate with the criticality and potential for risk impact. This  
7751 tiering can then be used to guide or compel the timing of, order, level of rigor, scope, and  
7752 frequency of SCRAs.

7753  
7754 In addition to externally driven priorities (e.g. government-wide policy direction, regulatory  
7755 requirement, etc.) and agency-defined prioritization factors, NIST SP 800-161 Rev 1. instructs  
7756 agencies to prioritize assessments concerning critical suppliers (i.e., sources) and critical systems  
7757 and services, as compromise of these sources and covered articles are likely to result in greater  
7758 harm than something determined to be non-critical. For these assessments, agencies should  
7759 address all baseline risk factors described in the Baseline Risk Factors (Common, Minimal)  
7760 section below (augmenting and weighting the factors, as appropriate to the use case, to ensure  
7761 appropriate consideration of both adversarial and non-adversarial-related risks). For a given  
7762 non-critical source or non-critical covered article, agencies have discretion, consistent with their  
7763 own internal policies and practices and absent other mandate, as to whether all, some, and to  
7764 what extent, the baseline risk factors described in this Appendix should be considered when  
7765 assessing supply chain risk. However, if and when there are one or more credible findings that  
7766 indicates that a substantial supply chain risk may exist (see Supply Chain Risk Severity Schema,  
7767 described below) it may require that a more robust assessment be completed, inclusive of all the  
7768 baseline risk factors, or more robust research and analysis of the baseline risk factors. See also,  
7769 the risk response guidance described in Risk Response Section below.  
7770

7771 Responsibility and accountability for determining the priority level(s) for SCRAs, evaluating  
7772 impact, making risk response decisions and taking actions based upon the findings in a SCRA is  
7773 an inherently governmental function and cannot be outsourced. However, some agencies may  
7774 rely upon a qualified third-party for support in conducting research, documenting findings, and  
7775 reviewing relevant information. To aid in their research and assessment activities, agencies may  
7776 also acquire access to commercially-available data or tools. Appropriate requirements should be  
7777 included in solicitations and contracts to address access to, handling, and safeguarding of supply  
7778 chain risk information. Failure to do this, in and of itself, reflects a security control gap and  
7779 creates an unmitigated supply chain risk. Additionally, agency personnel should follow the  
7780 guidance and direction of their ethics officials and legal counsel to ensure protections are in  
7781 place to guard against conflicts of interest and inappropriate or unauthorized access to or  
7782 disclosure of information, as supply chain risk information may be sensitive, proprietary, or in  
7783 certain instances classified. For the latter category of information, agencies must ensure  
7784 adherence to policies and procedures governing classified information and must limit access to  
7785 only those personnel who are cleared and authorized access.  
7786

7787 In all instances, those personnel who directly or support the conduct of an assessment have a  
7788 duty and responsibility to act prudently, objectively, and exercise reasonable care in researching  
7789 and analyzing a source or covered article as this supply chain risk information underpins  
7790 subsequent risk response decisions and actions.

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<sup>27</sup> See Section 1326 (a)(2) of the FASCSA

7791

## 7792 Baseline Risk Factors (Common, Minimal)

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7794 This section describes the baseline (common, non-exclusive) supply chain risk factors and  
 7795 guidance agencies should incorporate into (or map to the factors included in) their agency-  
 7796 defined SCRA methodology. These factors are to be used as a guide to research, identify, and  
 7797 assess risk for those SCRAs pertaining to critical sources or critical covered articles, at a  
 7798 minimum. A common baseline of risk factors also helps to ensure due diligence is consistently  
 7799 conducted as part of the analysis that informs risk-response decisions and actions, whether these  
 7800 occur at various levels within an agency or at the Federal enterprise-level. Agencies should  
 7801 assess additional factors beyond the baseline factors, as deemed relevant and appropriate to a  
 7802 given assessment use case.

7803

7804 Objectives for establishing his baseline set of factors include:

7805

- ensuring a level of even treatment of evaluated sources or covered articles;
- ensuring minimum necessary information is available to the FASC, when required;
- promoting consistency and comparability across agencies;
- aiding the conduct of more sophisticated analyses such as trend analysis or causal or correlation relationships between found indicators of risk and realized risks; and
- having a base of information sufficient to identify and understand potential mitigation options, to inform prioritization or risk response trade-off analysis/decisions, etc.

7812

7813 Table E-1 that follows includes a list of the baseline risk factors, and their corresponding  
 7814 definition or description. These factors also are consistent with and align to the factors included  
 7815 in the FASC rule. The right-most column includes a listing of the type of information that may  
 7816 be identified and found to be an indicator of risk; this listing is intended to be used as a reference  
 7817 aid and is not all-inclusive of the universe of possible indicators of risk. Information pertaining  
 7818 to the context-based risk factors should be known by the agency and is often already  
 7819 documented, e.g. in a system security plan or acquisition plan. An assessment of these context-  
 7820 based factors helps to understand inherent risk, guides identification and selection of needed  
 7821 cybersecurity and SCRM controls and procurement requirements, and aids in determining the  
 7822 risk tolerance threshold for a covered article associated with a given use case. The vulnerability  
 7823 and threat risk factors are focused on risk that may be inherited from the covered article itself or  
 7824 the associated source or supply chain. Agencies will assess the findings associated with these  
 7825 baseline (and any additional) factors to provide an informed judgment about the likelihood for  
 7826 compromise or harm and resultant impact and whether a source or covered article is within or  
 7827 exceeds their acceptable risk tolerance level.

7828

7829 **Table E-1: Baseline Risk Factors**

7830

<b>BASELINE RISK FACTOR</b>	<b>DEFINITION OR GUIDANCE</b>	<b><u>NON-EXCLUSIVE INDICATORS OF RISK (As applicable)</u></b>
CONTEXT (Inherent Risk)		

Criticality	Identify if the product, service, or source is deemed a critical system, system component, service, or supplier. Refer to main body and glossary of NIST SP 800-161 Rev. 1 for additional guidance. Also, see definition for EO-critical software.	<ul style="list-style-type: none"> <li>Supplier or Covered article (or component therein) performs or is essential to or, if compromised, could result in harm to, a mission critical function, life-safety, homeland security, critical infrastructure, or national security function; or, has an interdependency with another covered article performing, or essential to, such functions.</li> </ul>
Information and Data	Understand and document the type, amount, purpose, and flow of federal data/information used by, or accessible by, the product, service, and/or source.	<ul style="list-style-type: none"> <li>Requirement or ability to access CUI or classified information</li> <li>Federal information will be managed and/or be able to be accessed by external persons or entities other than the prime contractor or supplier</li> <li>Product or service data inputs or outputs can affect life safety, if compromised</li> </ul>
Reliance on the covered article or source	Understand the degree to which an agency is reliant on a covered article and/or source, and why.	<ul style="list-style-type: none"> <li>Prevalence of use of the product or service by the agency</li> <li>Single source of supply</li> <li>Product or service availability in the marketplace</li> <li>Availability of or acceptable alternatives to product, service, or source</li> </ul>
User/operational environment in which the covered article is used or installed, or service performed	For products included in systems or as a system component the user environment should be described in the System Security Plan and/or C-SCRM System Plan. For labor-based services, understand and document relevant information about the user environment (i.e. place of performance) that may expose the agency to risk	<ul style="list-style-type: none"> <li>The System and/or C-SCRM Security Plan should identify and document risks and describe the applicable, selected security controls required to be implemented to mitigate those risks</li> <li>Relevant environment considerations that give rise to risk concerns should be documented in procurement plans and applicable controls addressed in solicitations and contracts</li> </ul>
External Agency Interdependencies	Understand and identify interdependencies related to data, systems, and mission functions	<ul style="list-style-type: none"> <li>Covered article performs a function in support of a government-wide shared service</li> <li>Covered article exchanges data with another agency's mission critical system</li> <li>Contractor maintains an analytic tool that stores government-wide CUI data.</li> </ul>
<b>VULNERABILITIES or THREATS (Inherited Risk)</b>		

Purpose Functionality, features, and components of the covered article	Research and assessment should result in a determination as to whether the product or service is “fit for purpose” and the extent to which there is assurance that the applicable C-SCRM dimensions (see Section 1.4 of main body) are satisfied.	<ul style="list-style-type: none"> <li>• Ability of the source to produce and deliver the product or service as expected</li> <li>• Built-in security features and capabilities or lack thereof.</li> <li>• Secure configuration options and constraints.</li> <li>• Network/Internet Connectivity capability or requirements and method(s) of connection</li> <li>• Software and/or Hardware Bill of Material</li> <li>• Any transmission of information or data by a covered article to a country outside of the United States.</li> </ul>
Company Information	Information about the company, to include size, structure, key leadership, and its financial health.	<ul style="list-style-type: none"> <li>• Stability or high turnover/firings at senior leadership level</li> <li>• Corporate family tree</li> <li>• Years in business</li> <li>• Merger and acquisition activity (past and present)</li> <li>• Customer base and trends</li> <li>• Number of employees at specific location and company-wide,</li> <li>• Investors/Investments</li> <li>• Patent sales to foreign entities</li> <li>• Financial metrics and trends</li> <li>• Financial reports/audits</li> </ul>
Quality/Past Performance	Assess ability of the source to produce and deliver covered articles as expected; Includes an understanding of the quality assurance practices associated with preventing mistakes or defects in manufactured/developed products and avoiding problems when delivering solutions or services to customers.	<ul style="list-style-type: none"> <li>• Past performance information</li> <li>• Relevant customer ratings or complaints</li> <li>• Recalls</li> <li>• Quality metrics</li> <li>• Evidence of a quality program and/or certification</li> </ul>
Personnel	Risks associated with personnel affiliated with or employed by the source or an entity within the supply chain of the product or service.	<ul style="list-style-type: none"> <li>• The supplier’s program to vet its personnel, to include an insider threat program, and/or whether the supplier performs background checks and prior employment verification.</li> <li>• Hiring history from a foreign country’s or foreign adversary’s intelligence, military, law enforcement or other security services</li> <li>• Turnover rate</li> <li>• Staffing level and competencies</li> <li>• Evidence of questionable loyalties, unethical or illicit behavior and activity</li> </ul>
Physical	Risks of harm or damage (such as espionage, theft, natural events, or terrorist attacks). associated with the physical environment, structures, or facilities, or other assets.	<ul style="list-style-type: none"> <li>• Evidence of effectiveness of physical security controls such as procedures and practices that ensure or assist in the support of physical security.</li> <li>• Proximity to critical infrastructure or sensitive government assets or mission functions</li> <li>• Natural Disaster, Seismic, and Climate concerns</li> </ul>

Geo-Political	Risks associated with a geographic location/region.	<ul style="list-style-type: none"><li>• Location-based political upheaval or corruption</li><li>• Trade route disruptions</li><li>• Jurisdictional legal requirements</li><li>• Country or Regional instability</li></ul>
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Foreign Ownership, Control, Influence (FOCI)	<p>Ownership of, control of, or influence over the source or covered article(s) by a foreign interest (foreign government or parties owned or controlled by a foreign government, or other ties between the source and a foreign government) has the power, direct or indirect, whether or not exercised, to direct or decide matters affecting the management or operations of the company.</p>	<ul style="list-style-type: none"> <li>• Country is identified as a foreign adversary or country of special concern;</li> <li>• Source or its component suppliers have headquarters, research, development, manufacturing, testing, packaging, distribution, or service facilities or other operations in a foreign country, including a country of special concern or a foreign adversary</li> <li>• Identified personal and/or professional ties between the source—including its officers, directors or similar officials, employees, consultants, or contractors—and any foreign government</li> <li>• Laws and regulations of any foreign country in which the source has headquarters, research development, manufacturing, testing, packaging, distribution, or service facilities or other operations</li> <li>• Extent or amount of FOCI on a supplier</li> <li>• FOCI of any business entities involved in the covered article's supply chain, to include subsidiaries and sub-contractors, and whether that ownership or influence is from a foreign adversary of the United States or country of concern</li> <li>• Any indications the supplier may be partly or wholly acquired by a foreign entity or a foreign adversary</li> <li>• Supplier domiciled in a country where the law mandates cooperation, to include the sharing of PII and other sensitive information, with the country's security services</li> <li>• Indications demonstrating a foreign interest's capability to control or influence the supplier's operations or management or that of an entity within the covered article's supply chain</li> <li>• Key management personnel in the supply chain with foreign influence from or with a connection to a foreign government official or entities, such as members of the board of directors, officers, general partners, and senior management official</li> <li>• Foreign nationals or key management personnel from a foreign country involved with the design, development, manufacture or distribution of the covered article</li> <li>• Supplier's known connections to a foreign country's or foreign adversary's intelligence, law enforcement or other security service</li> <li>• Supplier is domiciled in or influenced/ controlled by a country that is known to conduct intellectual property theft against the United States.</li> </ul>
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Compliance/Legal	Risks arising from non-compliance, litigation, criminal acts, or other relevant legal requirements.	<ul style="list-style-type: none"> <li>Record of compliance with pertinent U.S. laws, regulations and contracts or agreements</li> <li>Judgments/Fines</li> </ul>
Fraud, Corruption, Sanctions, and Alignment with Government Interests	Risks arising from past or present fraudulent activity, corruption and being subject to suspension, debarment, exclusion, or sanctions (See also, Table J-2 and discussion immediately above table)	<ul style="list-style-type: none"> <li>Civil or criminal litigation;</li> <li>Past history or current evidence of fraudulent activity</li> <li>Source's history of committing intellectual property theft</li> <li>Supplier's dealings in the sale of military goods, equipment or technology to countries that support terrorism or proliferate missile technology or chemical or biological weapons, and transactions identified by the Secretary of Defense as "posing a regional military threat" to the interests of the United States.</li> <li>Source's history regarding unauthorized technology transfers</li> </ul>
Cybersecurity	Cybersecurity risks associated with the source, the product or service, or the supply chain. posture of the source and the accessibility, availability, authenticity and integrity of products and services and associated supply and compilation chains	<ul style="list-style-type: none"> <li>Evidence of effective cybersecurity policies and practices</li> <li>Supplier's history as a victim of computer network intrusions</li> <li>Supplier's history as a victim of intellectual property theft</li> <li>Information about whether a foreign intelligence entity unlawfully collected or attempted to acquire an acquisition item, technology or intellectual property.</li> <li>Existence of unmitigated cybersecurity vulnerabilities</li> <li>Indication of malicious activity including subversion, exploitation or sabotage associated with the supplier or the covered article.</li> </ul>
*Counterfeit and Non-Conforming Products (include in baseline if relevant to the covered article; If in doubt, include).	Risks associated with the purchase and use of a counterfeit, suspected counterfeit, grey market, or non-conforming product.	<ul style="list-style-type: none"> <li>Evidence or history of counterfeits or non-conforming products associated with the supplier</li> <li>Suppliers' anti-counterfeit practices and controls</li> <li>Sourcing of components from the grey market</li> </ul>
Supply Chain Relationships, Visibility, and Controls	Risks stemming from the supply chain associated with the source and/or covered article.	<ul style="list-style-type: none"> <li>Evidence of effective C-SCRM and Supplier Relationship Management practices</li> <li>Components or materials (relevant to covered article) originate from single source in upstream supply chain</li> <li>Reliance on single trade route</li> <li>Provenance of the covered article</li> </ul>

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7832

7833 Information about these baseline risk factors should be generally available from open sources, although the type, quality, and extent of information is likely to vary broadly. In some instances, no information may be discovered for a given factor and should be noted accordingly. Research should be tailored toward attaining credible information of most relevance to the purpose and

7837 context for which the assessment is being conducted (See also, discussion about information  
7838 quality in the Assessment Documentation and Records Management section below). Because of  
7839 these variables, it is not possible nor desirable to attempt to standardize below the risk factor  
7840 level.

7841  
7842 Findings associated with these factors may reflect a mix of information about threats,  
7843 vulnerabilities, or general “exposures” that can indicate risk being possible or present. The  
7844 findings may also be positive, neutral, or negative in nature. Positive findings are those that are  
7845 indicative of the source or covered article having desired or required assurance attributes while  
7846 on the other end of the spectrum, negative findings indicate there is or may be a risk that presents  
7847 concern.

7848  
7849 **Caution!** The existence of one or more risk indicators, associated with the above factors, does  
7850 not necessarily indicate whether a source, product, or service poses a viable or an unacceptable  
7851 risk, or the severity of the risk. Also, care should be taken to analyze what combination of  
7852 factors and findings may give rise to risk, or conversely mitigate risk concerns. Uncertainty  
7853 about a risk determination may prompt the need to conduct additional due diligence research and  
7854 analysis, escalate internally or externally, or to seek advice as to whether the risk is such that  
7855 mitigation is not possible.

7856 Separate from, or as part of the assessment, agencies should examine whether there are any laws  
7857 or federal restrictions prohibiting the use of certain suppliers and the acquisition or use of certain  
7858 items, services or materials. The list below, while not inclusive of all applicable laws and  
7859 restrictions, is focused on foreign ownership and control, other types of foreign influence,  
7860 foreign adversaries and foreign investment concerns that may pose risks to the U.S. supply  
7861 chain.

7862  
7863 Use of such suppliers or the acquisition of such an item, service or material from an individual or  
7864 entity on any of the lists below is a violation of law absent an exception or waiver, and therefore  
7865 should likely be excluded from the federal procurement process. If an item has already been  
7866 obtained prior to the below prohibitions going into effect, agencies should conduct an assessment  
7867 to determine whether they are permitted to keep the prohibited items or services, and if so,  
7868 whether any adversarial threats posed by continued use can be mitigated.

7869  
7870

1. **The Specially Designated Nationals (SDN) and Blocked Persons List:** The Treasury Department, Office of Assets Control (OFAC), through EO 13694 and as amended by EO 13757, provided for the designation on the Specially Designated Nationals and Blocked Persons List (SDN List) of parties determined to be responsible for or complicit in, or to have engaged in, directly or indirectly, malicious cyber-enabled activities. Any entity in which one or more blocked persons directly or indirectly holds a fifty percent or greater ownership interest in the aggregate is itself considered blocked by operation of law. U.S. persons may not engage in any dealings, directly or indirectly, with blocked persons.
2. **The Sectoral Sanctions Identifications (SSI) List:** The sectoral sanctions imposed on specified persons operating in sectors of the Russian economy identified by the Secretary of the Treasury were done under EO 13662 through Directives issued by OFAC pursuant to its delegated authorities. It identifies individuals operating in the sectors of the Russian economy

	with whom U.S. persons are prohibited from transacting in, providing financing for, or dealing in debt with a maturity of longer ninety days.
3.	<b>The Foreign Sanctions Evaders (FSE) List:</b> OFAC publishes a list of foreign individuals and entities determined to have violated, attempted to violate, conspired to violate, or caused a violation of U.S. sanctions on Syria or Iran pursuant to EO 13608. It also lists foreign persons who have facilitated deceptive transactions for or on behalf of persons subject to U.S. sanctions. Collectively, such individuals and companies are called “Foreign Sanctions Evaders” or “FSEs.” Transactions by U.S. persons or within the United States involving FSEs are prohibited.
4.	<b>The System for Award Management (SAM) Exclusions:</b> The SAM contains the electronic roster of debarred companies excluded from Federal procurement and non-procurement programs throughout the U.S. Government (unless otherwise noted) and from receiving federal contracts or certain subcontracts and from certain types of federal financial and nonfinancial assistance and benefits. The SAM system combines data from the Central Contractor Registration, Federal Register, Online Representations and Certification Applications, and the Excluded Parties List System. It also reflects data from the Office of the Inspector General’s exclusion list (GSA). CFR Title 2, Part 180.
5.	<b>The List of Foreign Financial Institutions Subject to Correspondent Account Payable-Through Account Sanctions (the “CAPTA List”).</b> The CAPTA List replaced the list of Foreign Financial Institutions Subject to Part 561. It includes names of foreign financial institutions subject to sanctions, certain prohibitions, or strict conditions before a U.S. company may do business with them.
6.	<b>The Persons Identified as Blocked.</b> Pursuant to 31 CFR 560 and 31 CFR 560.304, property and persons included on this list must be blocked if they are in or come within the possession or control of a U.S. person.
7.	<b>The BIS Unverified List:</b> Parties listed on the Unverified List (UVL) are ineligible to receive items subject to the Export Administration Regulations (EAR) by means of a license exception.
8.	<b>The 2019 National Defense Authorization Act, Section 889:</b> Unless a waiver is granted, NDAA Section 889 prohibits the federal government, government contractors, and grant and loan recipients from procuring or <i>using</i> certain “covered telecommunication equipment or services” that are produced by Huawei, ZTE, Hytera, Hikvision, and Dahua and their subsidiaries as a “substantial or essential component of any system, or as critical technology as part of any system.”
9.	Any other federal restriction or law that would restrict the acquisition of goods, services, or materials from a supplier.

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## Risk Severity Schema

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A common framework is needed as a reference to aid agencies in determining and appropriate risk response from the results of a supply chain risk assessment. This schema indicates whether an identified risk associated with a given source or covered article can be managed within agency-established C-SCRM processes or requires internal or external escalation for a risk-response decision or action.

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There is benefit in adopting and tailoring an existing government-wide severity schema as this creates a degree of alignment and consistency with other related processes and guidance that are already in use. The Supply Chain Risk Severity Schema (SCRSS) introduced and described below mirrors the intent and structure of the Cyber Incident Severity Schema (CISS), which was

- 7884 developed in coordination with departments and agencies with a cybersecurity or cyber  
 7885 operations mission.
- 7886 Similar to the CISS, but focused on and tailored to supply chain risks versus cyber incidents, the  
 7887 SCRSS is intended to ensure a common view of:
- 7888 • The severity of assessed supply chain risk associated with a given source or covered article;  
 7889 • The urgency required for risk response;  
 7890 • The seniority level necessary for coordinating or making a risk response decision; and  
 7891 • The information, documentation, and processes required to inform and support risk response  
 7892 efforts.

7893  
 7894                   **Table E-2: Risk Severity Schema**  
 7895

Level	Type	Description
5	Urgent National Security Interest Risk	Adversarial-related significant risk with imminent or present impact to National Security Interest
4	National Security Interest Risk	Adversarial-related significant risk with potential to impact National Security Interest
3	Significant Risk	Adversarial-related significant risk assessed, with potential or known multi-agency/ mission(s) or Government-wide impact
2	Agency High Risk	Adversarial or non-adversarial-related risk associated with a critical supplier (i.e., source), critical system or asset, or critical system component, and assessed to have a risk that is high, per agency-established risk level assessment. Assessed risk impact does not extend outside of the agency.
1	Agency Low or Moderate Risk	Adversarial or non-adversarial risk is assessed which falls within agency's risk tolerance/appetite thresholds. Assessed risk impact does not extend outside of the agency.

- 7896
- 7897 The schema in Table E-2 is not intended to replace existing agency-established methodologies  
 7898 that describe and assign various risk levels or scores but rather, it is to be used as a mapping  
 7899 reference that associates an agency risk assessment result to the schema level that most closely  
 7900 describes that result. Mapping allows agencies to continue to have the flexibility they need to  
 7901 assess and describe risk levels in a manner applicable to their purpose and context while at the  
 7902 same time, creates the ability to have a normalized lexicon to be able to commonly describe  
 7903 supply risk severity across the Federal enterprise. This schema framework also helps to  
 7904 communicate expectations about risk response coordination, information sharing, and decision-  
 7905 making responsibilities associated with each level.

7906

7907

7908 **Risk Response Guidance**

7909

7910 Depending upon the SCRSS level of an assessed supply chain risk, agencies may need to  
7911 escalate and share SCRA information with others within their internal organization for further  
7912 research, analysis, or risk response decision or engage with external officials, such as the FASC.  
7913

7914 **Information Sharing**

7915

7916 Supply chain risks assessed at Levels 3 and above are characterized as “substantial risk,” per the  
7917 FASC rule, requiring mandatory information sharing with the FASC, via the Information Sharing  
7918 Agency<sup>28</sup> (ISA), for subsequent review and potential additional analysis and action. At their  
7919 discretion, agencies may choose to voluntarily share with the FASC supply chain information  
7920 concerning identified Level 2 or 1 risks, in accordance with ISA information-sharing processes.  
7921

7922 All information sharing that occurs between an agency and the FASC, whether mandatory or  
7923 voluntary, is to be done in accordance with FASC-established information sharing requirements  
7924 and processes. Additionally, agencies will designate a senior agency official(s) who will be the  
7925 liaison for sharing information with the FASC. Agencies should establish processes to be able to  
7926 share (send and receive) information between the agency and the FASC and establish  
7927 commensurate requirements and processes, tailored to their organization, for sharing of supply  
7928 chain risk information, within their own organization.

7929

7930 **Risk Response Escalation and Triaging**

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7932 Agencies are reminded of the importance of integrating SCRM into enterprise risk management  
7933 activities and governance, as covered extensively in the main body and appendices of NIST SP  
7934 800-161 Revision 1. For risk that is determined to be at a SCRSS substantial level, it is  
7935 necessary to escalate the risk assessment information to applicable senior level officials within  
7936 the agency, including legal counsel. Agencies should also ensure appropriate officials have  
7937 security clearances, sufficient to allow them to access classified information, as needed and  
7938 appropriate, to inform or support risk response coordination, decisions, or actions.  
7939

7940 Also, because a risk deemed to be substantial is adversarial in nature, there may be law  
7941 enforcement or counter-intelligence equities or existing activities that need to be considered prior  
7942 to responding to the assessed risk. Agencies notifying and referring of substantial risks to the  
7943 FASC standardizes and streamlines the process that agencies should follow to ensure these risks  
7944 are “triaged” appropriately.

7945

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<sup>28</sup> The Department of Homeland Security (DHS), acting primarily through the Cybersecurity and Infrastructure Security Agency, has been designated to serve as the FASC's ISA. The ISA performs administrative information sharing functions on behalf of the FASC, as provided at 41 U.S.C. 1323 (a) (3).kk

**ASSESSMENT DOCUMENTATION AND RECORDS MANAGEMENT****Content Documentation Guidance**

Agencies need to ensure their assessment record satisfies the minimal documentation requirements described in this section for referrals of sources and/or covered articles to the FASC or when escalating internally for risk-response decision that may implicate the use of an agencies' Section 4713 authority. This documentation baseline standard helps to ensure a robust and defensible record is established that can be used to support well-informed risk-response decisions and actions. It also helps to promote consistency in the scope and organization of documented content to facilitate comparability, re-usability, and information sharing.

The documentation requirements extend beyond capturing risk factor assessment information and includes general facts about who conducted the assessment and when, identifier and descriptive information about the source and covered article, citation of the data source(s) used to attain assessment information, an assignment of a confidence level to discrete findings and aggregate analysis of findings, as well as noting assumptions and constraints.

Agencies should also have, and follow, a defined assessment and risk scoring methodology. This methodology should be documented and referenced in the assessment record concerning a given source and/or covered article. Any deviations from the agency-defined methodology should be described in the general information section of the assessment record.

As information is researched and compiled, it needs to be organized and synthesized to cull out and document relevant findings that align to the varying risk factor categories. Sourced information, especially concerning notable findings of risk of concern, should be retained or be retrievable in a form that retains its evidentiary integrity and considered as supplemental content that may be required to support and defend a risk response decision or action. As such, the sources for, and the quality of and confidence in, the sourced information needs to be considered as part of the assessment activity and documented accordingly. Broadly, quality information should be understood to be information that is timely, relevant, unbiased, sufficiently complete or provided in-context, and attained from credible sources.

Documentation requirements should be incorporated into existing, relevant supply chain risk assessment policies, processes, and procedures. These requirements should be informed by consultation with, and direction from, officials within the agency to include legal counsel and personnel with responsibility for records management, CUI and classified information management, and privacy.

While a format is not specified, the minimal scope of content and documentation for a given assessment record should include the content described in Table E-3 below:

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7991  
7992**Table E-3: Assessment Record – Minimal Scope of Content and Documentation**

General Information	Additional Comments
Agency responsible for the assessment.	Agencies should be able to identify points of contact and retain information about any non-Federal personnel who supported the assessment and/or tools, data sources (inclusive of commercially obtained) used in support of the assessment.
Date of assessment or Timeframe in which the assessment was conducted.	Agencies should note which of their findings are temporal in nature and subject to change over time.
Source Profile: Identifier and Descriptive Information about Assessed Supplier	Document (as knowable and applicable): Legal Name, DBA Name, Domicile, Physical Address, (if different, physical Location of HQ); DUNS number, CAGE Code; Contact Phone Number; Registered as Foreign or Domestic Company; Company Website URL, Company Family Tree Structure and location in Company Family Tree (if known); Company Size; Years in Business; Market Segment
Identifier and Descriptive Information about Assessed Covered Article	Document: Product Name; Unique Identifier (e.g., Model Number/Version Number/Serial Number); Relevant NAICS and PSC; Brief Description
Summary of Purpose and Context of Assessment	Briefly summarize. Identify applicable life cycle phase indicated when assessment occurred (e.g., market research, procurement action, operational use)
Assessment Methodology	Provide reference to documented methodology. Describe any deviations from documented methodology.
Source/Covered Article Research, Findings, and Risk Assessment Results	Documented analysis of findings and identification and assessment of risk. Minimally, there needs to be a summation of the key findings and analysis of those findings and rationale for risk level determination. Specifically, this summary should address potential or existing threats to or vulnerabilities of Federal systems, programs or facilities, including the potential for exploitability. Include notes about relevant assumptions and constraints.
Impact Assessment	Relative to the purpose and context of the assessment, describe the assessed potential for impact, given the type, scope, and severity of the risk identified.
Mitigation of Unresolved or Unacceptable Risk(s)	Include a discussion about the capability, capacity, and willingness of the source to mitigate risks to a satisfactory level and/or the capability and capacity of the agency to mitigate risks. Identify viable mitigation options, if known, to address any unresolved or unacceptable risks.
Assessment of Risk Severity level in accordance with Supply Chain Risk Severity Schema.	Include SCRSS level number and summary of explanation as to why this level was assigned. Address identified implications for government missions or assets, national security, homeland security, or critical functions associated with use of the source or covered article.

Risk Response	Describe risk response decision or actions taken (e.g., avoid, mitigate, escalate to FASC for coordination and triaging; referral to FASC, other (describe)).
Any other information, as specified and directed to provide by the FASC or is included, per agency discretion.	Describe or provide information that would factor into an assessment of supply chain risk, including any impact to agency functions, and other information as the FASC deems appropriate.
Review and Clearance	Ensure the credibility of and confidence in sources and available information used for assessment of risk associated with proceeding, with using alternatives, and/or with enacting mitigation efforts is addressed. Confirm the assessment record was reviewed and cleared by applicable officials, to include applicable Senior Leadership and legal counsel, for risk assessed as being substantial. Review and clearance are also intended to ensure that assessment record and supporting information is appropriately safeguarded, marked, and access-controlled.

7993

**Assessment Record**

7995

7996 Agencies should ensure records management requirements are adhered to with regard to SCRAs.  
 7997 Policies and procedures should be in place that address the requisite safeguarding, marking,  
 7998 handling, retention, and dissemination requirements and restrictions associated with an  
 7999 assessment record and its associated content.

8000

8001 If and when assessment services (e.g., analytic support) or commercially-provided information is  
 8002 obtained to support the development of an assessment record, an agreement (e.g., contract,  
 8003 interagency agreement) should specify appropriate requirements and restrictions about scope and  
 8004 purpose of data use or limitations, access, and retention rights.  
 8005

8006

8007 **APPENDIX F: RESPONSE TO EXECUTIVE ORDER 14028's CALL TO PUBLISH**  
8008 **PRELIMINARY GUIDELINES FOR ENHANCING SOFTWARE SUPPLY CHAIN**  
8009 **SECURITY**

8010 **INTRODUCTION**  
8011

8013 The Executive Order (EO) on Improving the Nation's Cybersecurity, released on May 12, 2021,  
8014 acknowledges growing risks across the cybersecurity landscape and seeks to correspondingly  
8015 enhance the federal government's cybersecurity posture. The enhancements contained within are  
8016 multi-faceted, mandating changes from incident response procedures to the establishment of a  
8017 Cyber Safety Review Board.

8018 Federal departments and agencies are increasingly exposed to cybersecurity risk in the supply  
8019 chain as a result of software they acquire, deploy, use and manage from their supply chain  
8020 (which includes open sources). Software acquired through the supply chain may contain both  
8021 known and unknown vulnerabilities as a result of the build process used by the developer. For  
8022 example, commercially-developed software may include open source code and software  
8023 components which were subjected to varying levels of due diligence by developers. The  
8024 obscurity that Federal departments and agencies face within their supply chains present a unique  
8025 challenge when it comes to managing cybersecurity risk in the supply chain.

8026 Mitigating these types of risks to the supply chain is a cornerstone of the EO, with Section 4  
8027 focusing exclusively on the critical sub-discipline of software supply chain security. The  
8028 implications of Section 4 to C-SCRM activities within the federal government and those in the  
8029 private sector that supply the federal government are substantial enough to require explicit  
8030 consideration within this publication. Additionally, the EO identifies NIST as an authoritative  
8031 source in the collection and dissemination of recommended guidance for securing the software  
8032 supply chain.

8033

8034      Section 4

8035

8036 *Referential Text from EO Section 4:*

8037 (b) Within 30 days of the date of this order, the Secretary of Commerce acting through the  
8038 Director of NIST shall solicit input from the Federal Government, private sector, academia, and  
8039 other appropriate actors to **identify existing or develop new standards, tools, and best**  
8040 **practices** for complying with the standards, procedures, or criteria in subsection (e) of this  
8041 section. The guidelines shall include **criteria that can be used to evaluate software security,**  
8042 **include criteria to evaluate the security practices of the developers and suppliers**  
8043 **themselves**, and identify innovative tools or methods to demonstrate conformance with secure  
8044 practices.

8045

8046 *Relevant directive to this appendix:*

8047 (c) Within 180 days of the date of this order, the Director of NIST shall publish  
8048 **preliminary guidelines, based on the consultations described in subsection (b) of this**  
8049 **section and drawing on existing documents as practicable, for enhancing software supply**  
8050 **chain security and meeting the requirements of this section.**

8051

8052 This appendix therefore seeks to provide a response to the directives outlined within Section 4(c)  
8053 of the EO by outlining existing industry standards, tools, and recommended<sup>29</sup> practices within  
8054 the context of SP 800-161 Rev. 1, as well as any new standards, tools, and recommended  
8055 practices stemming from the EO and recent developments in the discipline.

8056

8057 Existing industry standards, tools, and recommended practices are sourced from the main body  
8058 of SP 800-161 Rev. 1, as well as subsequent guidance published by NIST as a result of the EO,  
8059 including:

8060

- 8061    • Definition of Critical Software Under Executive Order (EO) 14028; June 25, 2021
- 8062    • Security Measures for “EO-Critical Software” Use Under Executive Order (EO) 14028;  
8063       July 9, 2021
- 8064    • Guidelines on Minimum Standards for Developer Verification of Software; July 2021

8065

8066 New standards, tools, and recommended practices are sourced from over 150 position papers  
8067 submitted in advance NIST’s June 2021 Enhancing Software Supply Chain Security Workshop,  
8068 federal software supply chain security working groups, as well as an array of public and private  
8069 industry partnerships.

8070

8071 To facilitate prioritization and practical implementation of new software supply chain security  
8072 recommendations, the corresponding guidance in Section 1.3 is presented in the Foundational,  
8073 Sustaining, and Enhancing practices paradigm first presented in the main body of SP 800-161  
8074 Rev. 1.

<sup>29</sup> NIST interprets the intent of “best” practices within the context of the EO as “recommended” practices to align with its typical mandate as an authoritative body providing recommendations to both public and private organizations.

8075  
8076 Following the release of these preliminary guidelines and pursuant to section 4(e) of the EO,  
8077 NIST will issue guidance which includes the Secure Software Development Framework (SSDF)  
8078 captured in NIST SP 800-218 (currently in draft for public comment). The SSDF provides a core  
8079 set of high-level secure software development practices that can be integrated into each SDLC  
8080 implementation. In addition, this guidance identifies practices that enhance software supply  
8081 chain security, with references to standards, procedures, and criteria. Initial work on this  
8082 guidance is scheduled to be released by February 6<sup>th</sup>, 2022. This publication will include  
8083 references to practices and standards available prior to the release of the final publication of  
8084 NIST SP 800-161.

8085  
8086 **Purpose**  
8087

8088 The purpose of this Appendix is to provide guidance to IT, C-SCRM PMO,  
8089 acquisition/procurement and other functions to facilitate compliance with the relevant EO. This  
8090 guidance includes applying existing SP 800-161 Rev. 1 controls to suppliers, and, where  
8091 feasible, adopting new software supply chain security recommendations that previously fell  
8092 outside of the explicit scope of SP 800-161 Rev. 1.

8093  
8094 **Scope**  
8095

8096 The EO's broad-based directives are being addressed across numerous public and private sector  
8097 forums, working groups, and publications. This appendix focuses exclusively on software supply  
8098 chain security guidance related to acquisition, use, and maintenance of third-party software and  
8099 services as they relate to Section 4(c) of the EO. This appendix does not include contractual  
8100 language for departments and agencies and cybersecurity concepts and disciplines beyond core  
8101 software supply chain security use cases.

8102  
8103 **Audience**  
8104

8105 The primary audience for this appendix is federal departments and agencies that acquire, deploy,  
8106 use and manage software from open sources, third party suppliers, developers, system  
8107 integrators, external system service providers, and other ICT/OT-related service providers and  
8108 must comply with Section 4 of the EO. This guidance also applies to software developed in-  
8109 house by federal departments and agencies which commonly relies on reuse of open source and  
8110 third-party developed code. Given the significant downstream impacts of the EO on the private  
8111 sector, however, the guidance contained herein may also be of use to non-federal organizations  
8112 seeking to understand and/or align with federal C-SCRM and software supply chain security  
8113 recommended requirements and practices.

8114  
8115 **Relationship to SP 800-161 Rev. 1**  
8116

8117 The initial public draft of SP 800-161 Rev. 1 was published in April 2021 and preceded the  
8118 release of the EO. This appendix responds to the bulk of required updates resulting from Section  
8119 4(c)'s directives, though additional changes have been cascaded throughout the main body of  
8120 NIST SP 800-161, Rev.1 as required by Section 4(c) and adjudicated public comments. The

8121 intent of this approach is to provide clear and direct guidance for federal departments and  
8122 agencies seeking to comply with Section 4 of the EO, while ensuring that the main body of this  
8123 document is aligned with the rapidly changing C-SCRM and software supply chain disciplines.  
8124 The impact of Section 4's directives will continue to evolve through 2022 and beyond. Concepts  
8125 introduced within this appendix will similarly continue to evolve, in particular those related to  
8126 new standards, tools, and recommended practices. As with any NIST guidance, organizations  
8127 referencing these materials should ascertain that no subsequent publication, guidance, or EO  
8128 supersedes the concepts discussed here.

## 8131 THE EO THROUGH THE LENS OF SP 800-161 Rev. 1

8133 Software supply chain security concepts are a critical sub-discipline within C-SCRM, and as  
8134 such are well represented throughout SP 800-161 Rev. 1. The main body of SP-800-161 is  
8135 therefore a fitting lens through which NIST's efforts to gather existing industry standards, tools,  
8136 and recommended practices in software supply chain security can be organized and  
8137 operationalized by federal departments and agencies.

8139 NIST has translated the EO's Section 4 software supply chain directives into three targeted  
8140 initiatives<sup>30</sup>. Those initiatives encompass:

- 8142 • Critical Software Definition and Security Measures
- 8143 • Recommended Minimum Standard for Vendor or Developer Verification of Code
- 8144 • Cybersecurity Labeling for Consumers: Internet of Things (IoT) Devices and Software

8146 SP 800-161 Rev. 1's coverage of, and contribution to, existing industry standards, tools, and  
8147 recommended practices across each of these initiatives is outlined in this section. NIST looks to  
8148 these other standards, tools, and recommended practices as a mean of establishing preliminary  
8149 guidelines, for enhancing software supply chain security, and will include information available  
8150 at the time of publication of the final version of NIST SP 800-161, Rev.1. Those efforts include

- 8152 • National Telecommunications and Information Administration (NTIA) developing and  
8153 establishing minimum elements for a Software Bill of Materials (SBOM)
- 8154 • NIST in consultation with the Department of Defense, NSA, CISA, OMB, and National  
8155 Intelligence publishing a definition for EO-critical software
- 8156 • NIST efforts to develop and publish guidance outlining security measures for critical  
8157 software

### 8158 EO-Critical Software

8160 The EO's Section 4 directives outline two actions for NIST in relation to critical software. The  
8161 first is to publish a definition based on the parameters set out in the EO for critical software that  
8162 "reflect[s] the level of privilege or access required to function, integration, and dependencies

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<sup>30</sup> For more information, see NIST's "Improving the Nation's Cybersecurity: NIST's Responsibilities under the Executive Order"

8163 with other software.” The second is to “publish guidance outlining security measures” that  
 8164 should be utilized to protect that revised set of critical software designations.

8165 **Definition**

8166 NIST’s response to the EO, titled a “Definition of Critical Software Under Executive Order (EO)  
 8167 14028”, was released on June 25, 2021. The publication revisits traditional notions of context-  
 8168 based criticality definitions and enhances them with additional function-based definitions, as  
 8169 summarized below<sup>31</sup>.

8170 To aid in the application of this enhanced assessment of software criticality and facilitate their  
 8171 efforts to comply with Section 4 of the EO, Table F-1 identifies the points at which existing  
 8172 criticality considerations in SP 800-161 Rev. 1 adopted by Federal departments and agencies  
 8173 may be enhanced by the new EO-critical software definition.

8174 **Table F-1: Impacts of EO-critical software definition on SP 800-161 Rev. 1 guidance for  
 8175 Federal Departments and Agencies**

Section Identifier	Section Title	EO-critical Definition Impact
1.4	<b>C-SCRM Key Practices</b>	<ul style="list-style-type: none"> <li>Integrate context-based criticality concepts within the Foundational Practices’ measurement of supplier criticality and utilization of supplier risk assessments</li> <li>Expand Sustaining Practices assessment and certification activities to all net new critical suppliers under the expanded EO-criticality definition (e.g., suppliers who develop a software component that performs a function critical to trust, regardless of where that component is used within the organization)</li> </ul>
2	<b>Integration of C-SCR in Enterprise-wide Risk Management</b>	<ul style="list-style-type: none"> <li>Enhance SP 800-39’s Assess risk step with EO-critical risk definitions when considering software supply chain components and suppliers</li> </ul>
2.1	<b>Multi-level Risk Management</b>	<ul style="list-style-type: none"> <li>Augment C-SCRM Strategy and Implementation Plans, Policies, and Plans focus on mission/business critical requirements to include EO-critical software supply chain security considerations, where applicable</li> </ul>
3.1	<b>C-SCRM in Acquisition</b>	<ul style="list-style-type: none"> <li>Ensure groupings accommodate EO-critical software supply chain suppliers when segmenting the organization’s supplier relationships and contracts</li> <li>Codify function-based software criticality definitions during the ‘plan procurement’ step and incorporate EO-critical concepts when justifying the level of criticality</li> </ul>
4.3	<b>Applying C-SCRM Controls to Acquiring Products and Services</b>	<ul style="list-style-type: none"> <li>Extend EO-critical definition considerations to ICT/OT related service providers, where applicable</li> </ul>
<b>Appendix C</b>	<b>Risk Exposure Framework</b>	<ul style="list-style-type: none"> <li>Incorporate EO-critical definition components when determining the organizational acceptable level of risk,</li> </ul>

<sup>31</sup> NIST’s Definition of Critical Software Under Executive Order (EO) 14028

		particularly within the context of system criticality assessments
<b>Appendix D</b>	<b>C-SCRM Templates</b>	<ul style="list-style-type: none"> <li>• Account for EO-critical definitions when considering automated generation of C-SCRM plan elements, such as supply chain component criticality</li> </ul>
<b>Appendix E</b>	<b>FASCSA</b>	<ul style="list-style-type: none"> <li>• Account for risk factors associated with EO-critical definitions when identifying, assessing, and responding to supply chain risk</li> </ul>
<b>Appendix G</b>	<b>C-SCRM Activities in the Risk management Process</b>	<ul style="list-style-type: none"> <li>• Incorporate EO-critical component definitions when performing risk management activities that include a reference to criticality as part of (i) frame risk, (ii) assess risk, (iii) respond to risk once determined, and (iv) monitor risk (i.e., FARM process)</li> </ul>

## 8181      **Security Measures (SM) for “EO-Critical Software” Use**

8182      Following the release of the “Definition of Critical Software Under Executive Order (EO)  
 8183      14028,” NIST subsequently published “Security Measures for ‘EO-Critical Software’ Use Under  
 8184      Executive Order (EO) 14028” on July 9, 2021.

8185      The security measures contained within this publication are designed to guide the secure use of  
 8186      EO-critical software. Its contents demonstrate two key concepts for federal department and  
 8187      agencies seeking to comply with the EO:

- 8188      (1) SP 800-161 Rev. 1’s C-SCRM controls, control enhancements, and supplemental  
 8189      guidance remain an effective vehicle through which EO-driven software supply chain  
 8190      security controls can be operationalized across the SDLC; and
- 8191      (2) Software supply chain security measures are essential both internally and for supplier  
 8192      oversight; departments and agencies must recognize that they are critical players in the  
 8193      software supply chain and should, at a minimum, implement the same security controls  
 8194      internally that they impose upon their software suppliers.

8195      The table below outlines the mappings and coverage of the EO’s security measures across SP  
 8196      800-161 Rev. 1’s controls, control enhancements, and supplemental guidance outlined in the  
 8197      main body of this document, many of which are included in the C-SCRM controls baseline.

8198      EO Security Measures and their associated [NIST SP 800-53] controls are considered flow-down  
 8199      in that enterprises should require their prime contractors to implement this control and flow  
 8200      down this requirement to relevant sub-tier contractors as part of procurement. These control and  
 8201      security measures are foundational to cybersecurity in every organization.

8202      Federal departments and agencies aligned to SP 800-161 Rev. 1 controls should use the below  
 8203      table to aid conformance with EO Security Measures and ensure their effective application  
 8204      across the software supply chain.

8214  
8215  
8216  
8217**Table F-2: C-SCRM Control and Security Measure Crosswalk**

<b>Control Identifier</b>	<b>Control Name</b>	<b>C-SCRM Baseline</b>	<b>EO Security Measure</b>
AC-2	<b>Account Management</b>	x	1.1, 1.2, 1.3, 2.2
AC-3	<b>Access Enforcement</b>	x	2.2
AC-4	<b>Information Flow Enforcement</b>		2.4
AC-5	<b>Separation of Duties</b>		3.3
AC-6	<b>Least Privilege<sup>32</sup></b>	x <sup>37</sup>	2.2, 3.3
AC-17	<b>Remote Access</b>	x	2.4
AT-2	<b>Literacy Training and Awareness<sup>37</sup></b>	x <sup>37</sup>	5.1
AT-3	<b>Role-based Training</b>	x	4.5, 5.1, 5.2, 5.3
AU-2	<b>Event Logging</b>	x	4.1
AU-3	<b>Content of Audit Records</b>	x	4.1
AU-12	<b>Audit Record Generation</b>	x	4.1
AU-13	<b>Monitoring for Information Disclosure</b>		4.4
AU-14	<b>Session Audit</b>		4.4
CA-7	<b>Continuous Monitoring<sup>37</sup></b>	x <sup>37</sup>	3.2, 3.3, 4.1
CM-2	<b>Baseline Configuration</b>	x	3.3
CM-3	<b>Configuration Change Control</b>		3.3
CM-6	<b>Configuration Settings</b>	x	3.3
CM-7	<b>Least Functionality</b>	x	3.3
CM-8	<b>System Component Inventory</b>	x	2.1, 3.1
CP-3	<b>Contingency Training</b>	x	5.2
IA-2	<b>Identification and Authentication (organizational Users)</b>	x	1.1, 1.2
IA-4	<b>Identifier Management</b>	x	1.1
IA-5	<b>Authenticator Management</b>	x	1.1
IA-9	<b>Service Identification and Authentication</b>		1.2
IR-2	<b>Incident Response Training</b>	x	4.5
PM-5	<b>System Inventory</b>		2.1, 3.1
RA-5	<b>Vulnerability Monitoring and Scanning</b>	x	3.2, 3.3
RA-9	<b>Criticality Analysis</b>		3.1
SC-7	<b>Boundary Protection</b>	x	1.4, 4.4
SC-8	<b>Transmission Confidentiality and Integrity</b>		2.4
SC-28	<b>Protection of Information at Rest</b>		2.3
SI-2	<b>Flaw Remediation</b>	x	3.2
SI-3	<b>Malicious Code Protection</b>	x	4.3, 4.4
SI-4	<b>System Monitoring</b>	x	4.2, 4.3
SI-5	<b>Security Alerts, Advisories, and Directives</b>	x	3.2, 3.3, 4.3
SR-8	<b>Notification Agreements</b>	x	

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The security measures are intended to protect the use of deployed EO-critical software in agencies' operational environments. Security measures for EO Critical Software are not intended to be comprehensive, nor are they intended to eliminate the need for other security measures that federal agencies implement as part of their existing requirements and cybersecurity programs.

<sup>32</sup> While the base control is not addressed within SP 800-161 Rev. 1, the topic at large is addressed through supplemental guidance provided for control enhancements to the base control within SP 800-161 Rev.1

8223 One security measure outlined within the “Security Measures for ‘EO-Critical Software’ Use  
 8224 Under Executive Order (EO) 14028” falls outside the scope of SP 800-161 Rev. 1. Security  
 8225 Measure 2.5 outlines a requirement to “back up data, exercise backup restoration, and be  
 8226 prepared to recover data used by EO-critical software and EO-critical software platforms at any  
 8227 time from backups”. Though relevant to sound C-SCRM practices, controls related to Security  
 8228 Measure 2.5 are out of scope and therefore not present in SP 800-161 Rev. 1. These controls are  
 8229 considered out of scope because they are not third-party risk related, and rather focus on  
 8230 managing the software within a system. That security measure, and any other partial security  
 8231 measure mappings outside the scope of this document are outlined in the table below.  
 8232  
 8233 Departments and agencies seeking to fully conform with all mapped controls across all EO  
 8234 security measures, regardless of whether they are C-SCRM specific in nature, should use this  
 8235 table to accelerate conformance.  
 8236

**Table F-3: C-SCRM Control and Security Measure Crosswalk**

Control Identifier	Control (or Control Enhancement) Name	C-SCRM Baseline	EO Security Measure
AU-4	<b>Audit Log Storage Capacity</b>	N/A	4.1
AU-5	<b>Response to Audit Logging Process Failures</b>	N/A	4.1
AU-8	<b>Time Stamps</b>	N/A	4.1
AU-11	<b>Audit Record Retention</b>	N/A	4.1
CA-7	<b>Continuous Monitoring</b>	N/A	3.2, 3.3, 4.1
CP-9	<b>System Backup</b>	N/A	2.5
CP-10	<b>System Recovery and Reconstitution</b>	N/A	2.5
SC-2	<b>Separation of System and User Functionality</b>	N/A	1.3
SC-7(15)	<b>Boundary Protection   Networked Privileged Accesses</b>	N/A	1.3

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## 8242 Software Verification

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8244 The second initiative launched by NIST in response to EO 14028 encompasses the aggregation  
8245 and codification of recommended minimum practices for software verification. As the name  
8246 implies, the resulting “Guidelines on Minimum Standards for Developer Verification of  
8247 Software” released in July 2021 focuses primarily on the perspective of developers supplying  
8248 secure products and services to organizations within the Federal Government. Those  
8249 recommended minimum software verifications techniques for developers are listed below<sup>33</sup>:

8250

- 8251 • Threat modeling to look for design-level security issues
- 8252 • Automated testing for consistency and to minimize human effort
- 8253 • Static code scanning to look for top bugs
- 8254 • Heuristic tools to look for possible hardcoded secrets
- 8255 • Use of built-in checks and protections
- 8256 • “Black box” test cases
- 8257 • Code-based structural test cases
- 8258 • Historical test cases
- 8259 • Fuzzing
- 8260 • Web app scanners, if applicable
- 8261 • Address included code (libraries, packages, services)

8262

8263 At a minimum, federal department and agencies should familiarize themselves with these  
8264 guidelines and take action to ensure applicable recommended baseline practices are being  
8265 performed by their suppliers, developers, system integrators, external system service providers,  
8266 and other ICT/OT-related service providers.

8267

8268 Federal departments and agencies should ensure that roles and responsibilities for software  
8269 verification are made explicit within solicitations and agreements. Suppliers, developers, system  
8270 integrators, external system service providers, and other ICT/OT-related service providers who  
8271 have direct or indirect responsibilities for software development may be held responsible by  
8272 Federal departments and agencies for the verification of software. In the case of resellers, they  
8273 should be held responsible for demonstrating that the software is verified. At times, agencies  
8274 may determine a need for performing software verification activities for example, in cases where  
8275 the contract should address corrective actions and ongoing maintenance and update  
8276 requirements.

8277

8278 As with the security measures for critical software use, these recommended baseline practices  
8279 can be operationalized by departments and agencies through the lens of SP 800-161 Rev. 1.  
8280 Table F-4 outlines where the minimum software verification techniques can be used by Federal  
8281 departments and agencies to enhance existing C-SCRM controls, control enhancements, and  
8282 supplemental guidance:

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<sup>33</sup> NIST’s Guidelines on Minimum Standards for Developer Verification of Software

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**Table F-4: C-SCRM Control and Security Measure Crosswalk**

<b>Control Identifier</b>	<b>Control Name</b>	<b>EO Minimum Software Verification Technique Impact</b>
AU-12	<b>Audit Record Generation</b>	<ul style="list-style-type: none"> <li>Expand examples of “supply chain auditable events” to include supplier attestation (or third-party validation) that all relevant minimum software verification techniques were performed and passed. Attestation should accompany each installation, deployment, and/or upgrade of software.</li> </ul>
SA-3	<b>System Development Life Cycle</b>	<ul style="list-style-type: none"> <li>Integrate all applicable minimum software verification techniques into a supplier’s “traditional SDLC activities”</li> </ul>
SA-4	<b>Acquisition Process</b>	<ul style="list-style-type: none"> <li>Include all applicable minimum software verification techniques into a supplier’s “requirements for functional properties, configuration, and implementation information, as well as any development methods, techniques, or practices which may be relevant”. To differentiate between assurance activities and their effectiveness, evaluation factors should include means for weighting inclusion of each applicable minimum software verification technique, monitoring, and remediation of resultant findings.</li> </ul>
SA-8	<b>Security Engineering Principles</b>	<ul style="list-style-type: none"> <li>Incorporate threat modelling, fuzzing, and automation to determine “maximum possible ways that the ICT/OT product or service can be misused and abused” by a supplier</li> <li>Expand supplier’s “security mechanisms” to include the built-in checks and protections verification technique</li> <li>Use address included code verification techniques to enhance supplier “design information system components and elements”</li> </ul>
SA-9	<b>External System Services</b>	<ul style="list-style-type: none"> <li>Ensure minimum software verification techniques and results are documented alongside a supplier’s “cyber-supply chain threats, vulnerabilities, and associated risks”</li> </ul>
SA-10	<b>Developer Configuration Management</b>	<ul style="list-style-type: none"> <li>Mandate supplier “developer configuration management activities” incorporates checking included software for known vulnerabilities and application of remediations and/or compensating controls to resolve or mitigate identified vulnerabilities.</li> </ul>
SA-11	<b>Developer Testing and Evaluation</b>	<ul style="list-style-type: none"> <li>Supplement suggested “C-SCRM-relevant testing” with all applicable minimum software verification techniques</li> </ul>
SA-15	<b>Development Process, Standards, and Tools</b>	<ul style="list-style-type: none"> <li>Enhance “threat modelling and vulnerability analysis” activities to include the minimum software verification techniques, where applicable</li> </ul>
SA-22	<b>Unsupported System Components</b>	<ul style="list-style-type: none"> <li>Incorporate automated testing, built-in checks, and address included code (libraries, packages, services) verification techniques to proactively identify unsupported systems or system subcomponents</li> </ul>
SR-6	<b>Supplier Assessment and Reviews</b>	<ul style="list-style-type: none"> <li>Augment “baseline factors and assessment criteria” to include a supplier’s minimum software verification techniques, where applicable</li> </ul>
SR-9	<b>Tamper Resistance and Detection</b>	<ul style="list-style-type: none"> <li>Augment “tamper resistance and detection control” to include a supplier’s minimum software verification techniques, where applicable</li> </ul>

<b>SR-11</b>	<b>Component Authenticity</b>	<ul style="list-style-type: none"> <li>• Use automated scanning and check included software techniques to continuously monitor “configuration control for component service and repair” activities as well as “anti-counterfeit scanning”</li> </ul>
<b>SI-7</b>	<b>Software, Firmware, and Information Integrity</b>	<ul style="list-style-type: none"> <li>• Exound on “applicable verification tools” to include all minimum software verification techniques, where applicable</li> </ul>
<b>CM-3</b>	<b>Configuration Change Control</b>	<ul style="list-style-type: none"> <li>• Incorporate automated scanning, fuzzing, and other built-in checks and protections into “testing and validation, and documentation of changes” activities to control for supplier misconfiguration risks</li> </ul>
<b>CM-6</b>	<b>Configuration Settings</b>	<ul style="list-style-type: none"> <li>• Codify “automated management, application, and verification” activities to include all applicable minimum software verification techniques</li> </ul>
<b>CM-10</b>	<b>Software Usage Restrictions</b>	<ul style="list-style-type: none"> <li>• Mandate use of all applicable software verification techniques when utilizing open source software or licensed software (which may also apply to some open source software)</li> </ul>

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8287 **Cybersecurity Labeling for Consumers: Internet of Things (IoT) Devices and Software**

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8289 The third and final initiative undertaken by NIST in response to EO 14028 is to define  
 8290 cybersecurity IoT labeling criteria and secure software development practices or criteria for a  
 8291 consumer software labeling program. While this initiative remains in its early stages at time of  
 8292 publication, SP 800-161 Rev. 1 does provide tangential guidance on the topic. Federal  
 8293 departments and agencies should consider FISMA as applicable to IoT, and as such, should  
 8294 already be ensuring that applicable security requirements are being addressed when acquiring,  
 8295 configuring and using IoT within their environments. Organizations should refer to the body of  
 8296 existing work on IoT that can be taken into consideration until such a time that new guidance is  
 8297 released as a result of the ongoing efforts.

8298

8299 CISA’s *Internet of Things Acquisition Guidance* provides recommendations to the acquisition  
 8300 function on how to apply cybersecurity and C-SCRM principles throughout the acquisition life  
 8301 cycle of IoT devices. This work emphasizes the importance of comprehensively evaluating the  
 8302 supply chains of IoT technologies before buying and deploying them. Guidance is provided  
 8303 within the context of each phase of the acquisition life cycle and covers purchasing, deployment  
 8304 and implementation, and integration with legacy systems.

8305

8306 In addition to the work of CISA, NIST has published an extensive set of guidance which  
 8307 includes NISTIR 8259 *Recommendations for IoT Device Manufacturers: Foundational Activities*  
 8308 as well as NISTIR 8259A *Core Device Cybersecurity Capability Baseline* which address IoT  
 8309 security activities and baseline security capabilities for IoT device manufacturers. This work  
 8310 provides specific recommendations for improving how securable manufactured IoT devices are.  
 8311 IoT device manufacturers should look to for recommendations on designing secure devices with  
 8312 embedded cybersecurity capabilities, providing customer services to support the cybersecurity of  
 8313 the device across the device life cycle, and generally enhancing the cybersecurity risk  
 8314 management capabilities of customers through their devices.

8315

8316

8317 In general, this publication provides broadly applicable guidance in the form of C-SCRM  
8318 activities and controls which Federal departments and agencies should consider within the  
8319 context of IoT. Example areas where activities and controls in this publication can be applied to  
8320 IoT include the handling and processing of sensitive information, provenance and anti-tampering  
8321 of IoT devices, and due-diligence on and assessment of IoT suppliers, manufacturers, and their  
8322 supplied IoT devices.

8323

### 8324 Emerging software supply chain concepts

8325

8326 Both C-SCRM and software supply chain security disciplines have evolved rapidly in recent  
8327 years. The release of EO 14028, subsequent roundtables, and cross-industry publications have  
8328 brought many of these evolutions to the fore. This section seeks to introduce those emerging  
8329 concepts for departments and agencies looking to adopt industry leading practices, while  
8330 simultaneously responding to the EO's Section 4 mandate to gather and define new industry  
8331 standards, tools, and recommended practices in software supply chain security

8332

8333 As with the existing standards, tools, and recommended practices provided above, these  
8334 emerging concepts are tailored to the context of departments and agencies within the federal  
8335 space. Given the varying levels of complexity and technical capabilities required to implement  
8336 these capabilities, they are presented in the Foundational, Sustaining, and Enhancing practices  
8337 paradigm first introduced in the main body of SP 800-161 Rev. 1. Departments and agencies  
8338 should use these designations to assist in prioritizing the implementation of these leading  
8339 software supply chain security capabilities as well as a source of reference when imposing  
8340 requirements.

8341

8342 As mentioned in the introduction of this appendix, the new standards, tools, and recommended  
8343 practices are sourced from over 150 position papers submitted in advance NIST's June 2021  
8344 Enhancing Software Supply Chain Security Workshop, federal software supply chain security  
8345 working groups, as well as an array of public and private industry partnerships.

8346

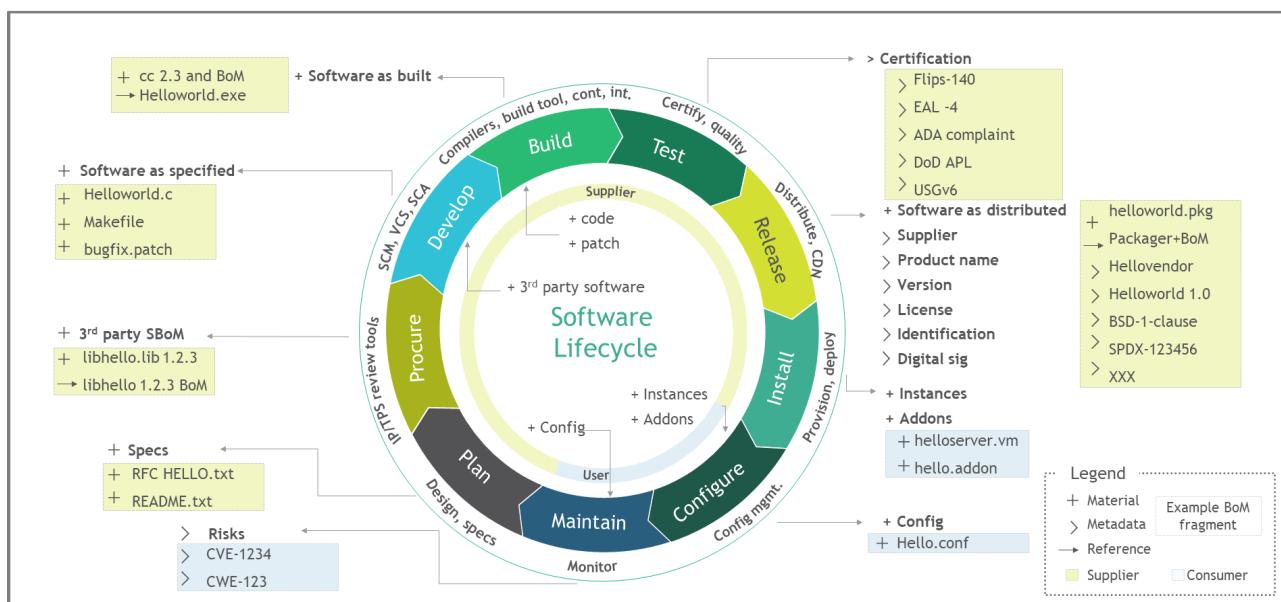
### 8347 Software Bill of Materials (SBOM)

8348

8349 The US Department of Commerce's National Telecommunications and Information  
8350 Administration (NTIA) is the designated lead for producing SBOM guidance featured  
8351 prominently within the EO. An SBOM is defined as a "formal record containing the details and  
8352 supply chain relationships of various components used in building software," similar to food  
8353 ingredient labels on packaging. The intent of SBOMs is to provide increased transparency,  
8354 provenance, and speed at which vulnerabilities can be identified and remediated by departments  
8355 and agencies. SBOMs as well as their currency can be indicative of a developer or suppliers'  
8356 application of secure software development practices across the SDLC. Figure F-1 illustrates  
8357 how an SBOM may be assembled across the SDLC.

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8366**Fig. F-1: Software Life Cycle & Bill of Materials Assembly Line**

Departments and agencies should ensure that their suppliers of software products and services are able to produce SBOMs in conformance with the EO and NTIA's published guidelines by containing:

- Data Fields:** Documenting baseline information about each component that should be tracked
- Automation Support:** Allowing for scaling across the software ecosystem through automatic generation and machine-readability
- Practices and Processes:** Defining the operations of SBOM requests, generation, and use

Departments and agencies, where possible and applicable, should require their suppliers to demonstrate they are implementing, or have implemented, these foundational SBOM components and functionality along with the following capabilities:

## Foundational Capabilities

- Ensure SBOMs conform to industry standards formats to enable automated ingestions and monitoring of versions. Acceptable standard formats currently include SPDX, Cyclone DX, and SWID<sup>34</sup>.
- Ensure that comprehensive and current SBOMs are available for all classes of software including purchased software, open source software, and in-house software, by requiring subtier software suppliers to produce, maintain, and provide SBOMs

<sup>34</sup> NTIA's Minimum Elements for a Software Bill of Materials. For additional information on the graphic, see <https://www.ntia.gov/>

- 8389 • Maintain readily accessible SBOM repositories, posting publicly when required

8390 **Sustaining Capabilities**

- 8391
- 8392 • Contextualize SBOM data with additional data elements that inform the risk posture of  
8393 the acquiring entity. Additional data elements include plug-ins, hardware components,  
8394 organizational controls, and other community-provided components<sup>35</sup>
- 8395 • Integrate vulnerability detection with SBOM repositories to enable automated alerting of  
8396 any cybersecurity risk in the supply chain<sup>36</sup>

8397 **Enhancing Capabilities**

- 8398
- 8399 • Incorporate artificial intelligence and machine learning (AI/ML) considerations into  
8400 SBOMs to monitor risks relating to the testing and training of datasets for ML models<sup>37</sup>
- 8401 • Develop risk monitoring and scoring components to dynamically monitor the impact of  
8402 SBOMs' vulnerability disclosures to the acquiring organization. Align with asset  
8403 inventories for further risk exposure and criticality calculations.<sup>38</sup>

8404 **Enhanced vendor risk assessments**

8405

8406 With the EO raising the bar for software verifications techniques and other software supply chain  
8407 controls, additional scrutiny is being paid upon not just the software the vendors produce, but the  
8408 business entities within a given software supply chain that may sell, distribute, store, or  
8409 otherwise have access to the software code themselves. Departments and agencies looking to  
8410 further enhance assessment of supplier software supply chain controls can perform additional  
8411 scrutiny on vendor SDLC capabilities, security posture, and risks associated with foreign  
8412 ownership, control, or influence (FOCI).

8413

8414 The following capabilities provide additional vendor risk assessment controls outlined within the  
8415 main body of 800-161 Rev. 1 and its corresponding supplier assessment template:

8416

8417 **Foundational Capabilities**

- 8418
- 8419 • Perform outside-in analyses of vendors utilizing open source data and, as resources  
8420 permit, commercially available third-party assessment and security ratings platforms.  
8421 Acquirers with access to confidential information may further supplement these outside-  
8422 in analyses.
- 8423 • Require vendors' describe and, at a minimum, self-attest to their commitment and  
8424 capabilities for securing software throughout the SDLC

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<sup>35</sup> GitLab's NIST Position Paper: Area #5

<sup>36</sup> VigilantOps NIST Position Paper: Section 4 Enhancing Software Supply Chain Security

<sup>37</sup> Accenture NIST Position Paper: Minimum Secure Software Development Testing Requirements at Scale and Pace

<sup>38</sup> Synopsis NIST Position Paper: Guidelines for software integrity chains and provenance

**8426 Sustaining Capabilities**

- 8427
- 8428 • Extend foundational capability details to subsidiary suppliers designated within an  
8429 SBOM, to the extent feasible.
  - 8430 • Include flow-down requirements to sub-tier suppliers in agreements pertaining to the  
8431 secure development, delivery, operational support, and maintenance of software.
  - 8432 • Preference or mandate the use of suppliers that provide a software security label or data  
8433 sheet which should include information about the software itself, the tools and  
8434 technologies used to build the software, security tools and processes governing the  
8435 software, and the people involved in building the software for all provided products<sup>[1]</sup>

**8436 Enhancing Capabilities**

- 8437
- 8438 • Automatically verify hashes/signatures infrastructure for all vendor-supplied software  
8439 installation and updates<sup>[2]</sup>
  - 8440 • Ensure suppliers attest to and provide evidence of utilizing automated build deployments,  
8441 including pre-production testing, automatic rollbacks, and staggered production  
8442 deployments<sup>[3]</sup>
  - 8443 • Enforce just-in-time credentials for supplier build systems<sup>39</sup>
  - 8444 • Ensure suppliers attest to utilizing automated build deployments, including pre-  
8445 production testing, automatic rollbacks, and staggered production deployments<sup>40</sup>

**8446 Open source software controls**

8447 As stated in the EO, “ensuring and attesting, to the extent practicable, to the integrity and  
8448 provenance of open source software used within any portion of a product” is a central driver  
8449 behind many of flagship initiatives like the SBOM. Though organizations should enforce formal  
8450 baseline software supply chain security controls regardless of where and how code is developed,  
8451 the risks of using open source or community developed software are unique. Open source  
8452 projects are diverse, numerous, and use a wide range of operating models. Many of these  
8453 projects’ provenance, integrity, support maintenance, and other underlying functions are not well  
8454 understood or easy to discover and vary from one project to the next.

8455  
8456 Open source components are pervasive and as such, Federal departments and agencies should  
8457 seek to better understand their suppliers’ usage of open source components by considering the  
8458 below capabilities:  
8459

<sup>[1]</sup> Contrast Security NIST Position Paper Initial list of secure software development life cycle standards

<sup>[2]</sup> Enduring Security Framework User Subgroup Working Paper

<sup>[3]</sup> Amazon Web Services NIST Position Paper

<sup>39</sup> Enduring Security Framework User Subgroup Working Paper

<sup>40</sup> Amazon Web Services NIST Position Paper

**8461 Foundational Capabilities**

- 8462
- 8463 • Utilize Software Composition Analysis (SCA) tools to identify any publicly known  
8464 vulnerabilities of supplied source code. SCA tools can also be utilized to determine  
8465 whether in-house developed codebases leverage vulnerable open source code  
8466 components.
  - 8467 • Apply procedural and technical controls to ensure that open source code is acquired via  
8468 secure channels from well-known and trustworthy repositories<sup>41</sup>

**8469 Sustaining Capabilities**

- 8470
- 8471 • Supplement SCA source code-based reviews with binary software composition analyses  
8472 to identify vulnerable components that could have been introduced during build and run  
8473 activities<sup>42</sup>
  - 8474 • Set up a centralized repository and/or library of open source code that developers may  
8475 utilize as a part of a robust continuous integration continuous delivery (CI/CD) pipeline

**8476 Enhancing Capabilities**

- 8477
- 8478 • Exclude the use of inherently vulnerable programming languages and frameworks that do  
8479 not have built in guardrails to proactively mitigate common types of vulnerabilities<sup>43</sup>
  - 8480 • Automate the open source pipeline of collection, storage, and scanning of codebases to  
8481 designated, hardened internal repositories and/or sandboxes prior to introduction into  
8482 development environments

**8483 Vulnerability management practices**

8484

Vulnerabilities are discovered by a variety of sources. Developers of software may find security bugs in already deployed code. Security researchers and penetration testers may find vulnerabilities by scanning or manually testing software and accessible systems (following published rules of behavior) [DRAFT NIST SP 800-216]. As such, effectively identifying, triaging, remediating, and reporting on vulnerabilities is a central pillar of the EO. In its discussion of Zero Trust architecture, the EO recognizes that discovering vulnerabilities are inevitable and departments and agencies' strategies should therefore focus on how to manage those vulnerabilities once discovered efficiently and comprehensively.

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Aside from adhering to NIST's existing Vulnerability Disclosure Program guidance documented within NIST SP 800-216, which addresses reporting, coordinating, publishing, and receiving information about security vulnerabilities, departments and agencies can impose a range of activities and capabilities from its suppliers that will enable comprehensive and timely management of vulnerabilities:

<sup>41</sup> Broadcom and Symantec NIST Position Paper

<sup>42</sup> BlackBerry NIST Position Paper

<sup>43</sup> Google NIST Position Paper

**Foundational Capabilities**

- Demonstrate utilization of effective change control, automation, robust CI/CD, and DevSecOps practices to mitigate common vulnerabilities
- Integrate SBOMs, vulnerability databases, and reporting mechanisms to ensure departments and agencies rapidly receive notification of recently released vulnerabilities

**Sustaining Capabilities**

- Adhere to a coordinated vulnerability disclosure (CVD) practice to ensure that departments and agencies are able to remediate vulnerabilities in a timely manner<sup>44</sup>
- Establish a formal, publicly available means by which the public can notify the supplier of uncovered vulnerabilities<sup>45</sup>

**Enhancing Capabilities**

- Engage suppliers that are staff defined product security incident response teams (PSIRT) and/or internal research team dedicated to the identification, triage, and remediation across the supplier's product/service suite<sup>46</sup>
- Suppliers should have a formalized bug bounty program that incentivizes discovery and proactive remediation of vulnerabilities before adversaries are able to utilize them

**Key Takeaways**

- **Using this appendix.** Federal departments and agencies should utilize this appendix to contextualize their application of any existing SP 800-161 Rev. 1 controls upon their suppliers, and, where feasible should adopt new software supply chain security recommendations that previously fell outside of the explicit scope of SP 800-161 Rev. 1.
- **Relationship of SP 800-161 Rev. 1 to the EO.** This publication serves as a lens for understanding the targeted EO directives which include 1) Critical Software, 2) Minimum Standard for Vendor or Developer Verification of Code, and 3) Cybersecurity Labeling for Consumers: Internet of Things (IoT) Devices and Software. This publication serves as a complement to tangential workstreams by NIST, NTIA, NSA, DOD, CISA, and OMB.
- **Emerging Software Supply Chain Concepts.** This publication offers recommended practices against emerging software supply chain concepts which include Software Bill of Materials (SBOM), Enhanced vendor risk assessments, Open source software Controls, and Vulnerability Management practices. Organizations should prioritize, tailor, and implement these practices and capabilities by applying this publication's Foundational, Sustaining, and Enhancing practices paradigm as a source of reference.

<sup>44</sup> CERT/CC NIST Position Paper<sup>45</sup> GitLab NIST Position Paper<sup>46</sup> Synopsis NIST Position Paper

8541 Additional existing industry standards, tools, and recommended practices  
 8542  
 8543 Though the existing industry standards, tools, and recommended practices have been presented  
 8544 through the lens of SP 800-161 Rev. 1, additional conversation on software supply chain security  
 8545 extends far beyond this document. Federal departments and agencies looking for additional  
 8546 industry standards, tools, and recommended practices on software supply chain security should  
 8547 reference the following cross-industry publications listed in Table F-5.  
 8548

**Table F-5: Existing Industry Standards, Tools, and Recommended Practices**

<b>Source</b>	<b>Description</b>
The BSA Framework for Secure Software: A New Approach to Securing the Software Lifecycle, Version 1.1	The Framework offers an outcome-focused, standards-based risk management tool to help stakeholders in the software industry – developers, vendors, customers, policymakers, and others – communicate and evaluate security outcomes associated with specific software products and services
Building Security in Maturity Model (BSIMM) Version 11.	A study of existing software security initiatives across 100+ different organizations that provides organizations a baseline of activities for software security
CISA's Defending Against Software Supply Chain Attacks	Provides an overview of software supply chain risks and recommendations on how software customers and vendors can use the NIST Cybersecurity Supply Chain Risk Management (C-SCRM) framework and the Secure Software Development Framework (SSDF) to identify, assess, and mitigate risks.
CISA's Internet of Things Security Acquisition Guidance	Provides recommendations to the acquisition function of an organization about how to apply cybersecurity and supply chain risk management (C-SCRM) principles and practices throughout the acquisition life cycle when purchasing, deploying, operating, and maintaining Internet of Things (IoT) devices, systems, and services
Cyber Security & Information Systems Information Analysis Center (CSIAC) Software Assurance (SWA)	Explores different aspects of software assurance competencies that can be used to improve software assurance functions and how to develop/deploy assured software throughout the life cycle acquisition process

IDASOAR: Institute for Defense Analyses (IDA), State-of-the-Art Resources (SOAR) for Software Vulnerability Detection, Test, and Evaluation 2016	Written to enable DoD program managers (PMs), and their staff, to make effective software assurance and software supply chain risk management (SCRM) decisions, particularly when they are developing and executing their program protection plan and inform DoD policymakers who are developing software policies
ISO/IEC 27036 Information security for supplier relationships	A multi-part standard offering guidance on the evaluation and treatment of information risks involved in the acquisition of goods and services from suppliers.
ISO/IEC 27034-1:2011 Information technology – Security techniques – Application security – Part 1: Overview and concepts	Presents an overview of application security. It introduces definitions, concepts, principles and processes involved in application security.
ISO/IEC 20243-1:2018 Information technology — Open Trusted Technology Provider™ Standard (O-TTPS) — Mitigating maliciously tainted and counterfeit products — Part 1: Requirements and recommendations	A set of guidelines, requirements, and recommendations that address specific threats to the integrity of hardware and software COTS ICT products throughout the product life cycle
MSSDL: Microsoft, Security Development Life Cycle	Introduces security and privacy considerations throughout all phases of the development process, helping developers build highly secure software, address security compliance requirements, and reduce development costs
National Defense Industrial Association (NDIA) Engineering for System Assurance	Provides guidance on how to build assurance into a system throughout its life cycle as well as identifies and discusses systems engineering activities, processes, tools, and considerations to address system assurance
NIST CSF: NIST, Framework for Improving Critical Infrastructure Cybersecurity, Version 1.1	Voluntary guidance, based on existing standards, guidelines, and practices for organizations to better manage and reduce cybersecurity risk. In addition to helping organizations manage and reduce risks, it was designed to foster risk and cybersecurity management

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communications amongst both internal and external organizational stakeholders

NISTIR 8259 Foundational Cybersecurity Activities for IoT Device Manufacturers	Describes recommended activities related to cybersecurity that manufacturers should consider performing before their IoT devices are sold to customers
NISTIR 8259A Core Device Cybersecurity Capability Baseline	Defines a baseline set of device cybersecurity capabilities that organizations should consider when confronting the challenge of the Internet of Things (IoT)
OWASP DevSecOps Maturity Model (DSOMM)	Shows security measures which are applied when using DevOps strategies and how these can be prioritized
Open Web Application Security Project (2020) <i>OWASP Application Security Verification Standard 4.0.2</i> .	Provides a basis for testing web application technical security controls and also provides developers with a list of requirements for secure development
Payment Card Industry (PCI) Security Standards Council (2021) <i>Secure Software Lifecycle (Secure SLC) Requirements and Assessment Procedures Version 1.1</i>	Provides a baseline of security requirements with corresponding assessment procedures and guidance to help software vendors design, develop, and maintain secure software throughout the software lifecycle
SAMM15: OWASP, Software Assurance Maturity Model Version 1.5	An open framework to help organizations formulate and implement a strategy for software security that is tailored to the specific risks facing the organization

SCAGILE: Software Assurance Forum for Excellence in Code (SAFECode), Practical Security Stories and Security Tasks for Agile Development Environments	Translates secure development practices into a language and format that Agile practitioners can more readily act upon as part of a standard Agile methodology
SCFPSSD: SAFECode, Fundamental Practices for Secure Software Development: Essential Elements of a Secure Development Life Cycle Program, Third Edition	Authoritative best practices guide written by SAFECode members to help software developers, development organizations and technology users initiate or improve their software assurance programs and encourage the industry-wide adoption of fundamental secure development practices
SCSIC: SAFECode, Software Integrity Controls: An Assurance-Based Approach to Minimizing Risks in the Software Supply Chain	Focuses on examining the software integrity element of software assurance and provides insight into the controls that SAFECode members have identified as effective for minimizing the risks that intentional and unintentional vulnerabilities could be inserted into the software supply chain
SCTPC: SAFECode, Managing Security Risks Inherent in the Use of Third-Party Components	Provides a blueprint for how to identify, assess, and manage the security risks associated with the use of third-party components
SCTTM: SAFECode, Tactical Threat Modeling	Provides guidance about the process of threat modeling as well as the "generic" framework in which a successful threat-modeling effort can be conducted
SP 800-181: NIST, National Initiative for Cybersecurity Education (NICE) Cybersecurity Workforce Framework	A fundamental reference for describing and sharing information about cybersecurity work. It expresses that work as Task statements and describes Knowledge and Skill statements that provide a foundation for learners including students, job seekers, and employees
SP 800-53 Revision 5: Joint Task Force Transformation Initiative, Security and Privacy Controls for Federal Information Systems and Organizations	Provides a catalog of security and privacy controls for information systems and organizations to protect organizational operations and assets, individuals, other organizations, and the Nation from a diverse set of threats and risks, including hostile attacks, human errors, natural disasters, structural failures, foreign intelligence entities, and privacy risks;

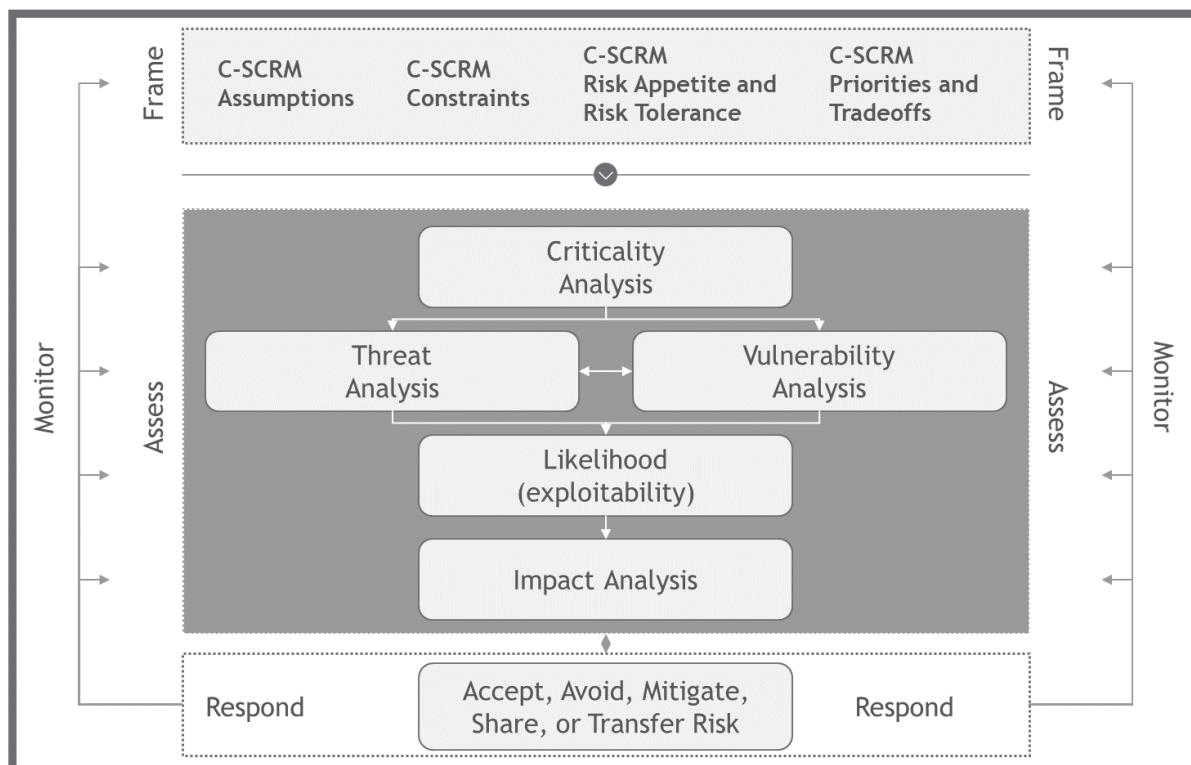
SP 800-53A Rev. 4, Assessing Security and Privacy Controls in Federal Information Systems and Organizations: Building Effective Assessment Plans	Provides a set of procedures for conducting assessments of security controls and privacy controls employed within federal information systems and organizations.
SP 800-53 B, Control Baselines for Information Systems and Organizations	Provides security and privacy control baselines for the Federal Government. There are three security control baselines (one for each system impact level—low-impact, moderate-impact, and high-impact), as well as a privacy baseline that is applied to systems irrespective of impact level
SP 800-160 Volume 1: NIST, Systems Security Engineering: Considerations for a Multidisciplinary Approach in the Engineering of Trustworthy Secure Systems	Addresses the engineering-driven perspective and actions necessary to develop more defensible and survivable systems, inclusive of the machine, physical, and human components that compose the systems and the capabilities and services delivered by those systems;
Draft NIST SP 800-216 Recommendations for Federal Vulnerability Disclosure Guidelines	Recommends guidance for establishing a federal vulnerability disclosure framework and highlights the importance of proper handling of vulnerability reports and communicating the minimization or elimination of vulnerabilities

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8552

## 8553 APPENDIX G: C-SCRM ACTIVITIES IN THE RISK MANAGEMENT PROCESS

8554 Risk management is a comprehensive process that requires enterprises to: (i) frame risk (i.e.,  
 8555 establish the context for risk-based decisions); (ii) assess risk; (iii) respond to risk once  
 8556 determined; and (iv) monitor risk on an ongoing basis using effective enterprise communications  
 8557 and a feedback loop for continuous improvement in the risk-related activities of enterprises.  
 8558 Figure G-1 depicts interrelationships among the risk management process steps, including the  
 8559 order in which each analysis may be executed, and the interactions required to ensure that the  
 8560 analysis is inclusive of the various inputs at the enterprise, mission, and operations levels.



8561  
 8562 **Fig. G-1: Cybersecurity Supply Chain Risk Management (C-SCRM)**

8563 The steps in the risk management process (Frame, Assess, Respond, and Monitor) are iterative  
 8564 and not inherently sequential in nature. Different individuals may be required to perform the  
 8565 steps at the same time depending on a particular need or situation. Enterprises have significant  
 8566 flexibility in how the risk management steps are performed (e.g., sequence, degree of rigor,  
 8567 formality, and thoroughness of application) and in how the results of each step are captured and  
 8568 shared—both internally and externally. The outputs from a particular risk management step will  
 8569 directly impact one or more of the other risk management steps in the risk management process.  
 8570

8571 Figure G-2 summarizes C-SCRM activities throughout the risk management process as they are  
 8572 performed within the three risk framework levels. The arrows between different steps of the risk  
 8573 management process depict simultaneous flow of information and guidance among the steps.  
 8574 Together the arrows indicate that the inputs, activities, and outputs are continuously interacting  
 8575 and influencing one another. More details are provided in the forthcoming subsections.  
 8576

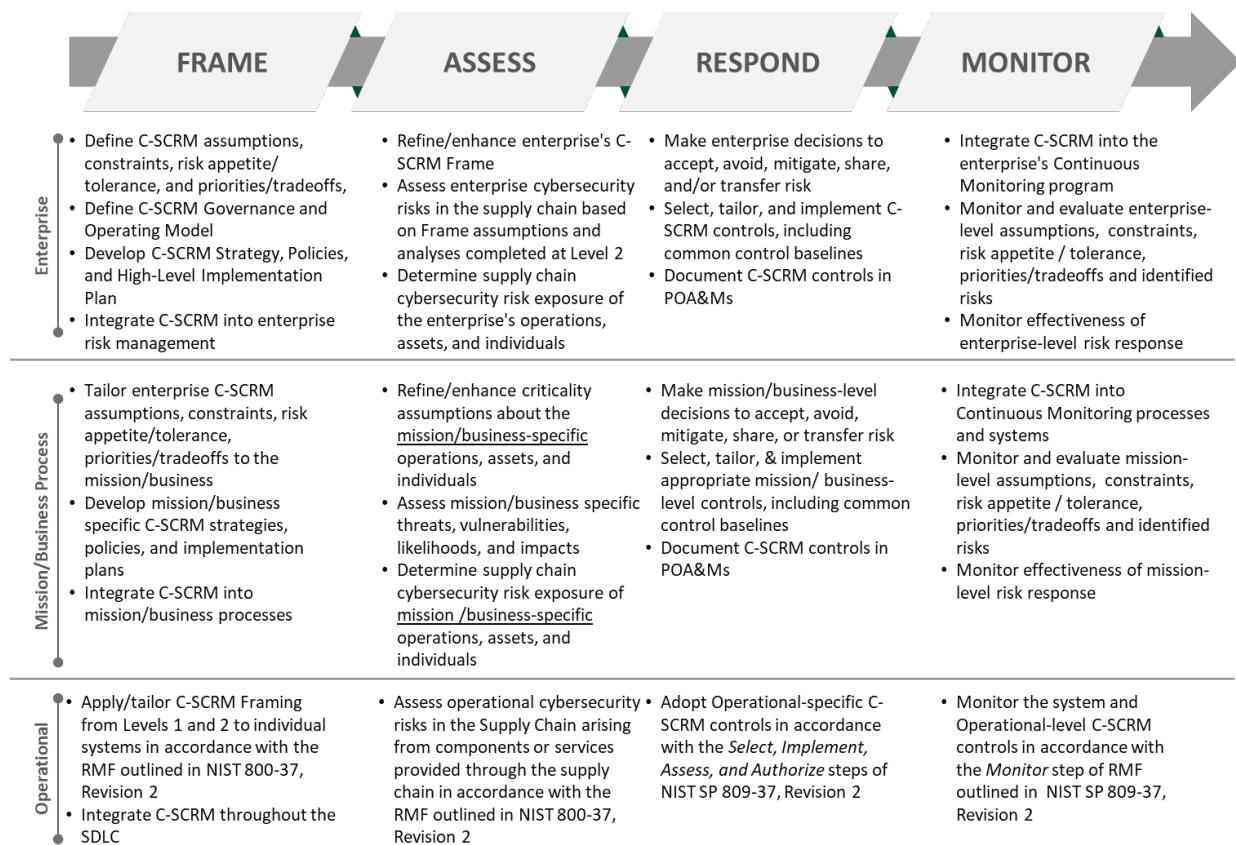
**Fig. G-2: C-SCRM Activities in the Risk Management Process<sup>47</sup>**

Figure G-2 depicts interrelationships among the risk management process steps including the order in which each analysis is executed, and the interactions required to ensure the analysis is inclusive of the various inputs at the enterprise, mission and business process, and operational levels.

The remainder of this section provides a detailed description of C-SCRM activities within the Frame, Assess, Respond, and Monitor steps of the Risk Management Process. The structure of subsections *Frame* through *Monitor* mirrors the structure of [NIST SP 800-39], Sections 3.1-3.4. For each step of the Risk Management Process (i.e., Frame, Assess, Respond, Monitor), the structure includes Inputs and Preconditions, Activities, and Outputs and Post-Conditions. Activities are further organized into Tasks according to [NIST SP 800-39]. [NIST SP 800-161 Rev 1.] cites the steps and tasks of the risk management process but rather than repeating any other content of [NIST SP 800-39], it provides C-SCRM-specific guidance for each step with its Inputs and Preconditions, Activities with corresponding Tasks, and Outputs and Post-Conditions. [NIST SP 800-161 Rev. 1] adds one task to the tasks provided in [NIST SP 800-39], under the Assess step: Task 2-0, *Criticality Analysis*.

<sup>47</sup> More detailed information on the Risk Management Process can be found in Appendix C

**8597 TARGET AUDIENCE**

8598

8599 The target audience for this appendix is those individuals with specific C-SCRM responsibilities  
8600 for performing the supply chain risk management process across and at each level. Examples  
8601 include those process/functional staff responsible for defining the frameworks and  
8602 methodologies used by the rest of the enterprise (e.g., C-SCRM PMO Processes, Enterprise Risk  
8603 Management, Mission/Business Process Risk Managers, etc.). Other personnel or entities are  
8604 free to make use of the guidance as appropriate to their situation.

**8605 ENTERPRISE-WIDE RISK MANAGEMENT & THE RMF**

8606

8607 Managing cybersecurity risk in the supply chain requires a concerted and purposeful effort by  
8608 enterprises across enterprise, mission/business process, and operational-levels. This document  
8609 describes two different but complementary risk management approaches which are iteratively  
8610 combined to facilitate effective risk management across the 3 levels.

8611

8612 The first approach known as FARM consists of 4 steps: Frame, Assess, Respond, Monitor.  
8613 FARM is primarily used at Levels 1 and 2 to establish the enterprise's risk context and inherent  
8614 exposure to risk. Then, the risk context from Levels 1 and 2 iteratively informs activities  
8615 performed as part of the second approach described in [NIST SP 800-37r2] The Risk  
8616 Management Framework (RMF). The RMF predominantly operates at Level 3<sup>48</sup> – the  
8617 operational level, and consists of 7 process steps: Prepare, Categorize, Select, Implement,  
8618 Assess, Authorize, Monitor. Within the RMF, inputs from FARM at Levels 1 and 2 are  
8619 synthesized as part of the RMF Prepare step, then iteratively applied, tailored and updated  
8620 through each successive step of the RMF. Ultimately Level 1 and 2 assumptions are iteratively  
8621 customized and tailored to fit the specific operational-level or procurement-action context. For  
8622 example, an enterprise may decide on strategic priorities and threats at Level 1 (enterprise level),  
8623 which inform the criticality determination of missions/business processes at Level 2, which in  
8624 turn influence the system categorization, control selection, and control implementation as part of  
8625 the RMF at Level 3 (operational-level). Information flow between the levels is bidirectional with  
8626 aggregated Level 3 RMF outputs serving to update and refine assumptions made at Levels 1 and  
8627 2 on a periodic basis.

8628

**8629 Frame**

8630

**8631 Inputs and Preconditions**

8632 *Frame* is the step that establishes context for C-SCRM in all three levels. The scope and  
8633 structure of the enterprise supply chain, the overall risk management strategy, specific enterprise,  
8634 mission and business process strategies and plans, and individual information systems are  
8635 defined in this step. The data and information collected during Frame provides inputs for scoping  
8636 and fine-tuning C-SCRM activities in other risk management process steps throughout the three  
8637 levels. Frame is also where guidance in the form of frameworks and methodologies is established  
8638 as part of the enterprise and mission/business process level risk management strategies. These

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<sup>48</sup> The RMF does have some applications at Levels 1 and 2 such as the identification of common controls.

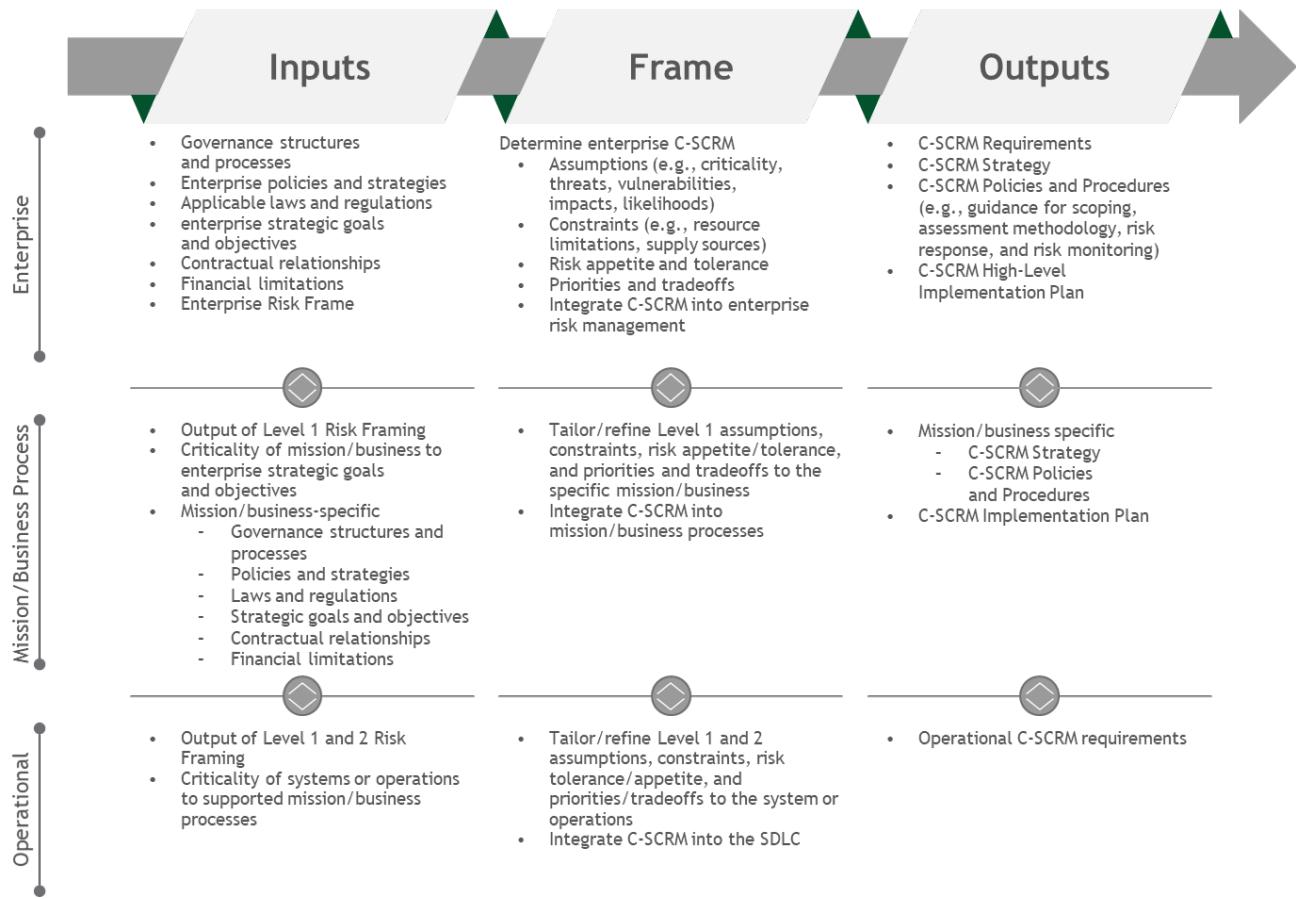
8639 frameworks and methodologies provide bounds, standardization, and orientation for supply chain  
8640 risk management activities performed within later steps.

8641  
8642 [NIST SP 800-39] defines risk framing as “the set of assumptions, constraints, risk tolerances,  
8643 and priorities/trade-offs that shape an enterprise’s approach for managing risk.” Enterprise-wide  
8644 and C-SCRM risk framing activities should iteratively inform one another. Assumptions the  
8645 enterprise makes about risk should flow down and inform risk framing within C-SCRM activities  
8646 (e.g., enterprise’s strategic priorities). As the enterprise’s assumptions about cybersecurity risk in  
8647 the supply chain evolve through the execution of C-SCRM activities, these assumptions should  
8648 flow up and inform how risk is framed at the enterprise level (e.g., level of risk exposure to  
8649 individual suppliers). Inputs into the C-SCRM risk framing process include, but are not limited  
8650 to:

- 8651
- 8652 • Enterprise policies, strategies, and governance
  - 8653 • Applicable laws and regulations
  - 8654 • Agency critical suppliers and contractual services
  - 8655 • Enterprise processes (security, quality, etc.)
  - 8656 • Enterprise threats, vulnerabilities, risks, and risk tolerance
  - 8657 • Enterprise architecture
  - 8658 • Mission-level goals and objectives
  - 8659 • Criticality of missions/processes
  - 8660 • Mission-level security policies
  - 8661 • Functional requirements
  - 8662 • Criticality of supplied system/product components
  - 8663 • Security requirements

8664  
8665 C-SCRM risk framing is an iterative process that also uses inputs from the other steps of the risk  
8666 management processes (Assess, Respond, and Monitor) as inputs. Figure D-3 depicts the Frame  
8667 Step with its inputs and outputs along the three enterprise levels. At the enterprise level,  
8668 activities will focus on framing conditions (i.e., assumptions, constraints, appetites and  
8669 tolerances, and priorities and tradeoffs) that are broadly applicable across the enterprise and its  
8670 enterprises. The goal of framing is to contextualize cybersecurity risk in the supply chain to the  
8671 enterprise and enterprise’s strategic goals and objectives. At the mission/business process level,  
8672 frame activities focus on the individual mission and business process segments (e.g.,  
8673 assumptions about a technology assets or service provider’s role in enabling enterprise-level  
8674 objectives to be met). Level 2 frame activities take cybersecurity risk in the supply chain  
8675 conditions framed at Level 1, and tailor and contextualize them to reflect the role cybersecurity  
8676 risk in the supply chain has in each individual mission/business process to meet operational  
8677 objectives. Finally, at Level 3, conditions outlined at Levels 1 and 2 iteratively inform each step  
8678 of the RMF process. Beginning with the Prepare step, conditions outlined at Levels 1 and 2 are  
8679 used to establish the context and priorities for managing cybersecurity risk in the supply chain  
8680 with respect to individual information systems, supplied system components, and system  
8681 services providers. Then with each subsequent RMF step (Categorize through Monitor), these  
8682 assumptions are iteratively updated and tailored to reflect applicable operational-level  
8683 considerations. Information flow must be bi-directional between levels as insights discovered

8684 while performing lower-level activities may update what is known about conditions outlined in  
 8685 higher levels.  
 8686



**Fig. G-3: C-SCRM in the Frame Step**

8688

8689

8690

8691 Figures G-3-G-6 depict inputs, activities, and outputs of the Frame Step distributed along the  
 8692 three risk management framework levels. The large arrows on the left and right sides of the  
 8693 activities depict the inputs and outputs to and from other steps of the Risk Management Process,  
 8694 with the arrow on the left depicting that steps are in constant interaction. Inputs into the Frame  
 8695 Step include inputs from other steps as well as inputs from the enterprise risk management  
 8696 process that are shaping the C-SCRM process. Up-down arrows between the levels depict flow  
 8697 of information and guidance from the upper levels to the lower levels and the flow of  
 8698 information and feedback from the lower levels to the upper levels. Together the arrows indicate  
 8699 that the inputs, activities, and outputs are continuously interacting and influencing one another.  
 8700

8701 As the Frame step is used to define the cybersecurity risk in the supply chain conditions,  
 8702 enterprises may find that Frame activities are performed relatively less often than the latter steps  
 8703 of the FARM process. Enterprises may re-perform Frame activities at defined intervals (e.g.,

8704 annually, bi-annually) or based on defined triggers (e.g., based on business changes and/or new  
8705 or updated insights from other levels).

8706

## 8707 Activities

8708 RISK ASSUMPTIONS

8709 **TASK 1-1:** Identify assumptions that affect how risk is assessed, responded to, and monitored  
8710 within the enterprise.

8711

8712 Supplemental Guidance

8713

8714 As a part of identifying risk assumptions within the broader Risk Management process  
8715 (described in [NIST SP 800-39]), agencies should do the following:

8716

- 8717 • Develop an enterprise-wide C-SCRM policy;
- 8718 • Identify which mission and business processes and related components are critical to the  
8719 enterprise to determine the *criticality*;
- 8720 • Define which mission and business processes and information systems compose the  
8721 supply chain, including relevant contracted services and commercial products;
- 8722 • Prioritize the application of risk treatment for these critical elements, considering factors  
8723 such as but not limited to national and homeland security concerns, FIPS 199 impact  
8724 level, scope of use, or interconnections/interdependencies to other critical processes and  
8725 assets;
- 8726 • Identify, characterize, and provide representative examples of *threat sources*,  
8727 *vulnerabilities*, *consequences/impacts*, and *likelihood* determinations related to supply  
8728 chain;
- 8729 • Define C-SCRM mission, business, and operational-level requirements;
- 8730 • Select appropriate assessment methodologies for cybersecurity risk in the supply chain,  
8731 depending on enterprise governance, culture, and diversity of the mission and business  
8732 processes;
- 8733 • Establish a method for the results of C-SCRM activities to be integrated into the overall  
8734 agency Risk Management Process;
- 8735 • Periodically review the supply chain to ensure definition remains current as evolutions  
8736 occur over time.

8737

8738 These risk assumptions should be aligned as applicable to the enterprise's broader set of risk  
8739 assumptions defined as part of the enterprise risk management program. A key C-SCRM  
8740 responsibility (e.g., of the C-SCRM PMO) is identifying which of those assumptions apply to the  
8741 cybersecurity risk in the supply chain context at each successive risk management framework  
8742 level. If and when new C-SCRM assumptions are identified, these should be provided as  
8743 updates to the enterprise risk assumptions as part of an iterative process.

8744

### 8745 *Criticality*

8746

8747 Critical processes are those processes, which if disrupted, corrupted or disabled, are likely to  
8748 result in mission degradation or failure. Mission-critical processes are dependent on their

8749 supporting systems that in turn depend on critical components in those systems (hardware,  
8750 software, and firmware). Mission-critical processes also depend on information and processes  
8751 (performed by technology or people, to include in some instances, support service contractors),  
8752 that are used to execute the critical processes. Those components and processes that underpin  
8753 and enable mission-critical processes or deliver defensive—and often commonly shared—  
8754 processes (e.g., access control, identity management, and crypto) and unmediated access (e.g.,  
8755 power supply) should also be considered critical. A criticality analysis is the primary method by  
8756 which mission-critical processes, associated systems/components, and enabling infrastructure  
8757 and support services are identified and prioritized. The criticality analysis also involves  
8758 analyzing critical suppliers which may not be captured by internal criticality analysis (e.g.,  
8759 supply chain interdependencies including 4th and 5th party suppliers).

8760  
8761 Enterprises will make criticality determinations as part of enterprise risk management activities  
8762 based on the process outlined in [NISTIR 8179].<sup>49</sup> Where possible, C-SCRM should inherit  
8763 those assumptions and tailor/refine them to include the C-SCRM context. In C-SCRM, criticality  
8764 tailoring includes initial criticality analysis of particular projects, products, and processes in the  
8765 supply chain in relation to critical processes at each Level. For example, at Level 1 the enterprise  
8766 may determine the criticality of holistic supplier relationships to the enterprise's overall strategic  
8767 objectives. Then at Level 2, the enterprise may assess the criticality of individual suppliers,  
8768 products and services to specific mission/business processes and strategic/operational objectives.  
8769 Finally, at Level 3, the enterprise may assess the criticality of the supplied product or service to  
8770 specific operational state objectives of the information systems.

8771  
8772 Enterprises may begin by identifying key supplier-provided products or services which  
8773 contribute to the operation and resiliency of enterprise processes and systems. The criticality  
8774 determination may be based on the role of each supplier, product, or service in achieving the  
8775 required strategic or operational objective of the process or system. Requirements, architecture,  
8776 and design inform the analysis and help identify the minimum set of supplier-provided products  
8777 and/or services required for operations (i.e., at enterprise, mission/business process, and  
8778 operational-levels). The analysis combines top-down and bottom-up analysis approaches. The  
8779 top-down approach in this model enables the enterprise to identify critical processes and then  
8780 progressively narrow the analysis to critical systems that support those processes, and finally to  
8781 critical components which support the critical functions of those systems. The bottom-up  
8782 approach progressively traces the impact of a malfunctioning, compromised, or unavailable  
8783 critical component would have on the system, and in turn, on the related mission and business  
8784 process.

8785  
8786 Enterprises performing this analysis should include agency system and cybersecurity supply  
8787 chain dependencies, to include critical 4th-party suppliers. For example, an enterprise may find  
8788 exposures to cybersecurity risk in the supply chain that result from 3rd-party suppliers receiving  
8789 critical input or services from a common 4th-party supplier.

8790  
8791 Determining criticality is an iterative process performed at all levels during both Frame and  
8792 Assess. In Frame, criticality determination is expected to be performed at a high level, using the

---

<sup>49</sup> NISTIR 8179: Criticality Analysis Process Model: Prioritizing Systems and Components

available information with further detail incorporated through additional iterations or at the Assess step. Determining criticality may include, but is not limited to, the following:

- Define criticality analysis procedures to ensure there is a set of documented procedures to guide the enterprise's criticality analysis across levels;
- Conduct enterprise and mission-level criticality analysis to identify and prioritize enterprise and mission objectives, goals and requirements;
- Conduct operational-level criticality analysis (i.e., systems and subsystems) to identify and prioritize critical workflow paths, system functionalities and capabilities;
- Conduct system and subsystem component-level criticality analysis to identify and prioritize key system and subsystem inputs (e.g., COTS products);
- Conduct detailed review (e.g., bottom-up analysis) of impacts and interactions between enterprise, mission, system/sub systems, and components/subcomponents to ensure cross-process interaction and collaboration.

Given the potential impact a supply chain incident may have to an organization's operations, assets, and in some instances, its business partners or customers, it is important for organizations to ensure that in addition to criticality, materiality considerations are built into their supply chain risk management strategy, risk assessment practices and overall governance of supply chain risks.

Please note that criticality can be determined for existing systems or for future system investments, development, or integration efforts based on system architecture and design. It is an iterative activity that should be performed when a change warranting iteration is identified in the Monitor step.

#### *Threat Sources*

For C-SCRM, threat sources include: (i) adversarial threats such as cyber/physical attacks either to the supply chain or to an information system component(s) traversing the supply chain; (ii) accidental human errors; (iii) structural failures which include failure of equipment, environmental controls, resource depletion; and (iv) environmental threats such as geopolitical disruptions, pandemics, economic upheavals, and natural or man-made disasters; a. With regard to adversarial threats, [NIST SP 800-39] states that enterprises provide a succinct characterization of the types of tactics, techniques, and procedures employed by adversaries that are to be addressed by safeguards and countermeasures (i.e., security controls) deployed at Level 1 (enterprise-level), at Level 2 (mission/business process level), and at Level 3 (information system/services level)—making explicit the types of threat sources to be addressed as well as making explicit the threat sources not being addressed by the safeguards/countermeasures.

Threat information can include but is not limited to historical threat data, factual threat data, or business entity (e.g., suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers) or technology-specific threat information. Threat information may come from multiple information sources, including the U.S. Intelligence Community (for federal agencies), DHS, CISA, the FBI, Information Sharing and Analysis Centers (ISAC), as well as open source reporting such as news and trade publications, partners,

8839 suppliers, and customers. When applicable, enterprises may rely on the Federal Acquisition  
 8840 Security Council's (FASC) Information Sharing Agency (ISA) for supply chain threat  
 8841 information in addition the aforementioned sources. As threat information may include classified  
 8842 intelligence, it is crucial that departments and agencies have the capabilities required to process  
 8843 classified intelligence. Threat information obtained as part of the Frame step should be used to  
 8844 document the enterprise's long-term assumptions about threat conditions based on its unique  
 8845 internal and external characteristics. During the Assess step, updated information is infused into  
 8846 the risk assessment to account for short-term variations in threat conditions (e.g., due to  
 8847 geopolitical circumstances) as well as to obtain supply chain threat information that is  
 8848 specifically relevant and essential to inform the risk-based analysis and decision-making  
 8849 concerning the procurement of a given product or a service.

8850  
 8851 Information about the supply chain (such as supply chain maps) provides the context for  
 8852 identifying possible locations or access points for threat sources and agents to affect the supply  
 8853 chain. The supply chain cybersecurity threats are similar to the information security threats, such  
 8854 as disasters, attackers, or industrial spies. Table G-1 lists examples of supply chain cybersecurity  
 8855 threat agents. Appendix G provides Risk Response Plans that provide examples of the Supply  
 8856 Chain Threat Sources and Threats listed in Table G-1.  
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**Table G-1: Examples of Supply Chain Cybersecurity Threat Sources/Agents**

Threat Sources	Threat	Examples
Adversarial: Counterfeiter	Counterfeits inserted into supply chain (see Appendix B Scenario 1)	Criminal groups seek to acquire and sell counterfeit cyber components for monetary gain. Specifically, organized crime groups seek disposed units, purchase overstock items, and acquire blueprints to obtain cyber components intended for sale through various gray market resellers to acquirers. <sup>50</sup>
Adversarial: Malicious Insiders	Intellectual property loss	Disgruntled insiders sell or transfer intellectual property to competitors or foreign intelligence agencies for a variety of reasons including monetary gain. Intellectual property includes software code, blueprints, or documentation.
Adversarial: Foreign Intelligence Services	Malicious code insertion (see Appendix B Scenario 4)	Foreign intelligence services seek to penetrate supply chain and implant unwanted functionality (by inserting new or modifying existing functionality) into system to gather information or

<sup>50</sup> "Defense Industrial Base Assessment: Counterfeit Electronics," [Defense Industrial Base Assessment: Counterfeit Electronics].

		subverting <sup>51</sup> system or mission operations when system is operational.
Adversarial:  Terrorists	Unauthorized access	Terrorists seek to penetrate or disrupt the supply chain and may implant unwanted functionality to obtain information or cause physical disablement and destruction of systems through the supply chain.
Adversarial:  Industrial Espionage/Cyber Criminals	Industrial Espionage/Intellectual Property Loss (see Appendix B Scenario 2)	Industrial spies/cyber criminals seek ways to penetrate supply chain to gather information or subvert system or mission operations (e.g., exploitation of an HVAC contractor to steal credit card information).
Adversarial:  Organized Cyber Criminals	Ransomware leads to disruption of a critical production process	Cyber-criminal organizations seeking monetary gain target enterprises with ransomware attacks in hopes of securing ransom payments for monetary gain. Threat sources recognize that enterprises, especially manufacturers, have significant exposure to production disruptions.
Systemic:  Legal/Regulatory	Legal/regulatory complications impact the availability of key supplier-provided products and/or services	Weak anti-corruption laws, lack of regulatory oversight, weak intellectual property considerations: this also includes the threats resulting from country-specific laws, policies, and practices intended to undermine competition and free market protections such as the requirement to transfer technology and intellectual property to domestic providers in a foreign country. <sup>5</sup>
Systemic  Economic Risks	Business failure of a key supplier leads to supply chain disruption	Economic risks stem from threats to the financial viability of suppliers and the potential impact to the supply chain resulting from the failure of a key supplier as a result. Other threats to the supply chain that result in

<sup>51</sup> Examples of subverting operations include gaining unauthorized control to cybersecurity supply chain or flooding it with unauthorized service requests to reduce or deny legitimate access to cybersecurity supply chain.

<sup>5</sup>Information and Communications Technology Supply Chain Risk Management Task Force: Threat Evaluation Working Group: Threat Scenarios Version 2.0

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		economic risks include, but are not limited to, vulnerabilities to cost volatility, reliance on single source suppliers, cost to swap out suspect vendors, and resource constraints due to company size. <sup>5</sup>
Systemic Supply Disruptions	Production short-falls in rare earth metals leads to supply shortages for critical production inputs into semiconductors	A variety of systemic and structural failures can cause supply shortage for products and product components, especially in cases where the source of supply is in a single geographical location
Environmental: Disasters	Geopolitical or natural disaster led to supply chain disruption	Availability of key supply chain inputs is subject to disruptions from geopolitical upheavals or natural disasters. This is especially the case when suppliers share a common 4th-party supplier,
Structural: Hardware Failure	Inadequate capacity planning leads to outage in cloud platform	A vendor or supplier service without the appropriate capacity controls in place could be subject to disruptions in the event of unexpected surges in resource demand.
Accidental: Negligent Insiders	Configuration error leads to data exposure	Employees and contractors with access to information systems are prone to errors which could result in the disclosure of sensitive data. This is specifically true in cases where training lapses or process gaps increase the opportunities for errors.

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8860 Agencies can identify and refine C-SCRM-specific threats in all three levels. Table G-2  
 8861 provides examples of threat considerations and different methods for use in characterizing  
 8862 supply chain cybersecurity threats at different levels.

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**Table G-2: Supply Chain Cybersecurity Threat Considerations**

<b>Level</b>	<b>Threat Consideration</b>	<b>Methods</b>
Level 1	<ul style="list-style-type: none"> <li>• Enterprise business and mission</li> <li>• Strategic supplier relationships</li> <li>• Geographical considerations related to the extent of the enterprise's supply chain</li> </ul>	<ul style="list-style-type: none"> <li>• Establish common starting points for identifying supply chain cybersecurity threat.</li> <li>• Establish procedures for countering enterprise-wide threats such as insertion of counterfeits into critical systems and components.</li> </ul>
Level 2	<ul style="list-style-type: none"> <li>• Mission and business processes</li> <li>• Geographic locations</li> <li>• Types of suppliers (COTS, external service providers, or custom, etc.)</li> <li>• Technologies used enterprise-wide</li> </ul>	<ul style="list-style-type: none"> <li>• Identify additional sources of threat information specific to enterprise mission and business processes.</li> <li>• Identify potential threat sources based on the locations and suppliers identified through examining available agency cybersecurity supply chain information (e.g., from supply chain map).</li> <li>• Scope identified threat sources to the specific mission and business processes, using the agency cybersecurity supply chain information.</li> <li>• Establish mission-specific preparatory procedures for countering threat adversaries/natural disasters.</li> </ul>
Level 3	<ul style="list-style-type: none"> <li>• SDLC</li> </ul>	<ul style="list-style-type: none"> <li>• Base the level of detail with which threats should be considered on the SDLC phase.</li> <li>• Identify and refine threat sources based on the potential for threat insertion within individual SDLC processes.</li> </ul>

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*Vulnerabilities*

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A vulnerability is a weakness in an information system, system security procedures, internal controls, or implementation that could be exploited or triggered by a threat source [FIPS 200], [NIST SP 800-34 Rev. 1], [NIST SP 800-53 Rev 4], [NIST SP 800-53A Rev. 4], [NIST SP 800-115]. Within the C-SCRM context, it is any weakness in the supply chain, provided services, system/component design, development, manufacturing, production, shipping and receiving, delivery, operation, and component end-of-life that can be exploited by a threat source. This definition applies to both the services/systems/components being developed and integrated (i.e.,

within the SDLC) and to the supply chain, including any security mitigations and techniques, such as identity management or access control systems. Vulnerability assumptions made in the Frame step of the FARM process capture the enterprise's long-term assumptions about the enterprise's weaknesses that can be exploited or triggered by a threat source. These will become further refined and updated to reflect point-in-time variances during the Assess step. Enterprises may make long-term supply chain cybersecurity vulnerability assumptions about:

- The entities within supply chain itself (e.g., individual supplier relationships);
- The critical services provided through the supply chain which support the enterprise's critical missions and business processes;
- The products/systems/components provided through the supply chain and used within the SDLC (i.e., being developed and integrated);
- The development and operational environment directly impacting the SDLC; and
- The logistics/delivery environment that transports systems and components (logically or physically).

Vulnerabilities manifest differently across the 3 levels (i.e., enterprise, mission/business process, information system). At Level 1, vulnerabilities present as susceptibilities of the enterprise at-large due to managerial and operating structures (e.g., policies, governance, processes) as well as conditions in the supply chain (e.g., concentration of products or services from a single supplier) or critical enterprise processes (e.g., use of a common system across critical processes). At Level 2, vulnerabilities are specific to a mission/business process and result from its operating structures and conditions such as reliance on a specific system or supplier provided input, or service to achieve specific mission/business process operating objectives. Level 2 vulnerabilities may vary widely across the different mission/business processes. Within Level 3, vulnerabilities manifest as supplied product or operational-level weaknesses or deficiencies arising from the SDLC, system security procedures, internal controls, implementations, as well as system inputs or services provided through the supply chain (e.g., system components, services).

Enterprises should identify approaches to characterize supply chain cybersecurity vulnerabilities consistent with the characterization of threat sources and events and with the overall approach employed by the enterprise for characterizing vulnerabilities. Vulnerabilities may be relevant to a single threat source or broadly applicable across threat sources (adversarial, structural, environmental, accidental). For example, a single point of failure in a network may be subject to disruptions caused by environmental threats (e.g., disasters) as well as adversarial threats (terrorists). Appendix B provides examples of supply chain cybersecurity threats, based on [NIST SP 800-30 Rev. 1, Appendix B].

All three levels should contribute to determining the enterprise's approach to characterizing vulnerabilities, with progressively more detail identified and documented in the lower levels. Table G-3 provides examples of considerations and different methods for use in characterizing supply chain cybersecurity vulnerabilities at different levels.

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**Table G-3: Supply Chain Cybersecurity Vulnerability Considerations**

<b>Level</b>	<b>Vulnerability Consideration</b>	<b>Methods</b>
Level 1	<ul style="list-style-type: none"> <li>• Enterprise mission/business</li> <li>• Holistic supplier relationships (e.g., system integrators, COTS, external services)</li> <li>• Geographical considerations related to the extent of the enterprise’s supply chain</li> <li>• Enterprise/Security Architecture</li> <li>• Criticality</li> </ul>	<ul style="list-style-type: none"> <li>• Examine agency cybersecurity supply chain information including that from supply chain maps to identify especially vulnerable entities, locations, or enterprises.</li> <li>• Analyze agency mission for susceptibility to potential supply chain cybersecurity vulnerabilities.</li> <li>• Examine 3rd party provider/ supplier relationships and interdependencies for susceptibility to potential supply chain cybersecurity vulnerabilities.</li> <li>• Review enterprise architecture and criticality to identify areas of weakness requiring more robust cybersecurity supply chain considerations.</li> </ul>
Level 2	<ul style="list-style-type: none"> <li>• Mission and business processes</li> <li>• Geographic locations</li> <li>• Mission/process level supplier dependencies (e.g., outsourced or contracted services)</li> <li>• Technologies used</li> </ul>	<ul style="list-style-type: none"> <li>• Refine analysis from Level 1 based on specific mission and business processes and applicable threat and supply chain information.</li> <li>• If appropriate, use the National Vulnerability Database (NVD), including Common Vulnerabilities and Exposures (CVE) and Common Vulnerability Scoring System (CVSS), to characterize, categorize, and score vulnerabilities<sup>52</sup> or other acceptable methodologies.</li> <li>• Consider using scoring guidance to prioritize vulnerabilities for remediation.</li> </ul>
Level 3	<ul style="list-style-type: none"> <li>• Individual technologies, solutions, and services should be considered</li> <li>• Supply chain SDLC inputs such as system components or services</li> </ul>	<ul style="list-style-type: none"> <li>• Refine analysis based on inputs from related Level 2 missions and business processes.</li> <li>• Use CVEs where available to characterize and categorize vulnerabilities.</li> <li>• Identify weaknesses.</li> </ul>

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<sup>52</sup> See <https://nvd.nist.gov/>

8926    *Consequences and Impact*

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8928    Impact is the effect on enterprise operations, enterprise assets, individuals, other enterprises, or  
8929    the Nation (including the national security interests of the United States) of a loss of  
8930    confidentiality, integrity, or availability of information or an information system [NIST SP 800-  
8931    53 Rev.5]. Impact estimated within the Frame step represents the enterprise's long-term  
8932    assumptions about the effects different cybersecurity events will have on its primary processes.  
8933    These assumptions are updated and refined as part of the Assess step to ensure that point-in-time  
8934    relevant information (e.g., market conditions)—which may alter the impact scope, duration, or  
8935    magnitude—is appropriately reflected in the analysis.

8936  
8937    When possible, enterprises should inherit assumptions made by the enterprise on consequences  
8938    and impact as part of enterprise risk management activities. For example, one of these activities  
8939    is performing an impact analysis (BIA) on a periodic business to determine or revalidate  
8940    mission-critical and mission-enabling processes, as part of the enterprise's continuity and  
8941    emergency preparedness responsibilities. However, these assumptions may need to be developed  
8942    if they do not yet exist. Enterprises may maintain impact or loss libraries which capture the  
8943    enterprise's standing assumptions about the impact of different cybersecurity event types (e.g.,  
8944    disclosure, disruption, destruction, modification) on the enterprise's assets. These libraries may  
8945    break down impact and loss into individual impact types (e.g., operational, environmental and /or  
8946    individual safety, reputational, regulatory/legal fines and penalties, IT recovery/replacement,  
8947    direct financial, damage to critical infrastructure sector).

8948  
8949    For C-SCRM, enterprises should refine and update their consequences and impact assumptions  
8950    to reflect the role that availability, confidentiality and integrity of supplier-provided products or  
8951    services have on the enterprise operations, assets, and individuals. For example, depending on its  
8952    criticality, the loss of a key supplier-provided input or service may reduce the enterprise's  
8953    operational capacity or completely inhibit its operations. In this publication, impact is always in  
8954    relation to the enterprise's mission and includes the systems or components traversing the supply  
8955    chain as well as the supply chain itself.

8956  
8957    C-SCRM consequences and impact will manifest differently across all three levels in the risk  
8958    management hierarchy. Impact determinations require a combined top-down and bottom-up  
8959    approach. Table G-4 provides examples of how consequences and impact may be characterized  
8960    at different levels of the enterprise.

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**Table G-4: Supply Chain Cybersecurity Consequence & Impact Considerations**

<b>Level</b>	<b>Impact Considerations</b>	<b>Methods</b>
Level 1	<ul style="list-style-type: none"> <li>General enterprise-level impact assumptions</li> <li>Supplier criticality (e.g., holistic supplier relationships)</li> </ul>	<ul style="list-style-type: none"> <li>Examine magnitude of exposure to individual entities within the supply chain.</li> <li>Refine Level 2 analysis to determine aggregate Level 1 impact on the enterprise's primary function resulting from cybersecurity events to and through the supply chain.</li> </ul>
Level 2	<ul style="list-style-type: none"> <li>Process role in enterprise's primary function</li> <li>Supplier criticality to mission/process (inputs and services)</li> </ul>	<p>For each type of cybersecurity event:</p> <ul style="list-style-type: none"> <li>Refine Level 3 analysis to determine aggregate mission/business process impact due to operational-level impacts from cybersecurity events to and through the supply chain.</li> <li>Examine supplier network to identify business/mission-level impacts due to events affecting individual supplier entities.</li> </ul>
Level 3	<ul style="list-style-type: none"> <li>Criticality of upstream and downstream Level 2 processes</li> <li>System criticality</li> <li>Supplier criticality to system operations (system components and services)</li> </ul>	<ul style="list-style-type: none"> <li>Examine the systems aggregated criticality to Level 1 and Level 2 primary processes</li> <li>Examine the criticality of supplied system components or services to the system's overall function.</li> <li>Examine supplier network to identify individual entities which may disrupt availability of critical system inputs or services.</li> </ul>

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8971 Enterprises should look to several sources for information that helps contextualize consequences  
 8972 and impact. Historical data is preferential and can be gathered by reviewing historical data for  
 8973 the agency, similar peer enterprises, supplier organizations, or applicable industry surveys.  
 8974 Where gaps in historical data exist, enterprises should consider the use of expert elicitation  
 8975 protocols (e.g., calibrated estimation training) which make use of the tacit knowledge of  
 8976 appropriate individuals across the enterprise. By interviewing well positioned experts (e.g.,  
 8977 technology or mission/business owners of assets) enterprises can tailor impact assumptions to  
 8978 reflect the enterprise's unique conditions and dependencies. [NISTIR 8286] offers a more in-  
 8979 depth discussion of how different quantitative and qualitative methodologies can be used to  
 8980 analyze risk.

8981

8982 The following are examples of cybersecurity supply chain consequences and impact:

- 8983     • An earthquake in Malaysia reduces the amount of commodity Dynamic Random-Access  
 8984         Memory (DRAM) to 60 percent of the world's supply, creating a shortage for hardware  
 8985         maintenance and new design;

- 8986     • Accidental procurement of a counterfeit part results in premature component failure,  
8987        thereby impacting the enterprise's mission performance;  
8988     • Disruption in at a key cloud service provider resulting in operational downtime losses  
8989        between \$1.5M – \$15M dollars.

8990     *Likelihood*

8993     In an information security risk analysis, likelihood is a weighted factor based on a subjective  
8994        analysis of the probability that a given threat is capable of exploiting a given vulnerability  
8995        [CNSSI 4009]. General likelihood assumptions should be inherited from the enterprise's  
8996        enterprise risk management process then refined to account for C-SCRM specific implications,  
8997        however, the general assumptions may need developing if they do not yet exist. Likelihood  
8998        analysis in the Frame step sets the enterprise's long-term assumptions about the relative  
8999        likelihood of different adverse cybersecurity events. Likelihood is subject to extreme short-term  
9000        variations based on point-in-time conditions (i.e., internal and external) and thus must be updated  
9001        and refined as part of the Assess step.

9003     In adversarial cases a likelihood determination may be made using intelligence trend data,  
9004        historical data, and expert intuition on (i) adversary intent; (ii) adversary capability; and (iii)  
9005        adversary targeting. In non-adversarial cases (e.g., structural, environmental, accidental),  
9006        likelihood determinations will draw on expert intuition and historical data. When available,  
9007        historical data may help further reduce uncertainty about what cybersecurity risk in the supply  
9008        chain are probable to occur. Historical data may be sourced from internal sources (e.g.,  
9009        frequency of past security incidents, threat intelligence on threat activity levels) as well as  
9010        external sources (e.g., peer org. data, info-sharing). Likelihood analysis can leverage many of the  
9011        same expert elicitation protocols as consequences and impact. Similar to consequences and  
9012        impact, likelihood determinations may rely on qualitative or quantitative form and draw on  
9013        similar techniques. To ensure likelihood is appropriately contextualized for decision makers,  
9014        enterprises should make time-bound likelihood estimates for cybersecurity events affecting the  
9015        supply chain (e.g., likelihood within a given year).

9017     Likelihood analysis will manifest differently across the three levels. Table G-5 captures some of  
9018        the considerations and methods specific to each level:

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**Table G-5: Supply Chain Cybersecurity Likelihood Considerations**

<b>Level</b>	<b>Likelihood Consideration</b>	<b>Methods</b>
Level 1	<ul style="list-style-type: none"> <li>• General threat and likelihood assumptions for the enterprise</li> <li>• Level 2 and 3 likelihood findings</li> <li>• Overall engagement models with suppliers that alter opportunities for contact with threat sources</li> </ul>	<ul style="list-style-type: none"> <li>• Analyze critical national infrastructure implications which may increase the enterprise's target value.</li> <li>• Refine analyses from Levels 2 and 3 to determine aggregate exposure to threat source contact.</li> </ul>
Level 2	<ul style="list-style-type: none"> <li>• Mission/process level threat and likelihood assumptions</li> <li>• Mission/process level engagement model with suppliers (e.g., criticality of assets interacted with)</li> <li>• Level 3 findings for relevant systems</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluate mission/business process level conditions which present opportunities for threat sources to come into contact with processes or assets via the supply chain.</li> <li>• Evaluate the aggregate supply chain threat conditions facing key systems relied upon by the mission/business process.</li> </ul>
Level 3	<ul style="list-style-type: none"> <li>• Enterprise system threat and likelihood assumptions</li> <li>• Supplier &amp; system target value</li> <li>• Location &amp; operating conditions</li> <li>• Supplier &amp; system security policies, processes, and controls</li> <li>• Nature and degree of supplier contact with system (inputs, services)</li> </ul>	<ul style="list-style-type: none"> <li>• Analyze nature of system inputs coming through the supply chain into the SDLC which alter likelihood of encountering threat sources.</li> <li>• Evaluate the systems role in Level 1 and Level 2 processes which alter target value for potential adversaries.</li> <li>• Analyze supply chain characteristics (e.g., location of supplier) which may increase the likelihood that a system is affected by a threat source.</li> </ul>

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9022 Agencies should determine which approach(es) they will use to determine the likelihood of a supply chain cybersecurity compromise, consistent with the overall approach used by the agency's risk management process. Agencies should ensure that appropriate procedures are in place to thoroughly document any risk analysis assumptions leading to the tabulation of the final risk score, especially in cases where high or critical impact risks are involved. Visibility into assumptions may be critical in enabling decision makers to take action.

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## 9029 RISK MANAGEMENT PROCESS CONSTRAINTS

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9031 **TASK 1-2:** Identify constraints<sup>53</sup> on the conduct of risk assessment, risk response, and risk  
 9032 monitoring activities within the enterprise.

9033

9034 **Supplemental Guidance**

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9036 Identify the following two types of constraints to ensure the cybersecurity supply chain is  
 9037 integrated into the agency risk management process:

9038

- 9039 1. Agency constraints; and
- 9040 2. Supply chain-specific constraints.

9041

9042 Agency constraints serve as an overall input to framing the cybersecurity supply chain policy at  
 9043 Level 1, mission requirements at Level 2, and system-specific requirements at Level 3. Table G-  
 9044 6 lists the specific agency and cybersecurity supply chain constraints. Supply chain constraints,  
 9045 such as C-SCRM policy and C-SCRM requirements, may need to be developed if they do not  
 9046 exist.

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**Table G-6: Supply Chain Constraints**

<b>Level</b>	<b>Agency Constraints</b>	<b>Supply Chain Constraints</b>
Level 1	<ul style="list-style-type: none"> <li>• Enterprise policies, strategies, governance</li> <li>• Applicable laws and regulations</li> <li>• Mission and business processes</li> <li>• Enterprise processes (security, quality, etc.)</li> <li>• Resource limitations</li> </ul>	<ul style="list-style-type: none"> <li>• Enterprise C-SCRM policy based on the existing agency policies, strategies, and governance; applicable laws and regulations; mission and business processes; and enterprise processes.</li> <li>• Acquisition regulations and policy.</li> <li>• Available, mandated or restricted sources of supply or products.</li> </ul>
Level 2	<ul style="list-style-type: none"> <li>• Mission and business processes</li> <li>• Criticality of processes</li> <li>• Enterprise architecture</li> <li>• Mission-level security policies</li> </ul>	<ul style="list-style-type: none"> <li>• C-SCRM Mission/business requirements that are incorporated into mission/business processes and enterprise architecture.</li> <li>• Supplier service contracts, product warranties and liability agreements.</li> </ul>

<sup>53</sup> Refer to [NIST SP 800-39], Section 3.1, Task 1-2 for a description of constraints in the risk management context.

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|---------|---|--|
| Level 3 | <ul style="list-style-type: none"><li>• Functional requirements</li><li>• Security requirements</li></ul> | <ul style="list-style-type: none"><li>• Product and Operational-level C-SCRM capabilities.</li><li>• Supplier-provided system component warranties and service agreements.</li></ul> |
|---------|---|--|

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An enterprise's C-SCRM policy is a critical vehicle for directing C-SCRM activities. Driven by applicable laws and regulations, this policy should support applicable enterprise policies including acquisition and procurement, information security, quality, and supply chain and logistics. It should address goals and objectives articulated in the overall agency strategic plan, as well as specific mission and business processes and business goals, along with the internal and external customer requirements. It should also define the integration points for C-SCRM with the agency's Risk Management Process and SDLC.

9057

9058 C-SCRM policy should define C-SCRM-related roles and responsibilities of the agency C-  
9059 SCRM team, any dependencies among those roles, and the interaction among the roles. C-  
9060 SCRM-related roles will articulate responsibilities for collecting supply chain cybersecurity  
9061 threat intelligence, conducting risk assessments, identifying and implementing risk-based  
9062 mitigations, and performing monitoring processes. Identifying and validating roles will help to  
9063 specify the amount of effort required to implement the C-SCRM Plan. Examples of C-SCRM-  
9064 related roles include:

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- C-SCRM PMO that provides overarching guidance on cybersecurity risk in the supply chain to engineering decisions that specify and select cyber products as the system design is finalized;
  - Procurement officer and maintenance engineering responsible for identifying and replacing the hardware when defective;
  - Delivery enterprise and acceptance engineers who verify that the system component is acceptable to receive into the acquiring enterprise;
  - System integrator responsible for system maintenance and upgrades, whose staff resides in the acquirer facility and uses system integrator development infrastructure and the acquirer operational infrastructure;
  - System Security Engineer/Systems Engineer responsible for ensuring that information system security concerns are properly identified and addressed throughout the SDLC; and
  - The end user of cyber systems/components/services.

9080 C-SCRM requirements should be guided by C-SCRM policy(ies), as well as by the mission and  
9081 business processes and their criticality at Level 2 and by known functional and security  
9082 requirements at Level 3.

## 9086 RISK APPETITE AND TOLERANCE

9087 **TASK 1-3:** Identify the levels of risk appetite and tolerance across the enterprise.

9088

9089 **Supplemental Guidance**

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9091 Risk appetite represents the types and amount of risk, on a broad level, an enterprise is willing to  
9092 accept in pursuit of value [NISTIR 8286]. Conversely, risk tolerance is the enterprise or  
9093 stakeholder's readiness to bear the remaining risk after risk response in order to achieve its  
9094 objectives, with the consideration that such tolerance can be influenced by legal or regulatory  
9095 requirements [NISTIR 8286]. This definition is adapted from COSO, which states risk tolerance  
9096 is the acceptable level of variation relative to achievement of a specific objective. Often, risk  
9097 tolerance is best measured in the same units as those used to measure the related objective  
9098 [COSO 2011]. Where applicable, enterprises should align with risk appetite and tolerance  
9099 assumptions and thresholds from the enterprise risk management process. For C-SCRM, these  
9100 assumptions and thresholds should be contextualized to inform decisions in the C-SCRM  
9101 domain. Those responsible for C-SCRM across the enterprise should work with and support  
9102 enterprise leaders on the development of C-SCRM-related risk appetite and risk tolerance  
9103 statements. This should be done in accordance with criteria provided from the Enterprise Risk  
9104 Strategy (e.g., based on ERM risk categories).

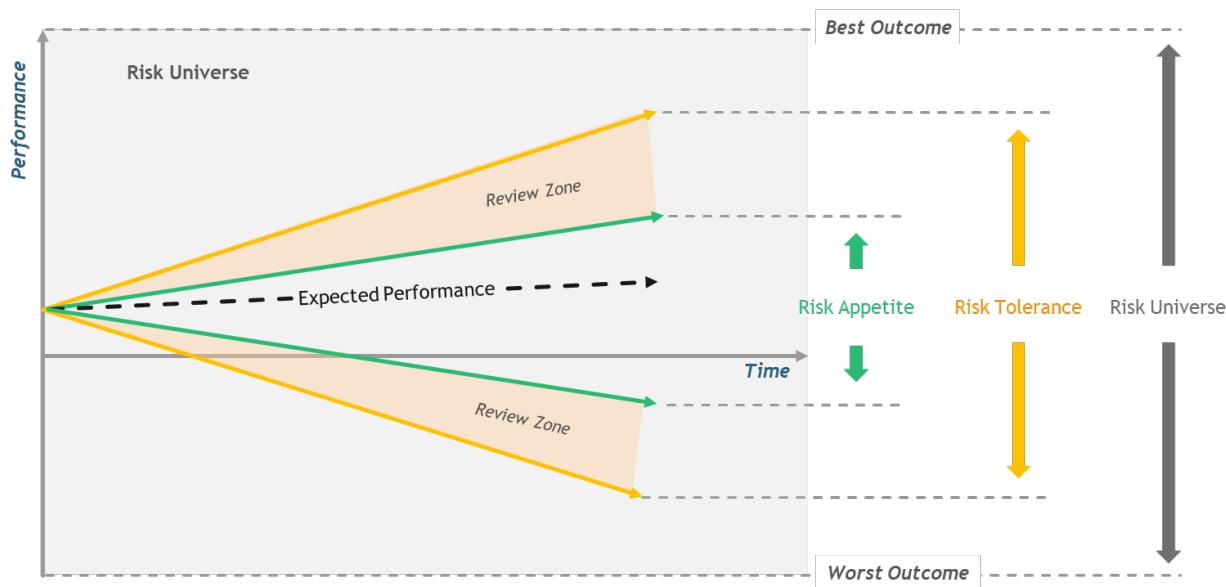
9105

9106 Risk appetite and tolerance statements strongly influence decisions made about C-SCRM across  
9107 the three levels. Some enterprises may define risk appetite and risk tolerance as part of their  
9108 broader enterprise risk management activities. In enterprises without a clearly defined risk  
9109 appetite, Level 1 stakeholders should collaborate with enterprise leadership to define and  
9110 articulate the enterprise's appetite for risk within the scope of the C-SCRM program's mandates.  
9111 Enterprises with multiple organizations may choose to tailor risk appetite statements for specific  
9112 organizations and mission/business processes. In general, risk appetite at Level 1 may be set to  
9113 empower the enterprise to meet its value objectives (e.g., high appetite for supplier risk in  
9114 support of reducing operating costs by 5%). At Levels 2 and 3 an organization's risk appetite  
9115 statement(s) are operationalized through risk tolerance statements. For example, an organization  
9116 with a low appetite for supply chain cybersecurity risk may issue risk tolerance statements that  
9117 necessitate restraint and control by Level 2 and 3 decision makers as they pursue strategic value  
9118 (e.g., tolerance statement crafted based on strict production targets for an organization that  
9119 supports a national security-related mission).

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**Fig. G-4: Risk Appetite & Risk Tolerance**9123  
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Together risk appetite and risk tolerance provide the expectations and acceptable boundaries for performance against the organization's strategic objectives. Figure G-4 illustrates how risk appetite and risk tolerance may be used as guidelines for the organization's operational decision makers. Risk tolerance may be set with boundaries that exceed risk appetite to provide a degree of flexibility needed to achieve the organization's strategic objectives. However, operational decision makers should strive to remain within risk appetite during normal conditions and exceed the boundaries only as absolutely necessary (e.g., to capitalize on significant opportunities, avoid highly adverse conditions). Observed periods of performance in the *Review Zone* which lies outside of risk appetite boundaries should trigger a review of operational decisions as well as defined risk appetite and risk tolerance thresholds. The review is critical to ensuring that the organization's appetite for risk remains appropriate and applicable given the organization's internal and external operating conditions. For example, an organization operating during a global pandemic may find it necessary to take on additional levels of cyber risk exposure via alternate suppliers as they aim to circumvent supply shortages. Figure G-5 below provides an illustrative risk appetite and risk tolerance review process

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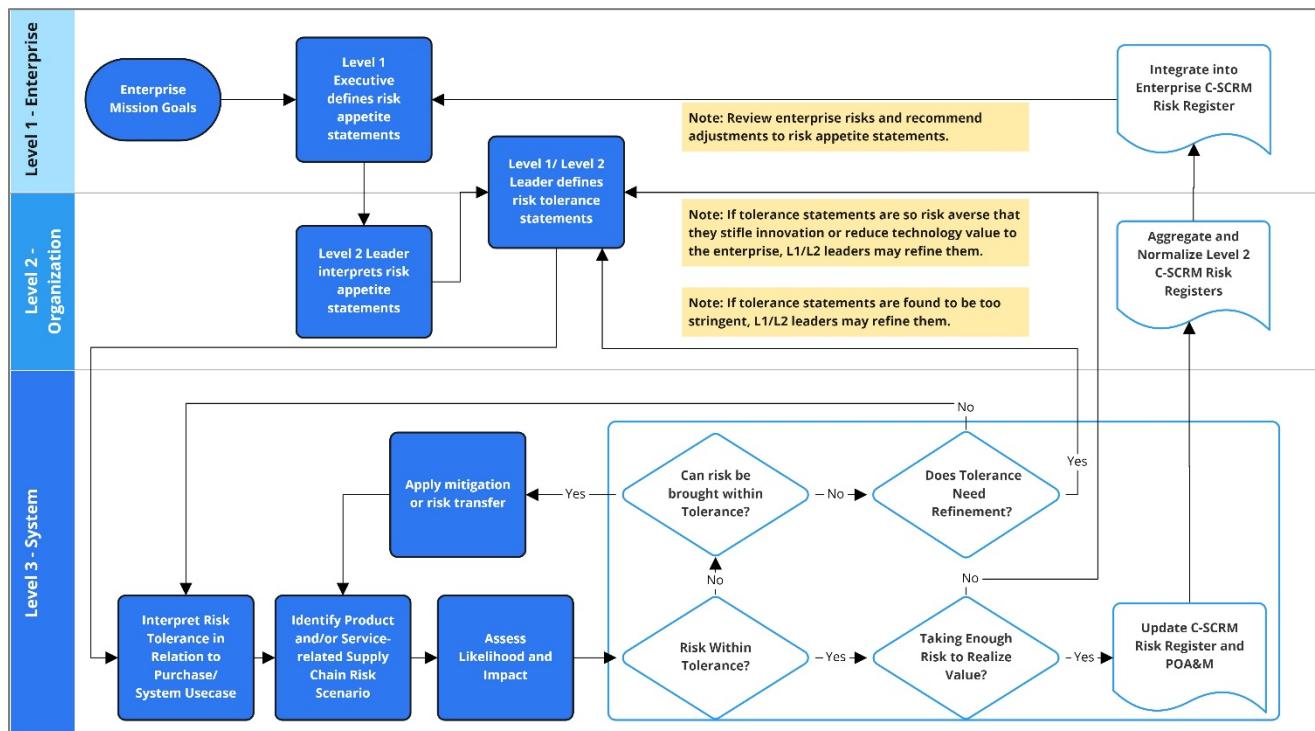


Fig. G-5: Risk Appetite &amp; Risk Tolerance Review Process

In some cases, organization leaders may find it necessary to rebalance guidance to as to avoid excess risk aversion behavior (i.e., performance below appetite) by decision makers or rein in decision makers so as to avoid excess risk seeking behavior (i.e., performance above appetite).

9148 Table G-7 shows additional examples of how risk appetite and risk tolerance statements work  
 9149 together to frame risk within an enterprise.  
 9150

9151 **Table G-7: Supply Chain Risk Appetite & Risk Tolerance**

<b>Enterprise Constraints</b>	<b>Supply Chain Constraints</b>
<ul style="list-style-type: none"> <li>• <b>Low appetite</b> for risk with respect to market objectives and require 24/7 uptime.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Low tolerance</b> (i.e., no more than 5% probability) for service provider downtime that causes system disruptions to exceed contractual service level agreements (SLAs) by more than 10%.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Low appetite</b> for risk with respect to production objectives which require &gt;99% on-time delivery of products to customers with national security missions.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Near-zero tolerance</b> (i.e., no more than 5% probability) of supply chain disruptions that cause production levels to fall below 99% of target threshold for military products.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Low appetite</b> for risk related to national security objectives which require 99% effectiveness of security processes</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Low tolerance</b> (i.e., no more than 1% of contractor access authorizations) for inappropriate contractor access that exceeds authorized windows by more than 10% in systems with classified information.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Moderate appetite</b> for risk related to operational objectives of non-mission critical areas which require 99.5% availability</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Moderate tolerance</b> (i.e., no more than 15% probability) for system component failures causing non-critical system disruptions that exceed recovery time objectives by more than 10%.</li> </ul>

9152  
 9153 To ensure leadership has the appropriate information when making risk-based decisions, enterprises should establish measures (e.g., Key Performance Indicators (KPIs), Key Risk Indicators (KRIs)) to measure performance against defined risk appetite and risk tolerance thresholds. Identification of corresponding data sources for measurement should play a key role in the enterprise's defined processes for setting and refining risk appetite and tolerance thresholds. Risk appetite and risk tolerance should be treated as dynamic thresholds by the enterprise. This requires periodic update and revision based on internal (e.g., new leadership, strategy) and external (e.g., market, environmental) changes which impact the enterprise.  
 9154  
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9161  
9162 Enterprises should consider supply chain cybersecurity threats, vulnerabilities, constraints, and  
9163 criticality when establishing, operationalizing, and maintaining the overall level of risk appetite  
9164 and risk tolerance.<sup>54</sup>

9165

9166

## 9167 PRIORITIES AND TRADE-OFFS

9168 **TASK 1-4:** Identify priorities and trade-offs considered by the enterprise in managing risk.

9169

### 9170 Supplemental Guidance

9171

9172 Priorities and tradeoffs are closely linked to the enterprise's risk appetite and tolerance  
9173 thresholds, which communicate the amount of risk that is acceptable and tolerable to the  
9174 enterprise in pursuit of its objectives. Priorities will take the form of long-term strategic  
9175 objectives or near-term strategic imperatives which alter risk decision calculus. From priorities  
9176 and tradeoffs, C-SCRM then receives critical strategic context required for Response step  
9177 activities such as Evaluation of Alternatives and Risk Response Decision. As a part of  
9178 identifying priorities and trade-offs, enterprises should consider risk appetite, risk tolerance,  
9179 supply chain cybersecurity threats, vulnerabilities, constraints, and criticality.

9180

9181 Priority and tradeoff considerations will manifest different across the 3 levels. Within Level 1,  
9182 priority and tradeoff considerations may favor existing supplier relationships in established  
9183 regions at the expense of new supplier cost advantages due to a desire to maintain confidence  
9184 and stability. At Level 2, priority and tradeoff considerations may favor centralized C-SCRM  
9185 governance models covering product teams in favor of greater security practice standardization.  
9186 At Level 3, priorities and tradeoffs may favor system components/subcomponents produced in  
9187 certain geographies in an effort to avoid environmental or geopolitical risks to the supply chain.

9188

9189

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<sup>54</sup> Federal Departments' and Agencies' governance structures vary widely (see [NIST SP 800-100, Section 2.2.2]). Regardless of the governance structure, individual agency risk decisions should apply to the agency and any subordinate organizations, but not in the reverse direction.

**9190 Outputs and Post Conditions**

9191 Within the scope of [NIST SP 800-39], the output of the risk framing step is the risk  
9192 management strategy that identifies how enterprises intend to assess, respond to, and monitor  
9193 risk over time. This strategy should clearly include any identified C-SCRM considerations and  
9194 should result in the establishment of C-SCRM-specific processes throughout the agency. These  
9195 processes should be documented in one of three ways:

- 9196
- 9197 1. Integrated into existing agency documentation;
  - 9198 2. A separate set of documents addressing C-SCRM; or
  - 9199 3. A mix of separate and integrated documents based on agency needs and operations.

9200

9201 The following information should be provided as an output of the risk framing step, regardless of  
9202 how the outputs are documented:

9203

- 9204 • C-SCRM Policy;
- 9205 • Criticality including prioritized mission and business processes and [FIPS 199] impact;
- 9206 • Supply chain cybersecurity risk assessment methodology and guidance;
- 9207 • Cybersecurity supply chain risk response guidance;
- 9208 • Cybersecurity supply chain risk monitoring guidance;
- 9209 • C-SCRM mission/business requirements;
- 9210 • Revised mission/business processes and enterprise architecture with C-SCRM  
9211 considerations integrated;
- 9212 • Operational-level C-SCRM requirements; and
- 9213 • Acquisition security guidance/requirements.

9214

9215 Outputs from the risk framing step are enabling pre-requisites to effectively manage  
9216 cybersecurity risk in the supply chain and serve as inputs to the risk assessment, risk response,  
9217 and risk monitoring steps.

9218

**9219 Assess**

9220

**9221 Inputs and Preconditions**

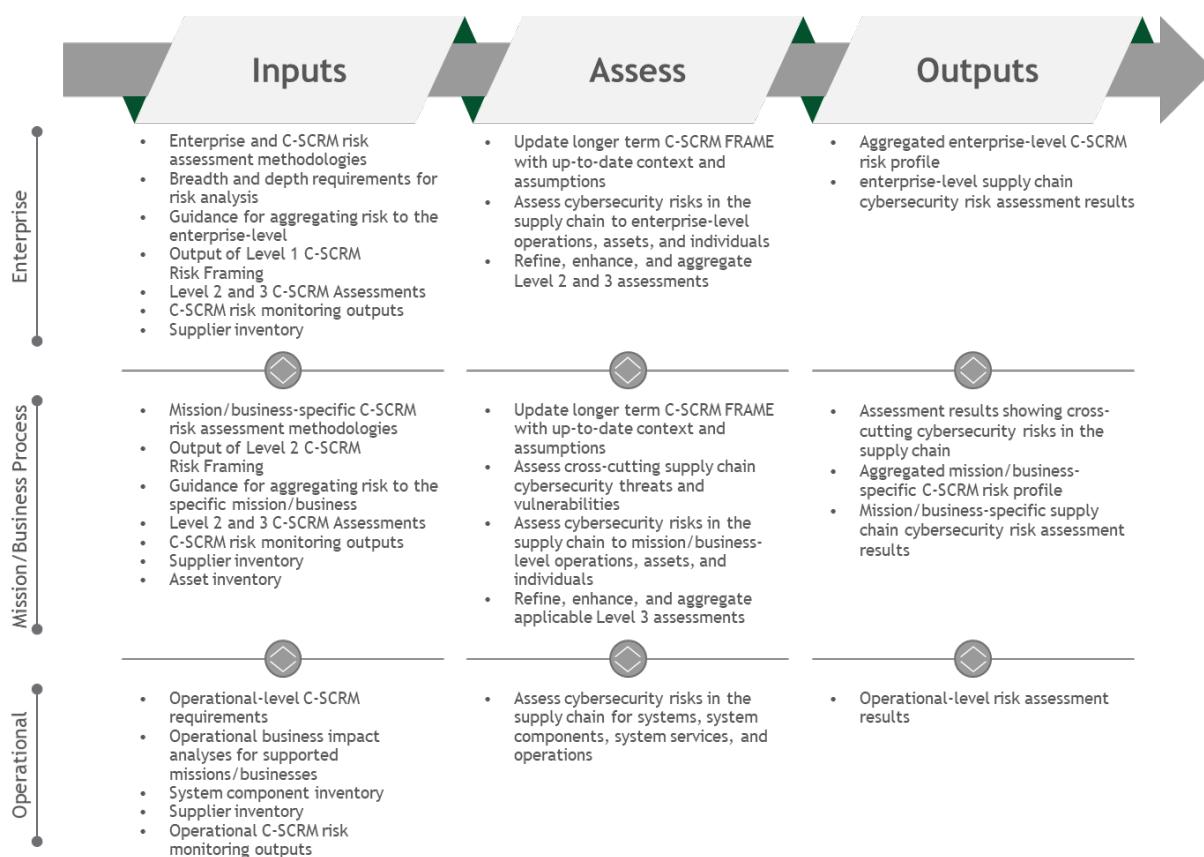
9222

9223 Assess is the step where assumptions, established methodologies and collected data is used to  
9224 conduct a risk assessment. Numerous inputs (including criticality, risk appetite and tolerance,  
9225 threats, and vulnerability analysis results; stakeholder knowledge; and policy, constraints, and  
9226 requirements) are combined and analyzed to gauge the likelihood and impact of a supply chain  
9227 cybersecurity compromise. Assess step activities are used to update the enterprises long-term  
9228 risk-framing assumptions to account for near-term variations and changes.

9229

9230 A supply chain cybersecurity risk assessments should be integrated into the overall enterprise  
9231 risk assessment process. C-SCRM risk assessment results should be used and aggregated as  
9232 appropriate to communicate potential or actual cybersecurity risk in the supply chain relevant to  
9233 each risk management framework level. Figure D-4 depicts the Assess Step with its inputs and  
9234 outputs along the three levels.

9235

**Fig. G-6: C-SCRM in the Assess Step<sup>55</sup>**

9236

9237

Criticality, vulnerability, and threat analyses are essential to the supply chain risk assessment process. The order of activities begins with updating the criticality analysis to ensure the assessment is scoped to minimally include relevant critical mission and business processes and to understand the relevance and impact of supply chain elements on these mission and business processes. As depicted in Figure G-5, vulnerability and threat analyses can then be performed, in any order, but should be performed iteratively to ensure that all applicable threats and vulnerabilities have been identified to understand which vulnerabilities may be more susceptible to exploitation by certain threats, and, if and as applicable, to associate identified vulnerabilities and threats to one or more mission and business processes or supply chain elements. Once viable threats and potential or actual vulnerabilities are assessed, this information will be used to evaluate the likelihood of exploitability—a key step to understanding impact. This is a synthesis point for criticality analysis, vulnerability analysis, and threat analysis and helps to further clarify and contextualize impact to support an informed and justifiable risk decision.

9251

9252

<sup>55</sup> More detailed information on the Risk Management Process can be found in Appendix C

9253    **Activities**

9254

## 9255    CRITICALITY ANALYSIS

9256

9257    **TASK 2-0:** Update Criticality Analysis of mission and business processes, systems, and system  
9258    components to narrow the scope (and resource needs) for C-SCRM activities to those most  
9259    important to mission success.

9260

## 9261    Supplemental Guidance

9262    Criticality analysis should include the supply chain for both the enterprise and applicable  
9263    suppliers, developers, system integrators, external system service providers, and other ICT/OT-  
9264    related service providers, as well as relevant non-system services and products. Criticality  
9265    analysis assesses the direct impact they each have on the mission priorities. The supply chain  
9266    includes the SDLC for applicable systems, services, and components because the SDLC defines  
9267    whether security considerations are built into the systems/components or added after  
9268    systems/components have been created.

9269

9270    Enterprises should update and tailor criticality established during the Frame step of the risk  
9271    management process, including [FIPS 199] system. For low-impact systems, enterprises should  
9272    minimally assess criticality regarding interdependencies that systems may have with moderate or  
9273    high-impact system(s). If systems are used extensively throughout the enterprise, enterprises  
9274    should determine the holistic impact of component failure or compromise in the low impact  
9275    system.

9276

9277    In addition to updating and tailoring criticality, performing criticality analysis in the Assess Step  
9278    may include the following:

9279

- 9280    • Refine the dependency analysis and assessment to update understanding of which  
9281    components may require hardening given the system or network architecture;
- 9282    • Obtain and review existing information that the agency has about critical  
9283    systems/components such as locations where they are manufactured or developed,  
9284    physical and logical delivery paths, information flows and financial transactions  
9285    associated with these components, and any other available information that can provide  
9286    insights into supply chain of these components;<sup>56</sup>
- 9287    • Update information about the supply chain, historical data, and the SDLC to identify  
9288    changes in critical supply chain paths and conditions.

9289

9290    The outcome of the updated criticality analysis is a narrowed, prioritized list of the enterprise's  
9291    critical processes, systems, and system components as well as a refined understanding of  
9292    corresponding dependencies within the supply chain. Enterprises can use the Criticality process  
9293    in Task 1-1, to update Criticality Analysis.

<sup>56</sup> This information may be available from a supply chain map for the agency or individual IT projects or systems. Supply chain maps are descriptions or depictions of supply chains including the physical and logical flow of goods, information, processes, and money upstream and downstream through a supply chain. They may include supply chain entities, locations, delivery paths, or transactions.

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Because more information will be available in the Assess step, enterprises can narrow the scope and increase the granularity of a criticality analysis. When identifying critical processes and associated systems/components and assigning them criticality levels, consider the following:

- Functional breakdown is an effective method of identifying processes, associated critical components, and supporting defensive functions;
- Dependency analysis is used to identify the processes on which critical processes depend (e.g., defensive functions such as digital signatures used in software patch acceptance) which become critical processes themselves;
- Identification of all access points to identify and limit unmediated access to critical function/components (e.g., least-privilege implementation);
- Value chain analysis to understand inputs, process actors, outputs and customers of services and products; and
- Malicious alteration or other types of supply chain compromise can happen throughout the SDLC.

9310

The resulting list of critical processes and supply chain dependencies is used to guide and inform the vulnerability analysis and threat analysis in determining the initial C-SCRM risk as depicted in Figure D-4. Supply chain countermeasures and mitigations can then be selected and implemented to reduce risk to acceptable levels.

9315

Criticality analysis is performed iteratively and may be performed at any point in the SDLC and concurrently by level. The first iteration is likely to identify critical processes and systems/components that have a direct impact on mission and business processes. Successive iterations will include information from the criticality analysis, threat analysis, vulnerability analysis, and mitigation strategies defined at each of the other levels. Each iteration will refine the criticality analysis outcomes and result in the addition of defensive functions. Several iterations are likely required to establish and maintain the criticality analysis results. Enterprises should document or record the results of their criticality analysis and review and update this assessment on an annual basis at minimum.

9325

9326

## 9327 THREAT AND VULNERABILITY IDENTIFICATION

9328

**9329 TASK 2-1:** Identify threats to and vulnerabilities in enterprise information systems and the environments in which the systems operate.

9331

### 9332 Supplemental Guidance

9333

In addition to threat and vulnerability identification, as described in [NIST SP 800-39] and [NIST SP 800-30 Rev. 1], enterprises should conduct supply chain cybersecurity threat analysis and vulnerability analysis.

9337

9338

*Threat Analysis*

9339  
9340 For C-SCRM, a threat analysis provides specific and timely threat characterization of threat  
9341 events (see Appendix C) and potential threat actors (e.g., nation-state) and threat vectors (e.g.,  
9342 3rd party supplier), to inform management, acquisition, engineering, and operational activities  
9343 within an enterprise.<sup>57</sup> A variety of information can be used to assess potential threats, including  
9344 open source, intelligence, and counterintelligence. Enterprises should include, update and refine  
9345 the threat sources and assumptions defined during the *Frame* step. The results of the threat  
9346 analysis will ultimately support acquisition decisions, alternative build decisions, and  
9347 development and selection of appropriate mitigations to be applied in the *Respond* step. The  
9348 focus of supply chain threat analysis should be based on the results of the criticality analysis.  
9349

9350 Agencies should use information available from existing incident management activities to  
9351 determine whether they have experienced a supply chain cybersecurity compromise and to  
9352 further investigate such compromises. Agencies should define criteria for what constitutes a  
9353 supply chain cybersecurity compromise to ensure that such compromises can be identified as a  
9354 part of post-incident activities, including forensics investigations. Additionally - at agency  
9355 defined intervals – agencies should review other sources of incident information within the  
9356 enterprise to determine whether in fact a supply chain compromise has occurred.

9357  
9358 An supply chain cybersecurity threat analysis should capture at least the following data:  
9359     • Observation of cybersecurity supply chain-related attacks while they are occurring;  
9360     • Incident data collected post-cybersecurity supply chain-related compromise;  
9361     • Observation of tactics, techniques, and procedures used in specific attacks, whether  
9362         observed or collected using audit mechanisms; and  
9363     • Natural and man-made disasters before, during, and after occurrence.

### 9364 9365 *Vulnerability Analysis*

9366 For C-SCRM, a vulnerability is a weakness in an information system, system security  
9367 procedures, internal controls, or implementation that could be exploited or triggered by a threat  
9368 source [FIPS 200], [NIST SP 800-34 Rev. 1], [NIST SP 800-53 Rev 4], [NIST SP 800-53A Rev.  
9369 4], [NIST SP 800-115].

9370 A vulnerability analysis is an iterative process that informs risk assessment and countermeasure  
9371 selection. The vulnerability analysis works alongside the threat analysis to help inform the  
9372 impact analysis and to help scope and prioritize vulnerabilities to be mitigated.

9373 Vulnerability analysis in the Assess Step should use the approaches defined during the Frame  
9374 Step to update and refine assumptions about supply chain cybersecurity vulnerabilities.  
9375 Vulnerability analysis should begin by identifying vulnerabilities that are applicable to critical  
9376 mission and business processes and systems/system components identified by the criticality

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<sup>57</sup> Please note that threat characterization of suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers may be benign.

analysis. An investigation of vulnerabilities may indicate the need to raise or at least reconsider the criticality levels of processes and components identified in earlier criticality analyses. Later iterations of the vulnerability analysis may also identify additional threats, or opportunities for threats, not considered in earlier threat assessments.

Table G-8 provides examples of applicable supply chain cybersecurity vulnerabilities that can be observed within the three levels.

**Table G-8: Examples of Supply Chain Cybersecurity Vulnerabilities Mapped to the Enterprise Levels**

Level	Agency Constraints	Supply Chain Constraints
Level 1 – Enterprise	<ul style="list-style-type: none"> <li>1) Deficiencies or weaknesses in enterprise governance structures or processes such as a lack of C-SCRM Plan</li> <li>2) Weaknesses in the supply chain itself (e.g., vulnerable entities, over-reliance on certain entities)</li> </ul>	<ul style="list-style-type: none"> <li>1) Provide guidance on how to consider dependencies on external enterprises as vulnerabilities.</li> <li>2) Seek out alternate sources of new technology including building in-house, leveraging trustworthy shared services/common solutions.</li> </ul>
Level 2 – Mission/ Business	<ul style="list-style-type: none"> <li>1) No operational process is in place for detecting counterfeits</li> <li>2) No budget was allocated for the implementation of a technical screening for acceptance testing of supplied system components entering the SDLC as replacement parts</li> <li>3) Susceptibility to adverse issues from innovative technology supply sources (e.g., technology owned or managed by third parties is buggy)</li> </ul>	<ul style="list-style-type: none"> <li>1) Develop a program for detecting tainted or counterfeit products and allocate appropriate budgets for putting in resources and training.</li> <li>2) Allocate budget for acceptance testing – technical screening of components entering SDLC.</li> </ul>
Level 3 – Operation	<ul style="list-style-type: none"> <li>1) Discrepancy in system functions not meeting requirements, resulting in substantial impact to performance</li> </ul>	<ul style="list-style-type: none"> <li>1) Initiate engineering change. Malicious alteration can happen throughout the system life cycle to an agency system to address functional discrepancy and test correction for performance impact.</li> </ul>

## 9393 RISK DETERMINATION

9394

9395 **TASK 2-2:** Determine the risk to enterprise operations and assets, individuals, other enterprises,  
9396 and the Nation if identified threats exploit identified vulnerabilities.

9397

9398 **Supplemental Guidance**

9399

9400 Enterprises determine cybersecurity risk in the supply chain by considering the likelihood that  
9401 known threats exploit known vulnerabilities to and through the supply chain and the resulting  
9402 consequences or adverse impacts (i.e., magnitude of harm) if such exploitations occur.  
9403 Enterprises use threat and vulnerability information together with likelihood and  
9404 consequences/impact information to determine C-SCRM risk either qualitatively or  
9405 quantitatively. Outputs from the Risk Determination at Levels 1 and 2 should correspond directly  
9406 with the RMF Prepare – Enterprise Level tasks described within [NIST 800-37r2], while risk  
9407 assessments completed for Level 3 should correspond to directly with the RMF Prepare –  
9408 Operational-level tasks.

9409

9410 *Likelihood*

9411

9412 Likelihood is a weighted factor based on a subjective analysis of the probability that a given  
9413 threat is capable of exploiting a given vulnerability [CNSSI 4009]. Determining this likelihood  
9414 requires the consideration of the characteristics of the threat sources, the identified  
9415 vulnerabilities, and the enterprise’s susceptibility to the supply chain cybersecurity compromise,  
9416 prior to and while the safeguards/mitigations are implemented. Likelihood determination should  
9417 draw on methodologies defined as part of the Frame step, and update, refine, and expand any  
9418 assumptions made about likelihood. For adversarial threats, this analysis should consider the  
9419 degree of an adversary’s capability and intent to interfere with the enterprise’s mission. Supply  
9420 chain cybersecurity risk assessment should consider two views:

9421

- The likelihood that one or more elements within the supply chain itself is compromised.  
This may impact, for example, the availability of quality components or increase the risk  
of intellectual property theft; and
- The likelihood of the system or component within the supply chain being compromised,  
for example, by malicious code inserted into a system or an electric storm damaging a  
component.

9422

9423 In some cases, these two views may overlap or be indistinguishable, but both may have an  
9424 impact on the agency’s ability to perform its mission.

9425

9426 Likelihood determination should consider:

9427

- Threat assumptions that articulate the types of threats the system or the component may  
be subject to, such as cybersecurity threats, natural disasters, or physical security threats
- Actual supply chain threat information such as adversaries’ capabilities, tools, intentions,  
and targets

- 9438     • Historical data about the frequency of supply chain events in peer or like enterprises  
9439     • Internal expert perspectives on the probability systems or process compromise through  
9440       the supply chain  
9441     • Exposure of components to external access (i.e., outside of the system boundary)  
9442     • Identified system, process, or component vulnerabilities  
9443     • Empirical data on weaknesses and vulnerabilities available from any completed analysis  
9444       (e.g., system analysis, process analysis) to determine probabilities of supply chain  
9445       cybersecurity threat occurrence

9446 Factors for consideration include the ease or difficulty of successfully attacking through a  
9447 vulnerability and the ability to detect the method employed to introduce or trigger a  
9448 vulnerability. The objective is to assess the net effect of the vulnerability, which will be  
9449 combined with threat information to determine the likelihood of successful attacks within a  
9450 defined time frame as part of the risk assessment process. The likelihood can be based on threat  
9451 assumptions or actual threat data, such as previous breaches of the supply chain, specific  
9452 adversary capability, historical breach trends, or frequency of breaches. The enterprise may use  
9453 empirical data and statistical analysis to determine specific probabilities of breach occurrence,  
9454 depending on the type of data available and accessible within the enterprise.

9455 *Impact*

9456 Enterprises should begin impact analysis using methodologies and potential impact assumptions  
9457 defined during the Frame step, determining the impact of a compromise and the impact of  
9458 mitigating said compromise. Enterprises need to identify the various adverse impacts of  
9459 compromise, including: (i) the characteristics of the threat sources that could initiate the events;  
9460 (ii) identified vulnerabilities; and (iii) the enterprise susceptibility to such events based on  
9461 planned or implemented countermeasures. Impact analysis is an iterative process performed  
9462 initially when a compromise occurs, when mitigation approach is decided to evaluate the impact  
9463 of change, and finally, in the ever-changing SDLC, when the situation/context of the system or  
9464 environment changes.

9465 Enterprises should use the result of impact analysis to define an acceptable level of cybersecurity  
9466 risk in the supply chain for a given system. Impact is derived from criticality, threat, and  
9467 vulnerability analysis results, and should be based on the magnitude of effect on enterprise  
9468 operations, enterprise assets, individuals, other enterprises, or the Nation (including the national  
9469 security interests of the United States) of a loss of confidentiality, integrity, or availability of  
9470 information or an information system [NIST SP 800-53 Rev. 5]. Impact is likely to be a  
9471 qualitative measure requiring analytic judgment. Executive/decision-makers use impact as an  
9472 input into the risk-based decisions whether to accept, avoid, mitigate, or share the resulting risks  
9473 and the consequences of such decisions.

9474 Enterprises should document the overall results of assessments of cybersecurity risk in the  
9475 supply chain in risk assessment reports.<sup>58</sup> Supply chain cybersecurity risk assessment reports

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<sup>58</sup> See [NIST SP 800-30 Rev. 1 Appendix K] for a description of risk assessment reports.

should cover risks in all three enterprise levels as applicable. Based on the enterprise structure and size, multiple assessment reports on cybersecurity risk in the supply chain may be required. Agencies are encouraged to develop individual reports at Level 1. For Level 2, agencies should integrate cybersecurity risk in the supply chain into the respective mission-level Business Impact Assessments (BIA) and may want to develop separate mission-level assessment reports on cybersecurity risk in the supply chain. For Level 3, agencies may want to integrate cybersecurity risk in the supply chain into the respective Risk Response Framework. Risk Response Frameworks at all three levels should be interconnected, reference each other when appropriate, integrate with the C-SCRM Plans, and comprise part of authorization packages.

### *Aggregation*

Enterprises and enterprises may use risk aggregation to roll up several discrete or lower-level risks into a more general or higher-level risk [NIST SP 800-30 Rev. 1]. This is especially important for C-SCRM as enterprises and enterprises strive to understand their exposure to the supply chain at operational-levels as well as at the relationship level (i.e., Level 1). Ultimately, enterprises may wish to aggregate and normalize their C-SCRM risk assessment results with other enterprise risk assessments to develop an understanding of total risk exposure across risk types (e.g., financial, operational, legal/regulatory). This aggregation may occur to an enterprise level in cases where the enterprise consists of multiple lower-level enterprises. Each subordinate enterprise would roll up and normalize the enterprise-level risks into a single enterprise risk register. Risk aggregation may also occur from Level 2 mission and business process level registers into a single Level 1 enterprise-level risk register. To ease this process, enterprises should maximize inheritance of common frameworks and lexicons from higher-order risk processes (e.g., enterprise risk management).

When dealing with discrete risks (i.e., non-overlapping), enterprises can more easily develop a holistic understanding of aggregate Level 1 and 2 risk exposures. In many cases, however, enterprises will find that risk assessments completed at lower levels contain overlapping estimates for likelihood and/or impact magnitude. In these cases, the sum of the pieces (i.e., risk exposure ratings at lower levels) are greater than the whole (i.e., aggregate risk exposure of the enterprise). To overcome these challenges, enterprises can employ a variety of techniques. Enterprises may elect to use visualizations or heat maps to demonstrate the likelihood and impact of risks relative to one another. When presenting aggregate risk as a number, enterprises should ensure that assessments of risk produce discrete outputs by adopting mutually exclusive and collectively exhaustive (MECE) frameworks. MECE frameworks guide analysis of inputs (e.g., threats, vulnerabilities, impacts) and allow the enterprise to minimize overlapping assumptions and estimates. Instead of summing together risks from lower levels, enterprises may elect to perform a new holistic assessment at an upper level leveraging the combined assessment results from lower levels. Doing so can help enterprises avoid double counting of risk resulting in overestimation of their aggregate risk exposure. Enterprises should apply discretion in aggregating risks so as to avoid risk aggregations that are difficult to explain (e.g., combining highly differentiated scenarios into a single number).

Quantitative methods offer distinct advantages for risk aggregation. Through the use of probabilistic techniques (e.g., Monte Carlo methods, Bayesian analysis), enterprises can combine

similar risks into a single, easily understood figure (e.g., dollars) in a mathematically defensible manner. Mutually exclusive and collectively exhaustive frameworks remain an important requirement for quantitative methods.

### Outputs and Post Conditions

This step results in:

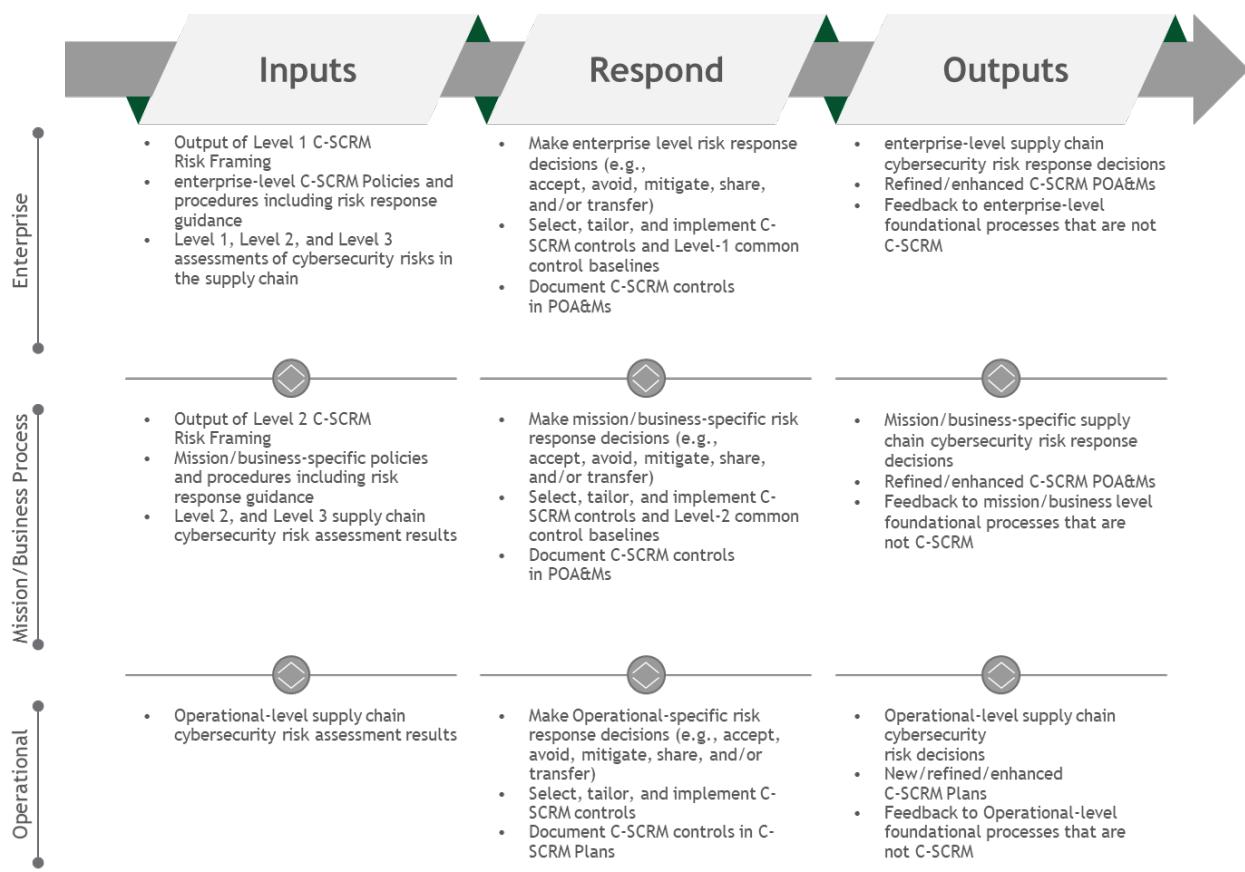
- Confirmed mission and business process criticality;
- Establishment of relationships between the critical aspects of the system's supply chain infrastructure (e.g., SDLC) and applicable threats and vulnerabilities;
- Understanding of the likelihood and the impact of a potential supply chain cybersecurity compromise;
- Understanding mission and system-specific risks;
- Documented assessments of cybersecurity risk in the supply chain for mission processes and individual systems; and
- Integration of relevant assessments of cybersecurity risk in the supply chain results into the enterprise risk management process.

## Respond

### Inputs and Preconditions

Respond is the step in which the individuals conducting risk assessment will communicate the assessment results, proposed mitigation/controls options, and the corresponding acceptable level of risk for each proposed option to the decision makers. This information should be presented in a manner appropriate to inform and guide risk-based decisions. This will allow decision makers to finalize appropriate risk response based on the set of options and taking into account the corresponding risk factors of choosing the various options. Sometimes an appropriate response is to do nothing and to monitor the adversary's activities and behavior to better understand the tactics and to attribute the activities.

Cybersecurity supply chain risk response should be integrated into the overall enterprise risk response. Figure G-6 depicts the Respond Step with its inputs and outputs along the three enterprise levels.



**Fig. G-7: C-SCRM in the Respond Step<sup>59</sup>**

### Activities

#### RISK RESPONSE IDENTIFICATION

**TASK 3-1:** Identify alternative courses of action to respond to risk determined during the risk assessment.

Enterprise's risk response strategies will be informed by risk management strategies developed for the enterprise (i.e., Level 1) and mission/business process (i.e., Level 2). Risk response strategies will include general courses of action the enterprise may take as part of its risk response efforts (e.g., accept, avoid, mitigate, transfer or share). As part of mitigation efforts, enterprises should select C-SCRM controls and tailor these controls based on the risk determination. C-SCRM controls should be selected for all three levels, as appropriate per findings of the risk assessments for each of the levels.

Many of the C-SCRM controls included in this document may be part of an IT security plan and should be incorporated as requirements in agreements made with third party providers. These controls are included because they apply to C-SCRM.

<sup>59</sup> More detailed information on the Risk Management Process can be found in Appendix C

9584

9585 This process should begin by determining acceptable risk to support the evaluation of  
9586 alternatives (also known as trade-off analysis).

9587

## 9588 EVALUATION OF ALTERNATIVES

9589

9590 **TASK 3-2:** Evaluate alternative courses of action for responding to risk.

9591

9592 Once an initial acceptable level of risk has been defined, risk response courses of action should  
9593 be identified and evaluated for efficacy in enabling the enterprise to achieve its defined risk  
9594 threshold. Evaluation of alternatives typically occurs at Levels 1 or 2 with a focus on anticipated  
9595 enterprise-wide impacts of C-SCRM to the enterprise's ability to successfully carry out  
9596 enterprise missions and processes. When carried out at Level 3, evaluation of alternatives will  
9597 focus on the SDLC or the amount of time available for implementing the course of action.

9598

9599 Each courses of action analyzed may include a combination of risk acceptance, avoidance,  
9600 mitigation, transfer and/or sharing. For example, an enterprise may elect to share a portion of its  
9601 risk to a strategic supplier through the selection of controls included under contractual terms.  
9602 Alternatively, an enterprise may choose to mitigate to acceptable levels though the selection and  
9603 implementation of controls. In many cases, risk strategies will leverage a combination of risk  
9604 response courses of action.

9605

9606 During evaluation of alternatives, enterprise will analyze available risk response courses of  
9607 action for identified cybersecurity risk in the supply chain. The goal of this exercise is to enable  
9608 the enterprise to achieve an appropriate balance among C-SCRM and functionality needs of the  
9609 enterprise. As a first step, enterprises should ensure risk appetites and tolerances, priorities and  
9610 tradeoffs, applicable requirements and constraints are reviewed with stakeholders familiar with  
9611 broader enterprise requirements, such as cost, schedule, performance, policy, and compliance.  
9612 Through this process, the enterprise will identify risk response implications to the enterprise's  
9613 broader requirements. Equipped with a holistic understanding of risk response implications,  
9614 enterprises should perform the C-SCRM, mission, and operational-level trade-off analyses to  
9615 identify the correct balance of C-SCRM controls to respond to risk. At Level 3, the Frame,  
9616 Assess, Respond, and Monitor process feeds into the RMF Select step described in [NIST SP  
9617 800-37 Rev. 2].

9618

9619 The selected C-SCRM controls for a risk response course of action will vary depending on where  
9620 they are applied within enterprise levels and SDLC processes. For example, C-SCRM controls  
9621 may range from using a blind buying strategy to obscure end use of a critical component, to  
9622 design attributes (e.g., input validation, sandboxes, and anti-tamper design). For each  
9623 implemented control, the enterprise should identify someone responsible for its execution and  
9624 develop a time- or event-phased plan for implementation throughout the SDLC. Multiple  
9625 controls may address a wide range of possible risks. Therefore, understanding how the controls  
9626 impact the overall risk is essential and must be considered before choosing and tailoring the  
9627 combination of controls as yet another trade-off analysis may be needed before the controls can  
9628 be finalized. The enterprise may be trading one risk for a larger risk unknowingly if the

9629 dependencies between the proposed controls and the overall risk are not well-understood and  
9630 addressed.

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## 9632 RISK RESPONSE DECISION

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9634 **TASK 3-3:** Decide on the appropriate course of action for responding to risk.

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9636 As described in [NIST SP 800-39], enterprises should select, tailor, and finalize C-SCRM  
9637 controls, based on the evaluation of alternatives and an overall understanding of threats, risks,  
9638 and supply chain priorities. Within Levels 1 and 2, the resulting decision, along with selected and  
9639 tailored common control baselines (i.e., revisions to established baselines) should be documented  
9640 within a C-SCRM-specific Risk Response Framework.<sup>60</sup> Within Level 3, the resulting decision,  
9641 along with the selected and tailored controls, should be documented within the C-SCRM Plan as  
9642 part of an authorization package.

9643

9644 Risk response decisions may be made by a risk executive or delegated by the risk executive to  
9645 someone else in the enterprise. While the decision can be delegated to Level 2 or Level 3, the  
9646 significance and the reach of the impact should determine the level at which the decision is being  
9647 made. Risk response decisions may be made in collaboration with an enterprise's risk executives,  
9648 mission owners, and system owners, as appropriate. Risk response decisions are heavily  
9649 influenced by the enterprise's predetermined appetite and tolerance for risk. Using robust risk  
9650 appetite and tolerance definitions, decision makers can ensure consistent alignment of the  
9651 enterprise's risk decisions with its strategic imperatives. Robust definitions of risk appetite and  
9652 tolerance may also enable enterprises to delegate risk decision responsibility to lower levels of  
9653 the enterprise and provide greater autonomy across the Levels.

9654

9655 Within Levels 1 and 2, the resulting decisions should be documented, along with any changes to  
9656 requirements or selected common control baselines (enterprise, enterprise or mission and  
9657 business process level), within C-SCRM-specific Risk Response Frameworks. The C-SCRM  
9658 Risk Response Framework may influence other related Risk Response Frameworks.

9659

9660 The Risk Response Framework should include:

- 9661
- 9662 • Describing the threat source, threat event, exploited vulnerability, and threat event  
9663 outcome;
  - 9664 • Providing an analysis of the likelihood and impact of the risk and final risk score;
  - 9665 • Describing the selected mitigating strategies and controls along with an estimate of the  
9666 cost and effectiveness of the mitigation against the risk.

9667

9668 Within Level 3, the resulting decision, along with the selected and tailored controls, should be  
9669 documented in a C-SCRM Plan. While the C-SCRM Plan is ideally developed proactively, it  
9670 may also be developed in response to a supply chain cybersecurity compromise. Ultimately, the  
9671 C-SCRM Plan should cover the full SDLC, document a C-SCRM baseline, and identify  
9672 cybersecurity supply chain requirements and controls at the Level 3 operational-level. The C-

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<sup>60</sup> More information can be found on Risk Response Frameworks in Appendix B along with explicit examples.

9673 SCRM Plan should be revised and updated based on the output of cybersecurity supply chain  
9674 monitoring.

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9676 C-SCRM Plans should:

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- Summarize the environment as determined in Frame such as applicable policies, processes, and procedures based on enterprise and mission requirements currently implemented in the enterprise;
- State the role responsible for the plan such as Risk Executive, Chief Financial Officer (CFO), Chief Information Officer (CIO), Program Manager, or System Owner;
- Identify key contributors such as CFO, Chief Operations Officer (COO), Acquisition/Contracting, Procurement, C-SCRM PMO, System Engineer, System Security Engineer, Developer/Maintenance Engineer, Operations Manager, or System Architect;
- Provide the applicable (per level) set of risk mitigation measures and controls resulting from the Evaluation of Alternatives (in Respond);
- Provide tailoring decisions for selected controls including the rationale for the decision;
- Describe feedback processes among the levels to ensure that cybersecurity supply chain interdependencies are addressed;
- Describe monitoring and enforcement activities (including auditing if appropriate) applicable to the scope of each specific C-SCRM Plan;
- If appropriate, state qualitative or quantitative measures to support implementation of the C-SCRM Plan and assess effectiveness of this implementation;<sup>61</sup>
- Define frequency for deciding whether the plan needs to be reviewed and revised;
- Include criteria that would trigger revision, for example, life cycle milestones, gate reviews, or significant contracting activities; and
- Include suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers C-SCRM Plans if made available as part of agreements.

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9703 Agencies may want to integrate C-SCRM controls into the respective System Security Plans or  
9704 develop separate operational-level C-SCRM Plans. At Level 3, the C-SCRM Plan applies to  
9705 High and Moderate Impact systems per [FIPS 199]. Requirements and inputs from the Enterprise  
9706 C-SCRM strategy at Level 1, and Mission C-SCRM strategy and implementation plan at Level 2,  
9707 should flow down and be used to guide the develop C-SCRM Plans at Level 3. Conversely, the  
9708 C-SCRM controls and requirements at Level 3 should be considered in developing and revising  
9709 requirements and controls applied at the higher levels. C-SCRM Plans should be interconnected  
9710 and reference each other when appropriate.

9711 Table G-9 summarizes the controls to be contained in Risk Response Frameworks at Levels 1  
9712 and 2, and C-SCRM Plans at Level 3 and provides examples of those controls.

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<sup>61</sup> NIST SP 800-55 Revision 1, *Performance Measurement Guide for Information Security* (July 2008), provides guidance on developing information security measures. Agencies can use general guidance in that publication to develop specific measures for their C-SCRM plans. See <http://csrc.nist.gov/publications/nistpubs/800-55-Rev1/SP800-55-rev1.pdf>.

9713  
9714**Table G-9: Controls at Levels 1, 2, and 3**

<b>Level</b>	<b>Controls</b>	<b>Examples</b>
Level 1	Provides enterprise common controls baseline to Levels 2 and 3	<ul style="list-style-type: none"> <li>Minimum sets of controls applicable to all suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers.</li> <li>Enterprise-level controls applied to processing and storing suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers information.</li> <li>Cybersecurity supply chain training and awareness for acquirer staff at the enterprise-level.</li> </ul>
Level 2	<ul style="list-style-type: none"> <li>Inherits common controls from Level 1</li> <li>Provides mission and business process level common controls baseline to Level 3</li> </ul> <p>Provides feedback to Level 1 about what is working and what needs to be changed</p>	<ul style="list-style-type: none"> <li>Minimum sets of controls applicable suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers for the specific mission and business process.</li> <li>Program-level refinement of Identity and Access Management controls to address C-SCRM concerns.</li> <li>Program-specific supply chain training and awareness.</li> </ul>
Level 3	<ul style="list-style-type: none"> <li>Inherits common controls from Levels 1 and 2</li> <li>Provides system-specific controls for Level 3</li> </ul> <p>Provides feedback to Level 2 and Level 1 about what is working and what needs to be changed</p>	<ul style="list-style-type: none"> <li>Minimum sets of controls applicable to service providers or specific hardware and software for the individual system.</li> <li>Appropriately rigorous acceptance criteria for change management for systems that support supply chain, e.g., as testing or integrated development environments.</li> <li>System-specific cybersecurity supply chain training and awareness.</li> <li>Intersections with the SDLC.</li> </ul>

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9716 Appendix C provides an example C-SCRM Plan template with the sections and types of  
9717 information enterprises should include in their C-SCRM Planning activities.  
9718**RISK RESPONSE IMPLEMENTATION**9719 **TASK 3-4:** Implement the course of action selected to respond to risk.  
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9722 Enterprises should implement the C-SCRM Plan in a manner that integrates the C-SCRM  
9723 controls into the overall agency risk management processes.

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**Outputs and Post Conditions**

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The output of this step is a set of C-SCRM controls that address C-SCRM requirements and can be incorporated into the system requirements baseline and in agreements with third-party providers. These requirements and resulting controls will be incorporated into the SDLC and other enterprise processes, throughout the three levels.

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For general risk types, this step results in:

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- Selected, evaluated, and tailored C-SCRM controls that address identified risks;
- Identified consequences of accepting or not accepting the proposed mitigations; and
- Development and implementation of the C-SCRM Plan.

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**Monitor**

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**INPUTS AND PRECONDITIONS**

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Monitor is the step in which enterprises: (i) verify compliance; (ii) determine the ongoing effectiveness of risk response measures; and (iii) identify risk-impacting changes to enterprise information systems and environments of operation.

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Changes to the enterprise, mission/business, operations, or the supply chain can directly impact the enterprise's cybersecurity supply chain. The Monitor step provides a mechanism for tracking such changes and ensuring they are appropriately assessed for impact (in Assess). If the cybersecurity supply chain is redefined as a result of monitoring, enterprises should coordinate with the suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers to resolve implications and mutual obligations. A critical component of the monitor step includes the upward dissemination of information to inform higher level risk assessments (e.g., mission/business process assessment informs enterprise assessment). This ensure that enterprise leaders maintain visibility into risk conditions across the enterprise.

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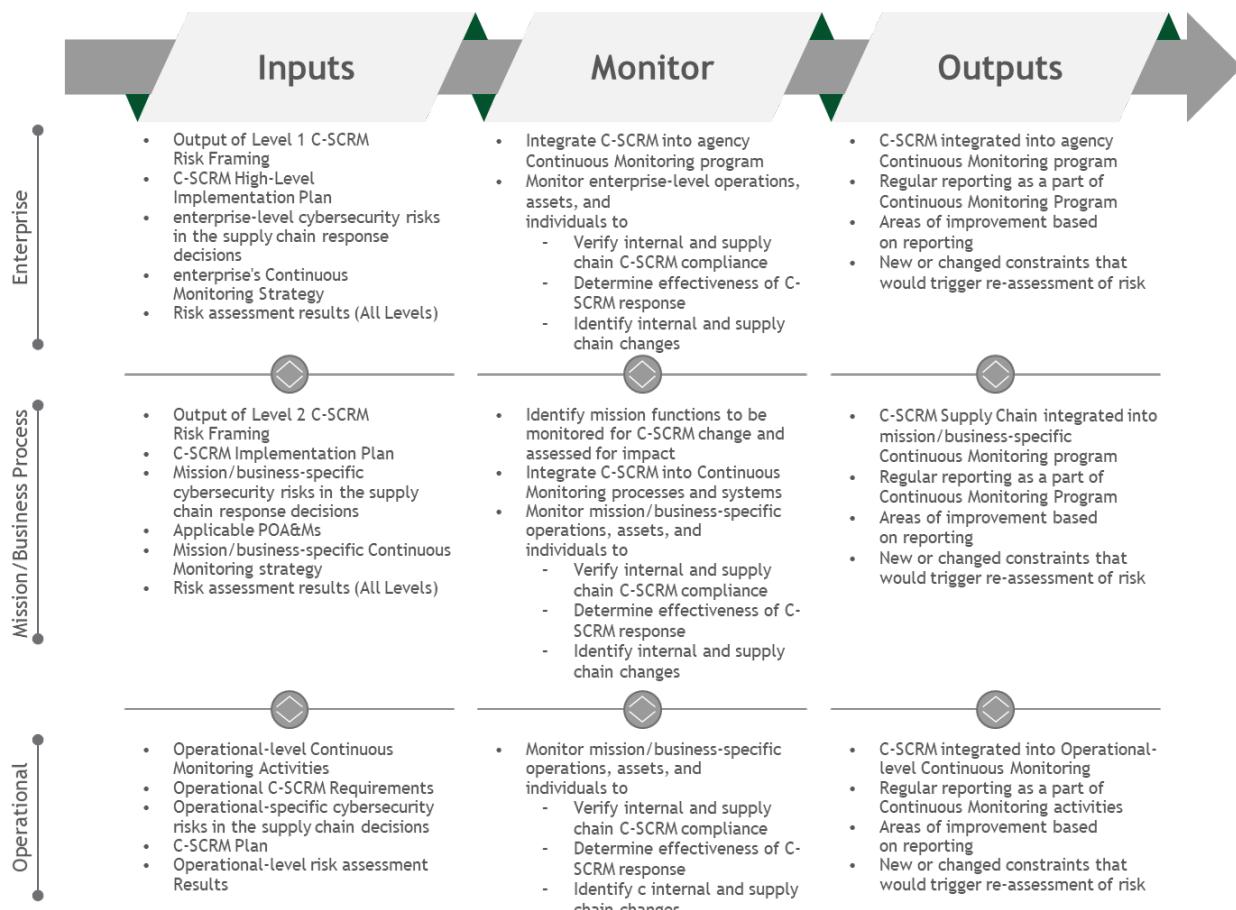
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Enterprises should integrate C-SCRM into existing continuous monitoring programs.<sup>62</sup> In the event a Continuous Monitoring program does not exist, C-SCRM can serve as a catalyst for establishing a comprehensive continuous monitoring program. Figure G-7 depicts the Monitor Step with inputs and outputs along the three enterprise levels.

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<sup>62</sup> NIST SP 800-137, *Information Security Continuous Monitoring (ISCM) for Federal Information Systems and Organizations* (September 2011), describes how to establish and implement a continuous monitoring program. See <http://csrc.nist.gov/publications/nistpubs/800-137/SP800-137-Final.pdf>.

**Fig. G-8: C-SCRM in the Monitor Step<sup>63</sup>**9762  
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**Activities****RISK MONITORING STRATEGY**

**TASK 4-1:** Develop a risk monitoring strategy for the enterprise that includes the purpose, type, and frequency of monitoring activities.

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**Supplemental Guidance**

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Enterprises should integrate C-SCRM considerations into their overall risk monitoring strategy. Monitoring cybersecurity risk in the supply chain may require access to information that agencies may not have traditionally collected. Some of the information will require needing to be gathered from outside the agency, such as from open sources or suppliers and integrators. The strategy should, among other things, include the data to be collected, state the specific measures compiled from the data (e.g., number of contractual compliance violations by the vendor), identify existing or include assumptions about required tools needed to collect the data, identify how the data will be protected, and define reporting formats for the data. Potential data sources may include:

<sup>63</sup> More detailed information on the Risk Management Process can be found in Appendix C

- 9781
- 9782     • Agency vulnerability management and incident management activities;
  - 9783     • Agency manual reviews;
  - 9784     • Interagency information sharing;
  - 9785     • Information sharing between the agency and suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers;
  - 9786     • Supplier information sharing; and
  - 9787     • Contractual reviews of suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers.

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9791 Enterprises should ensure the appropriate protection of supplier data if that data is collected and stored by the agency. Agencies may also require additional data collection and analysis tools to appropriately evaluate the data to achieve the objective of monitoring applicable cybersecurity risk in the supply chain.

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## 9796 RISK MONITORING

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9798 **TASK 4-2:** Monitor enterprise information systems and environments of operation on an ongoing basis to verify compliance, determine effectiveness of risk response measures, and identify changes.

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9802 According to [NIST SP 800-39], enterprises should monitor compliance, effectiveness, and change. Monitoring compliance within the context of C-SCRM involves monitoring an enterprise's processes and supplied products and services for compliance with the established security and C-SCRM requirements. Monitoring effectiveness involves monitoring the resulting risks to determine whether the established security and C-SCRM requirements produce the intended results. Monitoring change involves monitoring the environment for any changes that would signal changing requirements and mitigations/controls to maintain an acceptable level of cybersecurity risk in the supply chain.

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9811 To monitor for changes, enterprises should establish regular intervals at which they review and reassess suppliers as well as the products and services they provide. The reassessment intervals should be determined as needed and appropriate for the enterprise. Enterprises also need to identify and document a set of off-cycle triggers that would signal an alteration to the state of cybersecurity risk in the supply chain arising from a supplier relationship. While the categories of triggers will likely include changes to constraints, identified in Table D-6 (during the Frame Step), such as policy, mission, change to the threat environment, enterprise architecture, SDLC, or requirements, the specific triggers within those categories may be substantially different for different enterprises.

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9821 An example of a cybersecurity supply chain change is two key vetted suppliers<sup>64</sup> announcing their departure from a specific market, therefore creating a supply shortage for specific

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<sup>64</sup> A vetted supplier is a supplier with whom the organization is comfortable doing business. This level of comfort is usually achieved through developing an organization-defined set of supply chain criteria and then *vetting* suppliers against those criteria.

components. This would trigger the need to evaluate whether reducing the number of suppliers could create vulnerabilities in component availability and integrity. In this scenario, potential deficit of components may result simply from insufficient supply of components, because fewer components are available. If none of the remaining suppliers are vetted, this deficit may result in uncertain integrity of the remaining components. If the enterprise policy directs use of vetted components, this event may result in the enterprise's inability to fulfill its mission needs. Supply Chain Change may also arise as a result of a company experiencing a change in ownership. A change in ownership could have significant implications especially in cases where the change involves a transfer of ownership to foreign nationals of a country different from that of the original owners.

In addition to regularly updating existing risks assessments at all levels of the enterprise with the results of the ongoing monitoring, the enterprise should determine the triggers of a reassessment. Some of these triggers may include availability of resources, changes to cybersecurity risk in the supply chain, natural disasters, or mission collapse.

In order for monitoring to be effective, the state of cybersecurity supply chain risk management needs to be communicated to decision-makers across the enterprise in the form of C-SCRM reporting. Reporting should be tailored to meet the specific needs of its intended audience. For example, reporting to Level 1 decision-makers may summarize the C-SCRM implementation coverage, efficiency, effectiveness, and overall levels of exposure to cybersecurity risk in the supply chain at aggregate levels across the enterprise. Where applicable and appropriate for the audience, reporting may focus on specific areas in Levels 2 and 3 requiring executive leadership attention. To aid in tailoring reporting, reporting requirements should be defined in collaboration with the intended audience and updated periodically to ensure reporting is efficient and effective.

## Outputs and Post Conditions

Enterprises should integrate the cybersecurity supply chain outputs of the Monitor Step into the C-SCRM Plan. This plan will provide inputs into iterative implementations of the Frame, Assess, and Respond Steps as required.

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## 9858 APPENDIX H: GLOSSARY

Term	Definition	Source
Acceptable Risk	A level of residual risk to the organization's operations, assets, or individuals that falls within the defined risk appetite and risk tolerance thresholds set by the organization.	
Acquirer	Organization or entity that acquires or procures a product or service.	[ISO/IEC 15288] (adapted)
Acquisition	Includes all stages of the process of acquiring product or services, beginning with the process for determining the need for the product or services and ending with contract completion and closeout.	[NIST SP 800-64 Rev. 2] (adapted)
Agreement	Mutual acknowledgement of terms and conditions under which a working relationship is conducted, or goods are transferred between parties. EXAMPLE: contract, memorandum, or agreement	
Authorization	Authorization to operate: The official management decision given by a senior Federal official or officials to authorize operation of an information system and to explicitly accept the risk to agency operations (including mission, functions, image, or reputation), agency assets, individuals, other organizations, and the Nation based on the implementation of an agreed-upon set of security and privacy controls.	[NIST SP 800-53 Rev. 5]
Authorization Boundary	Authorization also applies to common controls inherited by agency information systems.  All components of an information system to be authorized for operation by an authorizing official. This excludes separately authorized systems to which the information system is connected.	[NIST SP 800-53 Rev. 5]
Authorizing Official (AO)	A senior Federal official or executive with the authority to authorize (i.e., assume responsibility for) the operation of an information system or the use of a designated set of common controls at an acceptable level of risk to agency operations (including mission, functions, image, or reputation), agency assets, individuals, other organizations, and the nation.	[NIST SP 800-53 Rev. 5]
Baseline	Hardware, software, databases, and relevant documentation for an information system at a given point in time.	[CNSSI No. 4009]

C-SCRM Control	A safeguard or countermeasures prescribed for the purpose of reducing or eliminating the likelihood and/or impact/consequences of a cybersecurity risk in the supply chain.
Supply Chain	A linked set of resources that can be subject to cybersecurity risk in the supply chain from suppliers, their supply chains, and their products or services.
Cybersecurity Risk in Supply Chains	Cybersecurity risk in the supply chain is the potential for harm or compromise that arises as a result of cybersecurity risks from suppliers, their supply chains, and their products or services. Cybersecurity risk in the supply chain arise from threats that exploit vulnerabilities or exposures within products and services traversing the supply chain as well as threats exploiting vulnerabilities or exposures within the supply chain itself.
Supply Chain Cybersecurity Risk Assessment	Supply Chain Cybersecurity Risk Assessment is a systematic examination of cybersecurity risk in the supply chain, likelihoods of their occurrence, and potential impacts.
Cybersecurity Compromise in the Supply Chain	A cybersecurity incident in the supply chain (also known as compromise) is an occurrence within the supply chain whereby the confidentiality, integrity, or availability of a system or the information the system processes, stores, or transmits is jeopardized. A supply chain incident can occur anywhere during the life cycle of the system, product or service.
Cybersecurity Supply Chain Risk Management	A systematic process for managing exposures to cybersecurity risk in the supply chain, threats, and vulnerabilities throughout the supply chain and developing risk response strategies to the cybersecurity risk in the supply chain presented by the supplier, the supplied products and services, or the supply chain. For the purposes of NIST pubs SCRM and C-SCRM refer to the same concept. This is because NIST is addressing only the cybersecurity aspects of SCRM. Other organizations may use a different definition of SCRM which is outside the scope of this publication. This publication does not address many of the non-cybersecurity aspects of SCRM.

Defense-in-Breadth	A planned, systematic set of multidisciplinary activities that seek to identify, manage, and reduce risk of exploitable vulnerabilities at every stage of the system, network, or subcomponent life cycle, including system, network, or product design and development, manufacturing, packaging, assembly, system integration, distribution, operations, maintenance, and retirement.	[NIST SP 800-53 Rev. 5]
Defense-in-Depth	Information security strategy that integrates people, technology, and operations capabilities to establish variable barriers across multiple layers and missions of the organization.	[NIST SP 800-53 Rev. 5]
Degradation	A decline in quality or performance; the process by which the decline is brought about.	
Developer	A general term that includes developers or manufacturers of systems, system components, or system services, systems integrators, suppliers, and product resellers. Development of systems, components, or services can occur internally within organizations or through external entities.	[NIST SP 800-53 Rev. 5]
Element	Supply chain element: organizations, entities, or tools employed for the research and development, design, manufacturing, acquisition, delivery, integration, operations and maintenance, and/or disposal of systems and system components.	
Enhanced Overlay	An overlay that adds processes, controls, enhancements, and additional implementation guidance specific to the purpose of the overlay.	
Exposure	Extent to which an organization and/or stakeholder is subject to a risk	[ISO Guide 73:2009] (adapted)
External systems Service Provider	A provider of external system services to an organization through a variety of consumer-producer relationships, including joint ventures; business partnerships; outsourcing arrangements (i.e., through contracts, interagency agreements, lines of business arrangements); licensing agreements; and/or supply chain exchanges.	[NIST SP 800-53 Rev. 5]

External System Service	A system service that is provided by an external service provider and for which the organization has no direct control over the implementation of required security and privacy controls or the assessment of control effectiveness.	[NIST SP 800-53 Rev. 5]
Fit for purpose	Fit for purpose is used informally to describe a process, configuration item, IT service, etc., that is capable of meeting its objectives or service levels. Being fit for purpose requires suitable design, implementation, control, and maintenance.	[ITIL Service Strategy] (adapted)
ICT/OT-related service providers	Any organization or individual providing services which may include authorized access to an ICT or OT system	
Information and Communications Technology (ICT)	Encompasses the capture, storage, retrieval, processing, display, representation, presentation, organization, management, security, transfer, and interchange of data and information.	[ISO/IEC 2382] (adapted)
Information System	A discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information.	[NIST SP 800-53 Rev. 5]
Life Cycle	Evolution of a system, product, service, project, or other human-made entity.	[ISO/IEC 15288] (adapted)
Likelihood	Chance of something happening.	[ISO/IEC 27000:2018]
Organizational Users	An organizational employee or an individual the organization deemed to have similar status of an employee including, for example, contractor, guest researcher, or individual detailed from another organization.	[NIST SP 800-53 Rev. 4] (adapted)
Overlay	A specification of security or privacy controls, control enhancements, supplemental guidance, and other supporting information employed during the tailoring process, that is intended to complement (and further refine) security control baselines. The overlay specification may be more stringent or less stringent than the original security control baseline specification and can be applied to multiple information systems.	[NIST SP 800-53 Rev. 5]

Pedigree	The validation of the composition and provenance of technologies, products, and services is referred to as the pedigree. For microelectronics, this includes material composition of components. For software this includes the composition of open source and proprietary code, including the version of the component at a given point in time. Pedigrees increase the assurance that the claims suppliers assert about the internal composition and provenance of the products, services, and technologies they provide are valid.	
Provenance	The chronology of the origin, development, ownership, location, and changes to a system or system component and associated data. It may also include personnel and processes used to interact with or make modifications to the system, component, or associated data.	[NIST SP 800-53 Rev. 5]
Risk	A measure of the extent to which an entity is threatened by a potential circumstance or event, and typically a function of: (i) the adverse impacts that would arise if the circumstance or event occurs; and (ii) the likelihood of occurrence.	[NIST SP 800-39]
Residual Risk	Portion of risk remaining after controls/countermeasures have been applied.	[NIST SP 800-16] (adapted) [NISTIR 8286]
Risk Appetite	The types and amount of risk, on a broad level, it is willing to accept in its pursuit of value.	
Risk Framing	The set of assumptions, constraints, risk tolerances, and priorities/trade-offs that shape an organization's approach for managing risk.	[NIST SP 800-39]
Risk Management	The program and supporting processes to manage risk to agency operations (including mission, functions, image, reputation), agency assets, individuals, other organizations, and the Nation, and includes establishing the context for risk-related activities; assessing risk; responding to risk once determined; and monitoring risk over time.	[NIST SP 800-53 Rev. 5]
Risk Mitigation	Prioritizing, evaluating, and implementing the appropriate risk-reducing controls/countermeasures recommended from the risk management process.	[NIST SP 800-53 Rev. 5]

Risk Response	Intentional and informed decision and actions to accept, avoid, mitigate, share, or transfer an identified risk.	[NIST SP 800-53 Rev. 5] (adapted)
Risk Response Plan	A summary of potential consequence(s) of the successful exploitation of a specific vulnerability or vulnerabilities by a threat agent, as well as mitigating strategies and C-SCRM controls.	
Risk Tolerance	the organization or stakeholders' readiness to bear the remaining risk after responding to or considering the risk in order to achieve its objectives.	[NIST 8286]
Secondary Market	An unofficial, unauthorized, or unintended distribution channel.	
Security Control	The safeguards or countermeasures prescribed for an information system or an organization to protect the confidentiality, integrity, and availability of the system and its information.	[NIST SP 800-53 Rev. 5]
Supplier	Organization or individual that enters into an agreement with the acquirer or integrator for the supply of a product or service. This includes all suppliers in the supply chain, developers or manufacturers of systems, system components, or system services; systems integrators; suppliers; product resellers; and third-party partners.	[ISO/IEC 15288] (adapted); adapted from definition of "developer" from [NIST SP 800-53 Rev. 5]
Supply Chain	Supply chain: Linked set of resources and processes between and among multiple levels of organizations, each of which is an acquirer, that begins with the sourcing of products and services and extends through their life cycle.	[ISO 28001] (adapted)

Cybersecurity Supply Chain Risk Information	Cybersecurity supply chain risk information includes, but is not limited to, information that describes or identifies: (1) Functionality of covered articles, including access to data and information system privileges; (2) Information on the user environment where a covered article is used or installed; (3) The ability of the source to produce and deliver covered articles as expected (i.e., supply chain assurance); (4) Foreign control of, or influence over, the source (e.g., foreign ownership, personal and professional ties between the source and any foreign entity, legal regime of any foreign country in which the source is headquartered or conducts operations); (5) Implications to national security, homeland security, and/or national critical functions associated with use of the covered source; (6) Vulnerability of federal systems, programs, or facilities; (7) Market alternatives to the covered source; (8) Potential impact or harm caused by the possible loss, damage, or compromise of a product, material, or service to an organization's operations or mission; (9) Likelihood of a potential impact or harm, or the exploitability of a system; (10) Security, authenticity, and integrity of covered articles and their supply and compilation chain; (11) Capacity to mitigate risks identified; (12) Credibility of and confidence in other supply chain risk information; (13) Any other information that would factor into an analysis of the security, integrity, resilience, quality, trustworthiness, or authenticity of covered articles or sources; (14) A summary of the above information, including: Summary of the threat level on 1 (low) to 5 (high) scale; and summary of the vulnerability level on 1 (low) to 5 (high) scale; and, any other information determined to be relevant to the determination of supply chain risk.	[FASCA]
System Integrator	An organization that customizes (e.g., combines, adds, optimizes) components, systems, and corresponding processes. The integrator function can also be performed by acquirer.	[NISTIR 7622] (adapted)

System	<p>Combination of interacting elements organized to achieve one or more stated purposes.</p> <p><i>Note 1:</i> There are many types of systems. Examples include general and special-purpose information systems; command, control, and communication systems; crypto modules; central processing unit and graphics processor boards; industrial control systems; flight control systems; weapons, targeting, and fire control systems; medical devices and treatment systems; financial, banking, and merchandising transaction systems; and social networking systems.</p> <p><i>Note 2:</i> The interacting elements in the definition of system include hardware, software, data, humans, processes, facilities, materials, and naturally occurring physical entities.</p> <p><i>Note 3:</i> System-of-systems is included in the definition of system.</p>	[NIST SP 800-53 Rev. 5] (adapted)
System Component	A discrete identifiable information or operational technology asset that represents a building block of a system and may include hardware, software, and firmware.	
System Development Life Cycle (SDLC)	The scope of activities associated with a system, encompassing the system's initiation, development and acquisition, implementation, operation and maintenance, and ultimately its disposal.	[NIST SP 800-34 Rev. 1] (adapted)
System Integrator	Those organizations that provide customized services to the acquirer including for example, custom development, test, operations, and maintenance.	
System Assurance	The justified confidence that the system functions as intended and is free of exploitable vulnerabilities, either intentionally or unintentionally designed or inserted as part of the system at any time during the life cycle.	[NDIA]
System Owner	System owner (or program manager): Official responsible for the overall procurement, development, integration, modification, or operation and maintenance of a system.	[NIST SP 800-53 Rev. 5]

Threat	Any circumstance or event with the potential to adversely impact organizational operations, organizational assets, individuals, other organizations, or the Nation through a system via unauthorized access, destruction, disclosure, modification of information, and/or denial of service.	[NIST SP 800-53 Rev. 5]
Threat Assessment/Analysis	Formal description and evaluation of threat to a system or organization.	[NIST SP 800-53 Rev. 5] (adapted)
Threat Event	An event or situation that has the potential for causing undesirable consequences or impact.	[NIST SP 800-30 Rev. 1]
Threat Event Outcome	The effect a threat acting upon a vulnerability has on the confidentiality, integrity, and/or availability of the organization's operations, assets, or individuals.	
Threat Scenario	A set of discrete threat events, associated with a specific threat source or multiple threat sources, partially ordered in time.	[NIST SP 800-30 Rev. 1]
Threat Source	The intent and method targeted at the intentional exploitation of a vulnerability or a situation and method that may accidentally trigger a vulnerability.	[NIST SP 800-53 Rev. 5]
Trust	The confidence one element has in another, that the second element will behave as expected.	[Software Assurance in Acquisition: Mitigating Risks to the Enterprise] [NIST SP 800-53 Rev. 5] (adapted)
Trustworthiness	The interdependent combination of attributes of a person, system, or enterprise that provides confidence to others of the qualifications, capabilities, and reliability of that entity to perform specific tasks and fulfill assigned responsibilities. The degree to which a system (including the technology components that are used to build the system) can be expected to preserve the confidentiality, integrity, and availability of the information being processed, stored, or transmitted by the system across the full range of threats.	
Validation	Confirmation, through the provision of objective evidence, that the requirements for a specific intended use or application have been fulfilled.  Note: The requirements were met.	[ISO 9000]

Verification	Confirmation, through the provision of objective evidence, that specified requirements have been fulfilled.  Note: The intended output is correct.	[CNSSI No. 4009], [ISO 9000] (adapted)
Visibility (also Transparency)	Amount of information that can be gathered about a supplier, product, or service and how far through the supply chain this information can be obtained.	[ISO/IEC 27036-2] (adapted)
Vulnerability	Weakness in an information system, system security procedures, internal controls, or implementation that could be exploited or triggered by a threat source.	[NIST SP 800-53 Rev. 5]
Vulnerability Assessment	Systematic examination of a system or product or supply chain element to determine the adequacy of security measures, identify security deficiencies, provide data from which to predict the effectiveness of proposed security measures, and confirm the adequacy of such measures after implementation.	[NIST SP 800-53 Rev. 5] (adapted)

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## 9862 APPENDIX I: ACRONYMS

A&A	Assessment and Authorization
AO	Authorizing Official
API	Application Programming Interface
APT	Advanced Persistent Threat
BIA	Business Impact Analysis
BYOD	Bring Your Own Device
CAC	Common Access Card
CAO	Chief Acquisition Officer
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIO	Chief Information Officer
CISA	Cybersecurity and Infrastructure Security Agency
CISO	Chief Information Security Officer
CLO	Chief Legal Officer
COO	Chief Operating Officer
CPO	Chief Privacy Officer
CRO	Chief Risk Officer
CSO	Chief Security Officer
CTO	Chief Technology Officer
CNSS	Committee on National Security Systems
CNSSI	Committee on National Security Systems Instruction
CONUS	Continental United States
COSO	Committee of Sponsoring Organizations of the Treadway Commission
COTS	Commercial Off-The-Shelf

CRO	Chief Risk Officer
C-SCRM	Cybersecurity Supply Chain Risk Management
CSF	Cybersecurity Framework
CTO	Chief Technology Officer
CUI	Controlled Unclassified Information
CVE	Common Vulnerability Enumeration
CVSS	Common Vulnerability Scoring System
CWE	Common Weakness Enumeration
DHS	Department of Homeland Security
DMEA	Defense Microelectronics Activity
DoD	Department of Defense
DODI	Department of Defense Instruction
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
FAR	Federal Acquisition Regulation
FARM	Frame, Assess, Respond, Monitor
FASC	Federal Acquisition Security Council
FASCA	Federal Acquisition Supply Chain Security Act
FBI	Federal Bureau of Investigation
FedRAMP	Federal Risk and Authorization Program
FIPS	Federal Information Processing Standards
FISMA	Federal Information Security Management Act
FITARA	Federal Information Technology Acquisition Reform Act
FOCI	Foreign Ownership, Control or Influence
FSP	Financial Services Cybersecurity Framework Profile

GAO	Government Accountability Office
GIDEP	Government-Industry Data Exchange Program
GOTS	Government Off-The-Shelf
GPS	Global Positioning System
HR	Human Resources
IA	Information Assurance
ICT	Information and Communication Technology
ICT/OT	Information, communications, and operational technology
IDE	Integrated Development Environment
IDS	Intrusion Detection System
IEC	International Electrotechnical Commission
IOT	Internet of Things
IP	Internet Protocol/Intellectual Property
ISA	Information Sharing Agency
ISO/IEC	International Organization for Standardization/International Electrotechnical Commission
IT	Information Technology
ITIL	Information Technology Infrastructure Library
ITL	Information Technology Laboratory (NIST)
JWICS	Joint Worldwide Intelligence Communications System
KPI	Key Performance Indicators
KRI	Key Risk Indicators
KSA	Knowledge, Skills, and Abilities
MECE	Mutually Exclusive and Collectively Exhaustive
NISPOM	National Industrial Security Program Operating Manual

NIST	National Institute of Standards and Technology
NCCIC	National Cybersecurity and Communications Integration Center
NDI	Non-developmental Items
NDIA	National Defense Industrial Association
NIAP	National Information Assurance Partnership
NICE	National Initiative for Cybersecurity Education
NISTIR	National Institute of Standards and Technology Interagency or Internal Report
OCONUS	Outside of Continental United States
OEM	Original Equipment Manufacturer
OGC	Office of the General Counsel
OMB	Office of Management and Budget
OPSEC	Operations Security
OSS	Open Source Solutions
OSY	Office of Security
OT	Operations Technology
OTS	Off-The-Shelf
OTTF	Open Group Trusted Technology Forum
O-TTPS	Open Trusted Technology Provider™ Standard
OWASP	Open Web Application Security Project
PACS	Physical Access Control System
PII	Personally Identifiable Information
PIV	Personal Identity Verification
PM	Program Manager
PMO	Program Management Office
POA&M	Plan of Action & Milestones

QA/QC	Quality Assurance/Quality Control
R&D	Research and Development
RFI	Request for Information
RFP	Request for Proposal
RFQ	Request for Questions
RMF	Risk Management Framework
SAFECode	Software Assurance Forum for Excellence in Code
SCIF	Sensitive Compartmented Information Facility
SCRM	Supply Chain Risk Management
SDLC	System Development Life Cycle
SECURE	Strengthening and Enhancing Cyber-capabilities by Utilizing Risk Exposure (Technology Act)
SLA	Service-Level Agreement
SME	Subject Matter Expert
SOO	Statement of Objective
SOW	Statement of Work
SP	Special Publication (NIST)
SSP	System Security Plan
SWA	Software Assurance
SWID	Software Identification Tag
TTP	Tactics, Techniques, and Procedures
U.S.	United States (of America)
US CERT	United States Computer Emergency Readiness Team

**APPENDIX J: REFERENCES****RELATIONSHIP TO OTHER PROGRAMS AND PUBLICATIONS**

The revision to NIST SP 800-161 builds upon concepts described in a number of NIST and other publications to facilitate integration with the agencies' existing enterprise-wide activities, as well as a series of legislative developments following its initial release. These resources are complementary and help enterprises build risk-based information security programs to protect their operations and assets against a range of diverse and increasingly sophisticated threats. This publication will be revised to remain consistent with the NIST SP 800-53 security controls catalog using an iterative process as the C-SCRM discipline continues to mature.

**NIST Publications**

[NIST SP 800-161 Rev. 1] leverages the latest versions of the publications and programs that guided its initial development, as well as new publications following its initial release:

- NIST Cybersecurity Framework (CSF) Version 1.1;
- FIPS 199, *Standards for Security Categorization of Federal Information and Information Systems*, to conduct criticality analysis to scoping C-SCRM activities to high-impact components or systems [FIPS 199];
- NIST SP 800-30, Revision 1, *Guide for Conducting Risk Assessments*, to integrate ICT/OT SCRM into the risk assessment process [NIST SP 800-30 Rev. 1];
- NIST SP 800-37, Revision 2, *Risk Management Framework for Information Systems and Organizations: A System Life Cycle Approach for Security and Privacy* [NIST SP 800-37 Rev. 2];
- NIST SP 800-39, *Managing Information Security Risk: Organization, Mission, and Information System View*, to integrate ICT/OT SCRM into the risk management levels and risk management process [NIST SP 800-39];
- NIST SP 800-53 Revision 5, *Security and Privacy Controls for Information Systems and Organizations*, to provide information security controls for enhancing and tailoring to C-SCRM context [NIST SP 800-53 Rev. 5];
- NIST SP 800-53B Revision 5, *Control Baselines for Information Systems and Organizations*, to codify control baselines and C-SCRM supplementary guidance and [NIST SP 800-53B Rev. 5];
- NIST SP 800-150, *Guide to Cyber Threat Information Sharing*, to provide guidelines for establishing and participating in cyber threat information relationships [NIST SP 800-150];
- NIST SP 800-160 Vol. 1, *Systems Security Engineering* [NIST SP 800-160 Vol. 1] and NIST SP 800-160 Vol. 2, *Developing Cyber Resilient Systems: A Systems Security Engineering Approach* [NIST SP 800-160 Vol. 2] for specific guidance on the security engineering aspects of C-SCRM;
- NIST SP 800-181 Revision 1, *National Initiative for Cybersecurity Education (NICE) Cybersecurity Workforce Framework*, as a means of forming a common lexicon on C-SCRM workforce topics [NIST SP-800-181 Rev. 1];

- 9908 • NISTIR 7622, *Notional Supply Chain Risk Management Practices for Federal*  
9909 *Information Systems*, for background materials in support of applying the special  
9910 publication to their specific acquisition processes [NISTIR 7622];
- 9911 • NISTIR 8179, *Criticality Analysis Process Model: Prioritizing Systems and Components*,  
9912 to guide ratings of supplier criticality [NISTIR 8179];
- 9913 • NISTIR 8272, *Impact Analysis Tool for Interdependent Cyber Supply Chain Risks* for  
9914 guidance on how to prioritize supplier criticality [NISTIR 8272];
- 9915 • NISTIR 8276, *Key Practices in Cyber Supply Chain Risk Management: Observations*  
9916 *from Industry*, to elucidate recent C-SCRM trends in the private sector [NISTIR 8276];  
9917 and
- 9918 • NISTIR 8286, *Identifying and Estimating Cybersecurity Risk for Enterprise Risk*  
9919 *Management (ERM)*, to inform the content on integrating C-SCRM into enterprise risk  
9920 management [NISTIR 8286].

## 9921 **Regulatory and Legislative Guidance**

9922 [NIST SP 800-161 Rev. 1] is informed heavily by regulatory and legislative guidance, including:

- 9923 • Office of Management and Budget (OMB) Circular A-123, *Management's Responsibility*  
9924 *for Internal Control*
- 9925 • Office of Management and Budget (OMB) Circular A-130, *Managing Information as a*  
9926 *Strategic Resource*
- 9927 • The Federal Acquisition Supply Chain Security Act (FASCA), *Title II of the*  
9928 *Strengthening and Enhancing Cyber-capabilities by Utilizing Risk Exposure Technology*  
9929 *Act (SECURE) Technology Act of 2018*
- 9930 • Public Law 115–232 § 889, *Prohibition on Contracting Certain Telecommunications and*  
9931 *Video Surveillance Services or Equipment*
- 9932 • Federal Register, Vol. 84, No. 156, *Prohibition on Contracting for Certain*  
9933 *Telecommunications and Video Surveillance Services or Equipment*, August 13, 2019
- 9934 • FAR Part 4, Subpart 4.20, *Prohibition on Contracting for Hardware, Software, and*  
9935 *Services Developed or Provided by Kaspersky Lab*
- 9936 • (GAO), *Challenges and Policy Considerations Regarding Offshoring and Foreign*  
9937 *Investment Risks*, September 2019
- 9938 • Executive Order 14028, *Improving the Nation's Cybersecurity*, May 12, 2021

## 9939 **Other U.S. Government Reports**

9940 [NIST SP 800-161 Rev. 1] is also informed by additional government reports:

- 9941 • Government Accountability Office (GAO) Report, *Information Technology: Federal*  
9942 *Agencies Need to Take Urgent Action to Manage Supply Chain Risks*, December 2020,  
9943 GAO-21-171 [GAO]
- 9944 • Department of Defense and Department of Homeland Security Software Assurance  
9945 Acquisition Working Group, *Software Assurance in Acquisition: Mitigating Risks to the*  
9946 *Enterprise* [SwA]

- 9949     • National Defense Industrial Association (NDIA), *Engineering for System Assurance*  
9950        [NDIA]

9951     **Standards, Guidelines, and Best Practices**

9953     Additionally, [NIST SP 800-161] draws inspiration from a number of international standards,  
9954        guidelines, and best practice documents:

- 9955     • The Federal Risk and Authorization Management Program (FedRAMP), *Securing Cloud*  
9956        *Services For The Federal Government* [<https://www.fedramp.gov/>]  
9957     • International Organization for Standardization/International Electrotechnical Commission  
9958        (ISO/IEC) 15288 – *Systems and software engineering – System Life Cycle Processes*  
9959        [ISO/IEC 15288]  
9960     • ISO/IEC 27036 – *Information Technology – Security Techniques – Information Security*  
9961        *for Supplier Relationships* [ISO/IEC 27036]  
9962     • ISO/IEC 20243 – *Information Technology — Open Trusted Technology Provider<sup>TM</sup>*  
9963        *Standard (O-TTPS) — Mitigating maliciously tainted and counterfeit products* [ISO/IEC  
9964        20243]  
9965     • ISO/IEC 27000 – *Information Technology – Security Techniques – Information Security*  
9966        *Management System – Overview and Vocabulary* [ISO/IEC 27000]  
9967     • ISO/IEC 27002 – *Information Technology – Security Techniques – Code of Practice for*  
9968        *Information Security Controls* [ISO/IEC 27002]  
9969     • Software Assurance Forum for Excellence in Code (SAFECode) *Software Integrity*  
9970        *Framework* [SAFECode 2] and *Software Integrity Best Practices* [SAFECode 1]  
9971     • Cyber Risk Institute, *Financial Services Cybersecurity Framework Profile Version 1.1*  
9972        [FSP]

9973     **Guidance for Cloud Service Providers**

9974     The *external system service providers* discussed in this publication include *cloud service*  
9975        *providers*. This publication does not replace guidance provided with respect to federal agency  
9976        assessment of cloud service providers' security. When applying this publication to cloud service  
9977        providers, federal agencies should first use Federal Risk and Authorization Program (FedRAMP)  
9978        cloud services security guidelines and then apply [NIST SP 800-161 Rev. 1] for those processes  
9979        and controls that are not addressed by FedRAMP.<sup>65</sup>

9980     **METHODOLOGY FOR BUILDING C-SCRM GUIDANCE USING SP 800-39, SP 800-37**  
9981        **REVISION 2, AND NIST SP 800-53 REVISION 5**

9982     This publication applies the multileveled risk management approach of [NIST SP 800-39] by  
9983        providing C-SCRM guidance at the enterprise, mission, and operational levels. It also introduces  
9984        a navigational system for [SP 800-37 Rev. 2] allowing users to focus on relevant sections of this  
9985        publication more easily. Finally, it contains an enhanced overlay of specific C-SCRM controls,  
9986        building on [NIST SP 800-53 Rev. 5].

<sup>65</sup> For cloud services, FedRAMP is applicable for low-, moderate-, high-impact systems [FedRAMP]. Ongoing work will address high-impact systems utilizing cloud services. Once the work is completed, agencies should refer to FedRAMP for guidance applicable to high-impact systems utilizing cloud services.

The guidance/controls contained in this publication are built on existing multidisciplinary practices and are intended to increase the ability of enterprises to strategically and operationally manage the associated cybersecurity risk in the supply chain over the entire life cycle of systems, products, and services. It should be noted that this publication gives enterprises the flexibility to either develop stand-alone documentation (e.g., policies, assessment and authorization [A&A] plan, and C-SCRM plan) for C-SCRM or to integrate it into existing agency documentation.

For individual systems, this guidance is recommended for use with information systems at all impact categories, according to [FIPS 199]. The agencies may choose to prioritize applying this guidance to systems at a higher-impact level or to specific system components. Finally, [NIST SP 800-161 Rev. 1] describes the development and implementation of C-SCRM Strategies and Implementation Plans for development at the enterprise and mission/business level of an enterprise and a C-SCRM system plan at the operational level of an enterprise. A C-SCRM plan at the operational level is informed by the supply chain cybersecurity risk assessments and should contain C-SCRM controls tailored to specific agency mission/business needs, operational environments, and/or implementing technologies.

## **Integration into Risk Management Process**

The processes in this publication should be integrated into agencies' existing SDLCs and enterprise environments at all levels of risk management processes and hierarchy (enterprise, mission, system) as described in [NIST SP 800-39]. Section 2 provides an overview of the [NIST SP 800-39] risk management hierarchy and approach and identifies C-SCRM activities in the risk management process. Appendix C builds on Section 2 of [NIST SP 800-39], providing descriptions and explanations of ICT/OT SCRM activities. The structure of Appendix C mirrors [NIST SP 800-39].

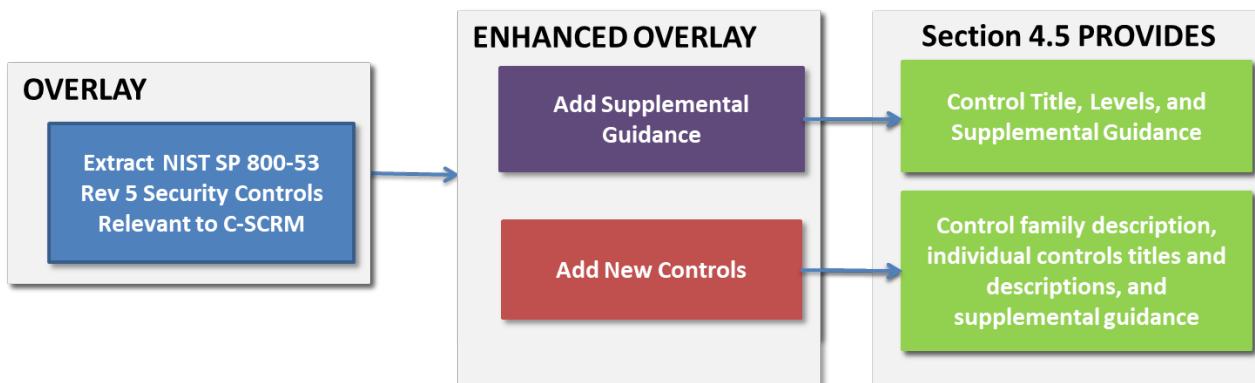
## **Implementing C-SCRM in the Context of SP 800-37 Revision 2**

C-SCRM activities described in this publication are closely related to the Risk Management Framework described in [NIST SP 800-37, Rev. 2]. Specifically, C-SCRM processes conducted at the operational level should closely mirror and/or serve as inputs to those steps completed as part of the [NIST SP 800-37, Rev 2]. C-SCRM activities completed at Levels 1 and 2 should provide inputs (e.g., risk assessment results) to the operational level, RMF-type processes where possible and applicable. Section 2 and Appendix C describe in further detail the linkages between C-SCRM and [NIST SP 800-37, Rev. 2].

## **Enhanced C-SCRM Overlay**

This publication contains an enhanced overlay of [NIST SP 800-53 Rev. 5]. Appendix A identifies, refines, and expands C-SCRM-related controls from [NIST SP 800-53 Rev. 5], adds new controls that address specific C-SCRM concerns, and offers C-SCRM-specific supplemental guidance where appropriate. Figure 1-4 illustrates the process used to create the enhanced overlay. The individual controls and enhancements from [NIST SP 800-53 Rev. 5] that were relevant to C-SCRM were extracted. These controls were analyzed to determine how they apply to C-SCRM. Additional supplemental guidance was then developed and included for each

10038 control and control enhancement. The resulting set of controls and enhancements were evaluated  
 10039 to determine whether all C-SCRM concerns were addressed.  
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**Fig. H-1: C-SCRM Security Controls in NIST SP 800-161, Revision 1, Section 4.5**

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