

1 **Draft (2nd) NIST Special Publication 800-161**
2 **Revision 1**

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

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28 Jon Boyens
29 Angela Smith
30 *Computer Security Division*
31 *Information Technology Laboratory*

32
33 Nadya Bartol
34 Kris Winkler
35 Alex Holbrook
36 Matthew Fallon
37 *Boston Consulting Group*

38
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87 <https://csrc.nist.gov/publications>.

88

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90 National Institute of Standards and Technology
91 Attn: Computer Security Division, Information Technology Laboratory
92 100 Bureau Drive (Mail Stop 8930) Gaithersburg, MD 20899-8930
93 Email: scrm-nist@nist.gov
94

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96

Reports on Computer Systems Technology

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104 information systems. The Special Publication 800-series reports on ITL's research, guidelines, and
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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140 Veterans Affairs) for their contributions to the original NIST SP 800-161. The authors would
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

147

148

Note to Reviewers

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

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
244 - JON BOYENS, NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY
245

246

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271 Such statements should be addressed to: scrm-nist@nist.gov

272

273

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473 **1. INTRODUCTION**

474 **I**nformation, 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)¹ 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.

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.

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.

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.

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

¹ 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

660

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

662

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

670

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

680

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:

689

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

698

699

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.

713

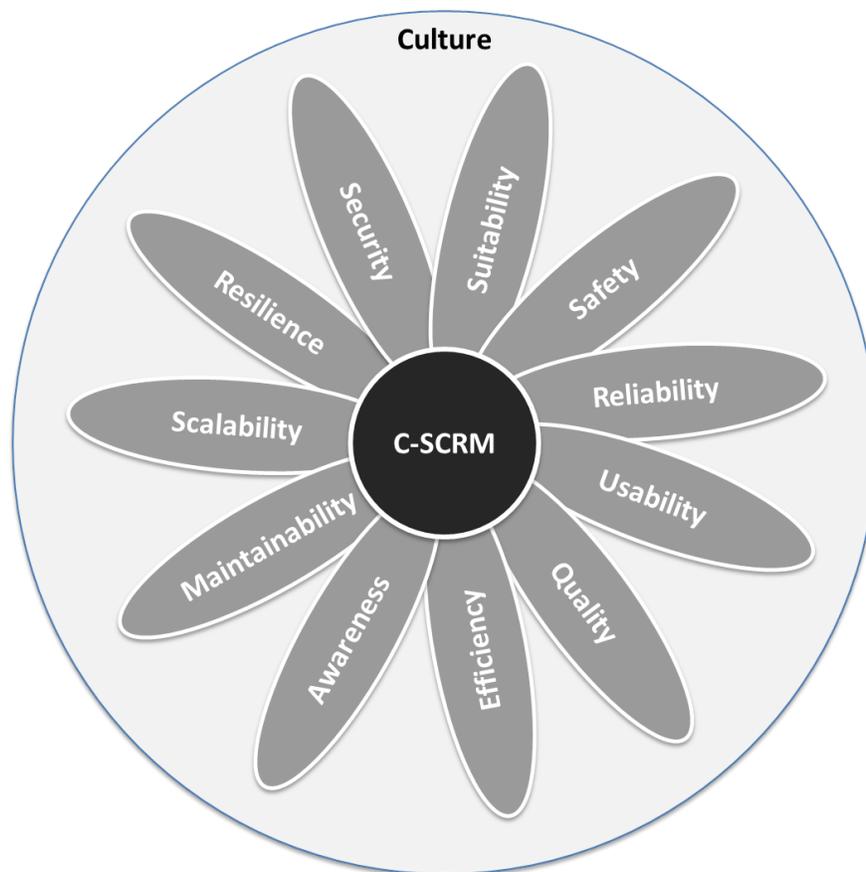


Fig. 1-1: Dimensions of C-SCRM

715

- 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;²
- 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;³
- 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;⁴

² NIST SP 800-16

³ NIST SP 800-160 Vol.2

⁴ 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;⁵
- 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.

749 1.4.1. Enterprise's Supply Chain

750 Contemporary enterprises run complex information systems and networks to support their
751 missions. These information systems and networks are composed of ICT/OT⁶ products and
752 components made available by *suppliers, developers, and system integrators*. Enterprises also
753 acquire and deploy an array of services, that include but are not limited to:
754

- 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,⁷ 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

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

⁵ NIST SP 800-63-3

⁶ 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.

⁷ 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 system service provider;
 - Supported or comprised of development environments, logistics/delivery environments that transport information systems and components, or applicable system and communications interfaces;
 - Proprietary, open source, or commercial off-the-shelf (COTS) hardware and software.
- 771
- 772
- 773
- 774
- 775
- 776

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.
781

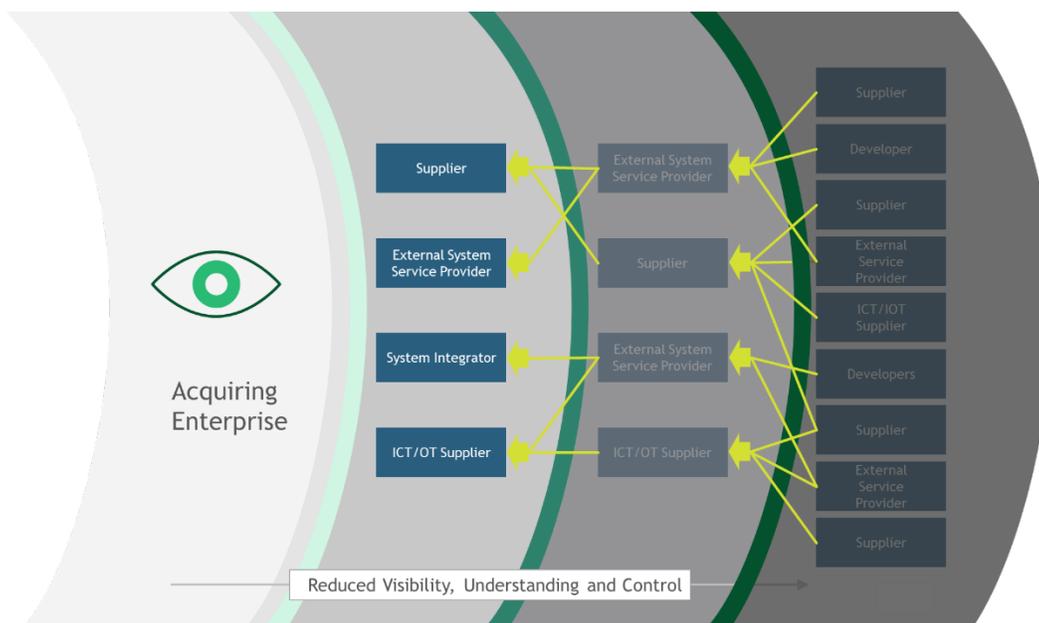
782 **1.4.2. Supplier Relationships within Enterprises**

783

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.
799

800

801



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

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

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

828 solution is “fit for purpose⁸,” 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.

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

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

⁸ “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

- 914 systems, inclusive of the machine, physical, and human components comprising the
915 systems, capabilities and services delivered by those systems;
- 916 • **NIST SP 800-160 Vol. 2, *Developing Cyber Resilient Systems: A Systems Security***
917 ***Engineering Approach***: a handbook for achieving the identified cyber resiliency
918 outcomes based on a systems engineering perspective on system life cycle processes in
919 conjunction with risk management processes, allowing the experience and expertise of
920 the organization to help determine what is correct for its purpose;
 - 921 • **NIST SP 800-181 Revision 1, *National Initiative for Cybersecurity Education (NICE)***
922 ***Cybersecurity Workforce Framework***: a fundamental reference for describing and
923 sharing information about cybersecurity work. It expresses that work as Task statements
924 and describes Knowledge and Skill statements that provide a foundation for learners
925 including students, job seekers, and employees;
 - 926 • **NISTIR 7622, *Notional Supply Chain Risk Management Practices for Federal***
927 ***Information Systems***: provides a wide array of practices that, when implemented,
928 will help mitigate supply chain risk to federal information systems. It seeks to equip
929 federal departments and agencies with a notional set of repeatable and commercially
930 reasonable supply chain assurance methods and practices that offer a means to obtain an
931 understanding of, and visibility throughout, the supply chain;
 - 932 • **NISTIR 8179, *Criticality Analysis Process Model: Prioritizing Systems and***
933 ***Components***: helps organizations identify those systems and components that are most
934 vital, and which may need additional security or other protections;
 - 935 • **NISTIR 8276, *Key Practices in Cyber Supply Chain Risk Management: Observations***
936 ***from Industry***: provides the ever-increasing community of digital businesses a set of Key
937 Practices that any organization can use to manage cybersecurity risks associated with
938 their supply chains. The Key Practices presented in this document can be used to
939 implement a robust C-SCRM function at an organization of any size, scope, and
940 complexity. These practices combine the information contained in existing C-SCRM
941 government and industry resources with the information gathered during the 2015 and
942 2019 NIST research initiatives; and
943

- 944
- **NISTIR 8286, *Identifying and Estimating Cybersecurity Risk for Enterprise Risk Management (ERM)***: helps individual organizations within an enterprise improve their
945 cybersecurity risk information, which they provide as inputs to their enterprise’s ERM
946 processes through communications and risk information sharing.
947
948

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.
952
953

Key Takeaways

954

955

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).
960

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.
965

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.
971

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.
976

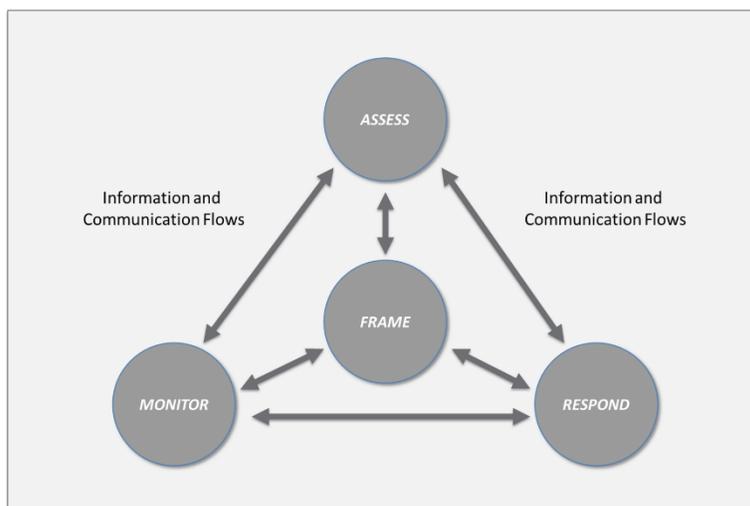
977 **Scope of C-SCRM.** C-SCRM encompasses a wide array of stakeholder groups that include, but
978 are not limited to, information security and privacy, system developers and implementers,
979 acquisition, and procurement, as well as legal and HR. C-SCRM covers activities that span the
980 entire system 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).
984
985
986

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

988

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

- 992 (i) Frame risk. Establish the context for risk-based decisions and the current state of the
 993 enterprise's information and communications technology and services, and the associated
 994 supply chain;
 995 (ii) Assess risk. Review and interpret criticality, threat, vulnerability, likelihood⁹, impact, and
 996 related information;
 997 (iii) Respond to risk. Select, tailor, and implement mitigation controls based upon risk
 998 assessment findings; and
 999 (iv) Monitor risk exposure and effectiveness in mitigating risk, on an ongoing basis,
 1000 including tracking changes to an information system or supply chain, using effective
 1001 enterprise communications and a feedback loop for continuous improvement.
 1002



1004 **Fig. 2-1: Risk Management Process**

1005

1006 Managing cybersecurity risk in the supply chain is a complex undertaking that requires cultural
 1007 transformation and a coordinated, multidisciplinary approach across an enterprise. Effective
 1008 cybersecurity supply chain risk management (C-SCRM) requires engagement from stakeholders
 1009 inside the enterprise (e.g., departments, processes) as well as outside the enterprise (e.g.,
 1010 suppliers, developers, system integrators, external system service providers, and other ICT/OT-
 1011 related service providers) to actively collaborate, communicate, and take actions to secure
 1012 favorable C-SCRM outcomes. Successful cybersecurity supply chain risk management requires
 1013 enterprises to purposefully pursue a cultural shift to raise the state of awareness across the
 1014 enterprise of the potential business ramifications of cybersecurity risk in the supply chain.
 1015

⁹ 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

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

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

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1032
1033

1034 Section 2.1 describes the three-level risk management approach in terms of C-SCRM. Generally,
1035 senior leaders provide the strategic direction, mid-level leaders plan and manage programs and
1036 projects, and individuals on the front lines procure, develop, implement, and operate the products
1037 and perform the services in their supply chain. As part of a multifaceted approach, enterprises
1038 may rely on a centralized, interdisciplinary team or program management office (PMO) to lead,
1039 perform, and coordinate Level 1 and Level 2 C-SCRM processes that inform C-SCRM processes
1040 at the Level 3 operational level. Section 2.1 describes Multi-level Risk Management as it applies
1041 to C-SCRM. The foundational concepts are described in greater detail in [NIST SP 800-39].
1042

1043 Note that Section 2 provides an overview of the governance, organizational structure, roles and
1044 responsibilities, and high-level activities performed across the three-cybersecurity supply chain
1045 risk management levels. Appendix D provides a detailed discussion of the specific activities
1046 within the cybersecurity supply chain risk management process.
1047

1048 **2.1. The Business Case for C-SCRM**

1049

1050 Today, every enterprise heavily relies on digital technology to fulfill its business and mission.
1051 Digital technology is comprised of ICT/OT products and is delivered through and supported by
1052 services. C-SCRM is a critical capability that every enterprise needs to have to address cyber
1053 risks posed by the use of digital technology to support its business and mission. The depth,
1054 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:

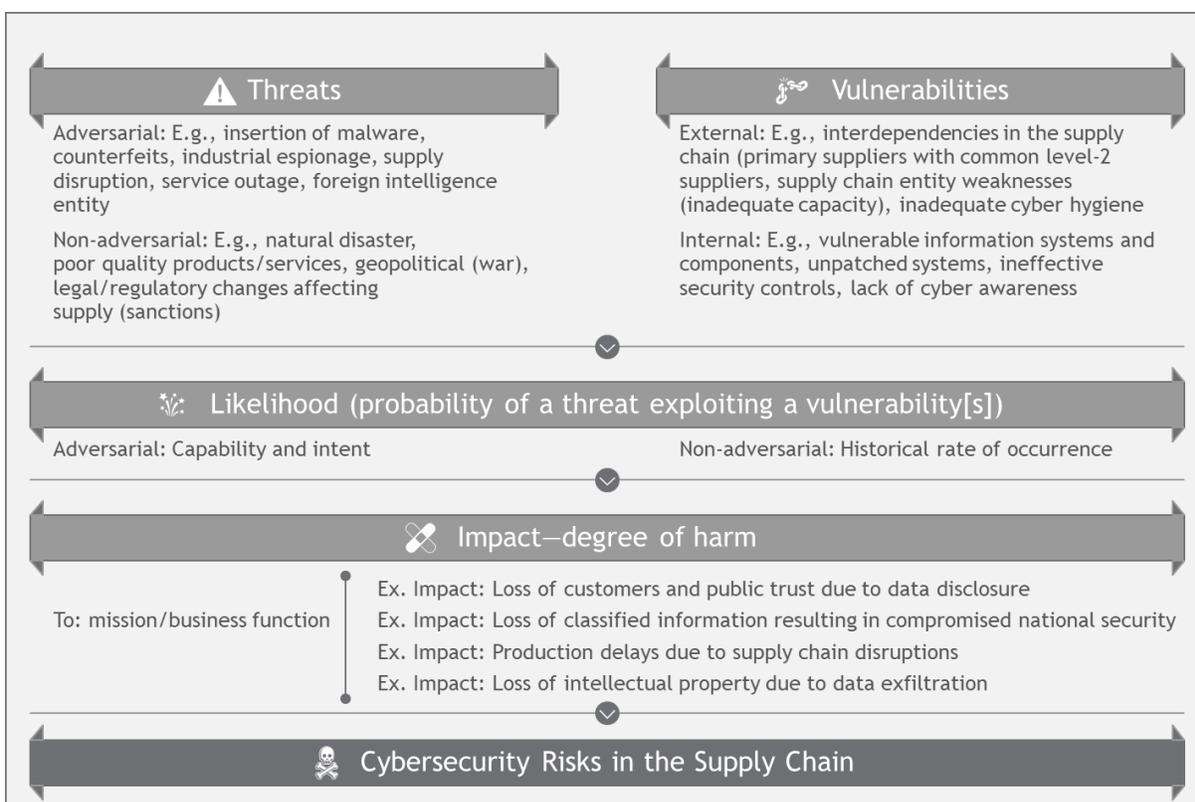
1096

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

- 1099 • Insiders working on behalf of a system integrator steal sensitive intellectual property
- 1100 resulting in loss of a major competitive advantage;¹⁰
- 1101 • A proxy working on behalf of a nation-state inserts malicious software into supplier-
- 1102 provided product components used in systems sold to government agencies. A breach
- 1103 occurs and results in loss of several government contracts; and
- 1104 • A system integrator working on behalf of an agency reuses vulnerable code leading to a
- 1105 breach of mission critical data with national security implications.
- 1106

1107 Risks such as these are realized when threats in the cybersecurity supply chain exploit existing
 1108 vulnerabilities. Figure 2-3 depicts cybersecurity risk in the supply chain resulting from the
 1109 likelihood that relevant threats may exploit applicable vulnerabilities and the consequential
 1110 potential impact.

1111



1113 **Fig. 2-2: Cybersecurity Risk in the Supply Chain**

1114 Supply chain cybersecurity vulnerabilities may lead to persistent negative impact on an
 1115 enterprise’s missions ranging from reduction in service levels leading to customer dissatisfaction
 1116 to the theft of intellectual property or degradation of critical mission and business processes. It
 1117 may, however, take years for such vulnerability to be exploited or discovered. It may also be
 1118 difficult to determine whether an event was the direct result of a supply chain vulnerability.

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

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.

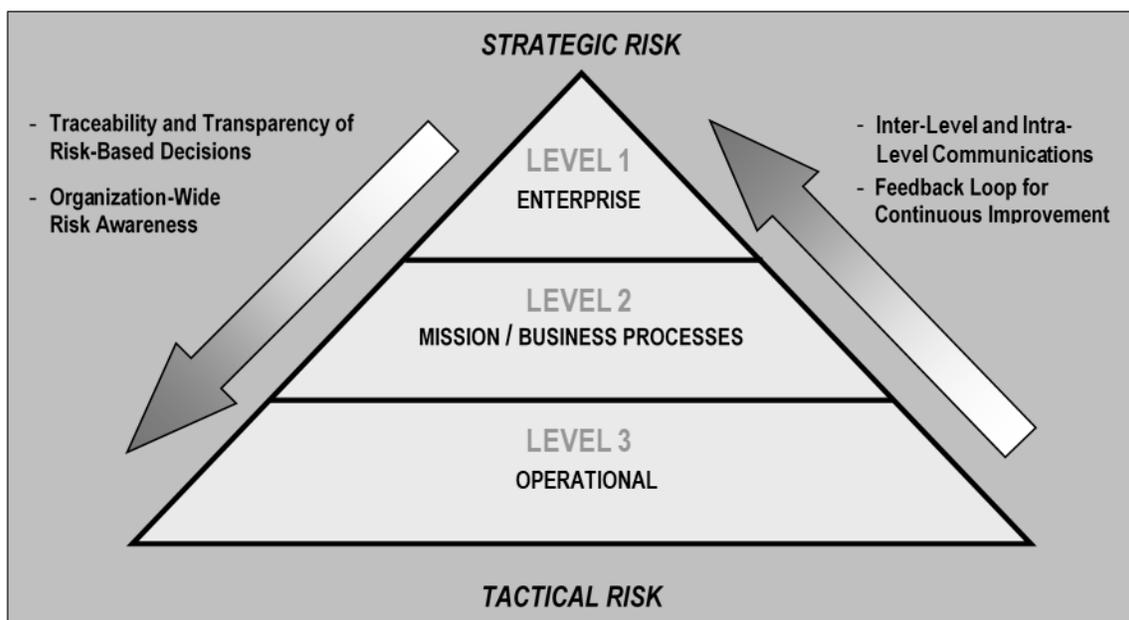


Fig. 2-3: Multileveled Enterprise-Wide Risk Management¹¹

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 1136

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

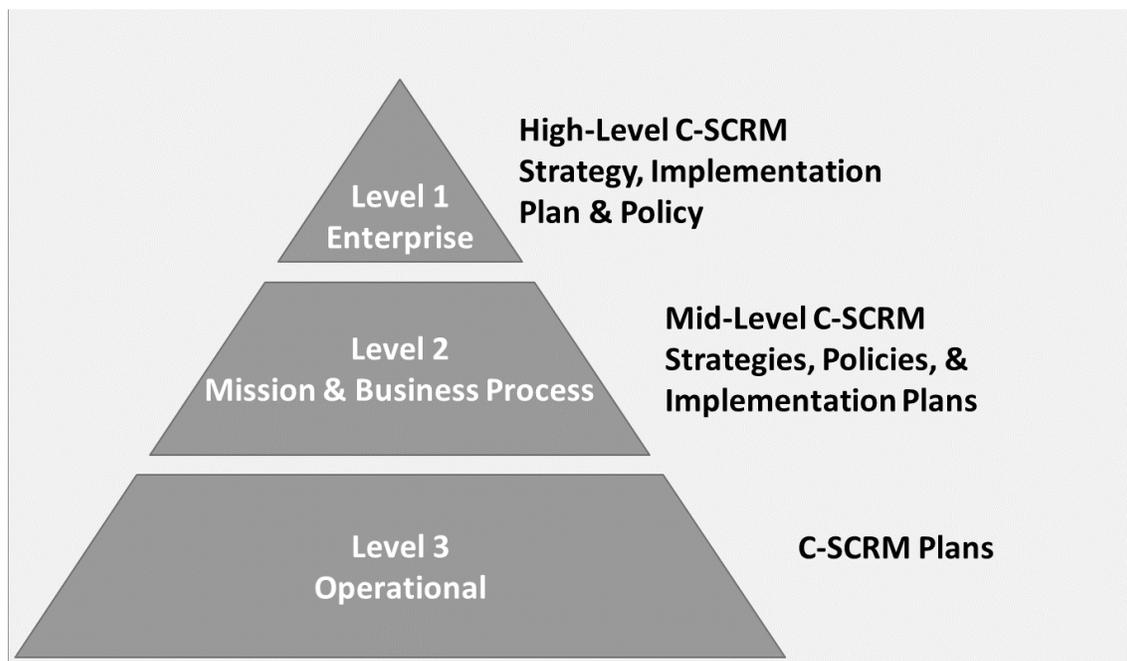
1137 In multitiered risk management, the C-SCRM process is carried out seamlessly across the three
1138 tiers with the overall objective of continuous improvement in the enterprise's risk-related
1139 activities and effective inter- and intra-tier communication among stakeholders with a vested
1140 interest 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
1148
- 1149 • At Level 1, the overall C-SCRM strategy, policy, and implementation plan set the tone,
1150 governance structure, and boundaries for how C-SCRM is managed across the enterprise
1151 and guide C-SCRM activities performed at the mission and business process levels.
 - 1152 • At Level 2, the Mid-Level C-SCRM strategies, policies, and implementation plans
1153 assume the context and direction set forth at the enterprise level and tailor it to the
1154 specific mission and business process.
 - 1155 • At Level 3, the C-SCRM plans provide the basis for determining whether an information
1156 system meets business, functional, and technical requirements and includes appropriately
1157 tailored controls. These plans are heavily influenced by the context and direction
1158 provided by Level 2.

1159 Figure 2-5 provides an overview of the multitiered risk management structure as well as the
1160 associated strategies, policies and plans developed at each level. Refer to sections 2.3.1 through
1161 2.3.5 for a more in-depth discussion of the specific activities at each level.

1162



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.

1207

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 Stakeholders¹²

Levels	Level Name	Generic Stakeholder	Activities
1	Enterprise	Executive Leadership: CEO, CIO, COO, CFO, CISO, Chief Technology Officer (CTO), CRO etc.	<ul style="list-style-type: none"> • Define Enterprise C-SCRM strategy • Form governance structures and operating model • Frame risk for the enterprise and set the tone for our risk is managed (e.g., set risk appetite) • Define high-level implementation plan, policy, goals, and objectives • Make enterprise-level C-SCRM Decisions • Form a C-SCRM PMO
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"> • Develop mission and business process- specific strategy • Develop policies and procedures, guidance, and constraints • Develop C-SCRM implementation plan(s) • Tailor enterprise risk frame to the mission/ business process (e.g., set risk tolerances) • Manage risk within mission and business processes • Form and/or collaborate with a C-SCRM PMO • Report on C-SCRM to Level 1 and act on reporting from Level 3

1212

¹² 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"> • Develop C-SCRM plans • Implement C-SCRM policies and requirements • Adhere to constraints provided by Levels 1 and 2 • Tailor C-SCRM to the context of the individual system and apply it throughout the SDLC • Report on C-SCRM to Level 2
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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.

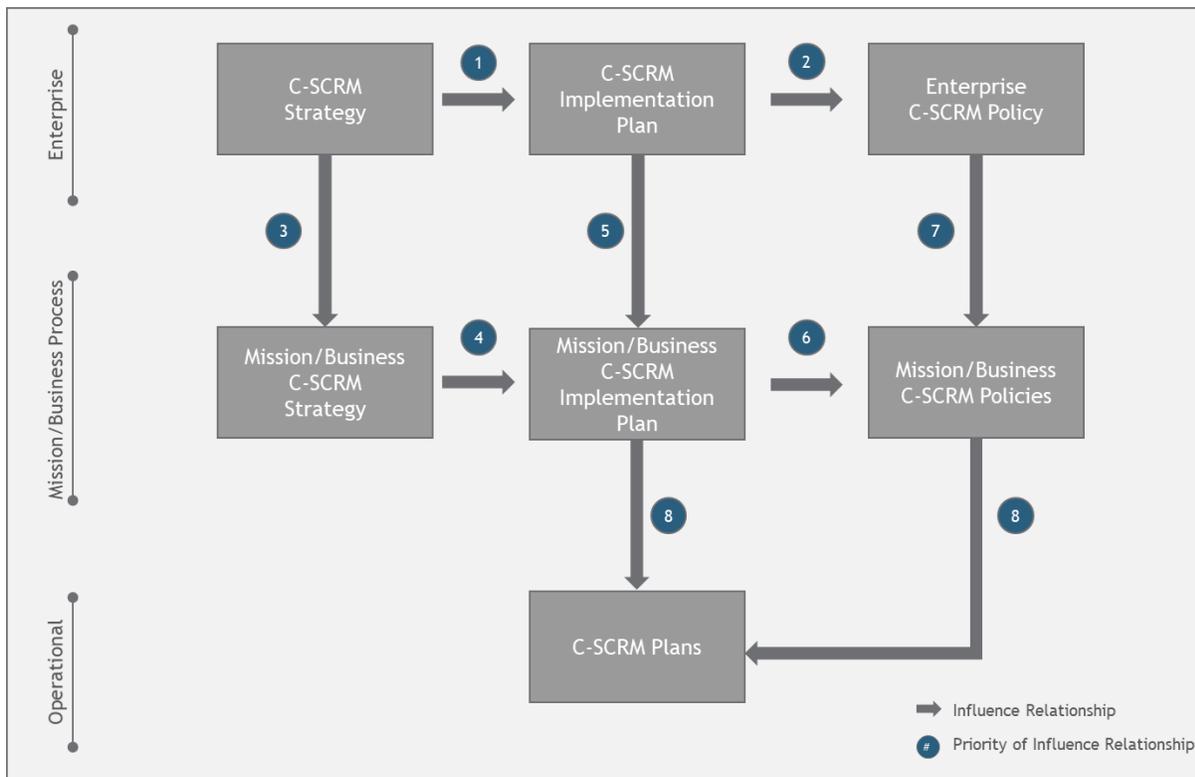


Fig. 2-5: Relationship Between C-SCRM Documents

1224
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.

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1232
1233

2.3.2. Level 1—Enterprise

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
1280 (e.g., threats, vulnerabilities, risk impact, risk likelihood), constraints (e.g., enterprise policies,
1281 regulations, resource limitation, etc.), appetite and tolerance, and priorities and tradeoffs that
1282 guide C-SCRM decisions across the enterprise. The risk framing process provides the inputs
1283 necessary to establish the C-SCRM strategy that dictates how the enterprise plans to assess,
1284 respond to, and monitor cybersecurity risk in the supply chain across the enterprise. A high-level
1285 implementation plan should also be developed to guide execution against the enterprise's C-
1286 SCRM strategy. The risk framing process is discussed in further detail within Appendix C of this
1287 document.

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

1333 **2.3.3. Level 2—Mission/Business Process**

1334

1335 Level 2 addresses how the enterprise assesses, responds to, and monitors cybersecurity risk in the
1336 supply chain within mission and business processes. Level 2 activities are performed in
1337 accordance with the C-SCRM strategy, and policies provided by Level 1.¹³ In this level, process-
1338 specific C-SCRM strategies, policies, and implementation plans dictate how the enterprise's C-
1339 SCRM goals and requirements are met within each mission and business process. Here, specific
1340 C-SCRM program requirements are defined and managed and include cost, schedule,
1341 performance, security, and a variety of critical non-functional requirements. These nonfunctional
1342 requirements include concepts such as reliability, dependability, safety, security, and quality.

1343

1344 Level 2 roles include but are not limited to representatives of each mission/business process such
1345 as program managers, research and development, and acquisitions/procurement. Level 2 C-
1346 SCRM activities address C-SCRM within the context of the enterprise's mission and business
1347 process. Mission and business process-specific strategies, policies, and procedures should be
1348 developed to tailor the C-SCRM implementation to fit the specific requirements of each mission
1349 and business process. Aligning to and further developing the high-level Enterprise Strategy and
1350 Implementation Plan, the enterprise should generate its own mission/business-level strategy and
1351 implementation plan and ensure C-SCRM execution within the constraints of its defined C-
1352 SCRM strategies, as well as awareness of and conformance to its C-SCRM policies. To facilitate
1353 the development and execution of Level 2 Strategy and Implementation plan(s), enterprises may
1354 benefit from forming a committee with representation from each mission/business process. This
1355 coordination and collaboration can help to identify cybersecurity risk in the supply chain within
1356 and across respective mission/business areas and develop an enterprise and C-SCRM
1357 architecture that lends itself to risk-aware mission and business processes. A C-SCRM PMO may
1358 also assist in the implementation of C-SCRM at Level 2 through the provision of services (e.g.,
1359 policy templates, C-SCRM subject matter expert (SME) support).

1360

1361 Many threats *to* and *through* the supply chain are addressed at Level 2 in the management of
1362 third-party relationships with suppliers, developers, system integrators, external system service
1363 providers, and other ICT/OT-related service providers. Because C-SCRM can both directly and
1364 indirectly impact mission and processes, understanding, integrating, and coordinating C-SCRM
1365 activities at this level are critical for ensuring successful mission and business process
1366 operations. Level 2 activities focus on tailoring and applying the enterprise's C-SCRM frame to
1367 fit the specific mission and business process threats, vulnerabilities, impacts, and likelihoods.
1368 Informed by outputs from Level 1 (e.g., C-SCRM strategy), mission and business processes will
1369 adopt a C-SCRM strategy which tailors the enterprise's overall strategy to a specific mission and
1370 business process. At Level 2, the enterprise may also issue mission- and business process-
1371 specific policies which contextualize the enterprise's policy for the process.

1372

1373 In accordance with the C-SCRM strategy, enterprise leaders for specific mission and business
1374 processes should develop and execute a C-SCRM implementation plan. The C-SCRM
1375 implementation plan provides a more detailed roadmap for operationalizing the C-SCRM
1376 strategy(ies) within the mission and business process. Within the C-SCRM implementation

¹³ 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 SDLC 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.*

1476

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:

1487

- 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
1494 FASC)
- 1495 • Management of C-SCRM risk register
- 1496 • Secretariat/staffing function for enterprise C-SCRM governance
- 1497 • C-SCRM project and performance management
- 1498 • 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 SCRМ 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]*
1688

1689 **3.1.2. The Role of C-SCRM in the Acquisition Process** 1690

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**

Procurement Process	Service Risk Assessment	Supplier Risk Assessment	Product Risk Assessment
Plan Procurement	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
Define/Develop Requirements	Identify relevant C-SCRM controls/requirements	Identify relevant C-SCRM controls/requirements	Identify relevant C-SCRM controls/requirements
Perform Market Analysis		Initial Risk Assessment (e.g., Due-Diligence Questionnaires)	Research product options and risk factors
Solicit Bids/Complete Procurement		Complete Risk Assessment	Pre-Deployment Risk Assessment
Operate & Maintain	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:

- The satisfaction of applicable security requirements in contracts and mechanisms as a 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 **Table 3-2: Supply Chain Characteristics and Cybersecurity Risk Factors Associated with a**
1845 **Product, Service, or Source of Supply¹⁴**

Source of Supply, Product, or Service Characteristics	Risk Indicators, Analysis, and Findings
<ul style="list-style-type: none"> • Features and functionality; • Access to data and information, including system privileges; • Installation or operating environment; • Security, authenticity, and integrity of a given product or service and the associated supply and compilation chain; • The ability of the source to produce and deliver a product or service, as expected; • 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); • Market alternatives to the source; and • 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. 	<ul style="list-style-type: none"> • Threat information includes indicators (system artifacts or observables associated with an attack), tactics, techniques, and procedures (TTPs); • Security alerts, threat intelligence reports; • Implications to national security, homeland security, and/or national critical infrastructure and/or processes associated with the use of the product or service; • Vulnerability of federal systems, programs, or facilities; • Threat level and vulnerability level assessment/score; • 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 • Capacity to mitigate risks identified.

1846
1847
1848 **3.3. C-SCRM Training and Awareness**
1849
1850 Numerous individuals within the enterprise contribute to the success of C-SCRM. These may
1851 include but are not limited to information security, procurement, risk management, engineering,
1852 software development, IT, legal, HR. Examples of these groups’ contributions include:

¹⁴ 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) Framework¹⁵ 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

¹⁵ 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:

1918

- 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;

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

1968 3.4.2. Sustaining Practices

1969

1970 Sustaining practices should be used to enhance the efficacy of cybersecurity supply chain risk

1971 management. These practices are inclusive of and build upon foundational practices. Enterprises

1972 that have standardized and implemented the foundational practices broadly should consider these

1973 practices as next steps in advancing their cybersecurity supply chain risk management

1974 capabilities:

- 1975
- 1976
- Establish and collaborate with a threat-informed security program;

¹⁶ 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
- 1978 visits, and formal certifications such as ISO 27001 to assess critical supplier security
- 1979 capabilities and practices;
- 1980 • Establish formal processes and intervals for monitoring and reassessing existing supplier
- 1981 relationships for potential changes to their risk profile;
- 1982 • Use the enterprise's understanding of its C-SCRM risk profile (or risk profiles, specific to
- 1983 mission/business areas) to define a risk appetite and risk tolerances to empower leaders
- 1984 with delegated authority across the enterprise to make C-SCRM decisions in alignment
- 1985 with the enterprise's mission imperatives and strategic goals and objectives;
- 1986 • Use a formalized information-sharing function to engage with the FASC as well as other
- 1987 government agencies to enhance the enterprise's supply chain cybersecurity threat and
- 1988 risk insights and help ensure a coordinated and holistic government-wide approach to
- 1989 addressing cybersecurity risk in the supply chain that may affect a broader set of agencies
- 1990 or national security;
- 1991 • Coordinate with the enterprise's cybersecurity program leadership to elevate top C-
- 1992 SCRM Risk Profile risks to the senior-most enterprise risk committee;
- 1993 • Embed C-SCRM specific training into training curriculums of applicable roles across the
- 1994 enterprise processes involved with C-SCRM including but not limited to information
- 1995 security, procurement, risk management, engineering, software development, IT, legal,
- 1996 and HR;
- 1997 • Integrate C-SCRM considerations into every aspect of the system and product life cycle,
- 1998 implementing consistent, well-documented, repeatable processes for systems engineering,
- 1999 cybersecurity practices, and acquisition;
- 2000 • Integrate the enterprise's defined C-SCRM requirements into contractual language found
- 2001 in agreements with suppliers, developers, system integrators, external system service
- 2002 providers, and other ICT/OT-related service providers;
- 2003 • Include critical suppliers in contingency planning, incident response, and disaster
- 2004 recovery planning and testing;
- 2005 • Engage with suppliers, developers, system integrators, external system service providers,
- 2006 and other ICT/OT-related service providers to improve their cybersecurity practices; and
- 2007 • Define, collect, and report C-SCRM metrics to ensure risk-aware leadership, enable
- 2008 active management of the completeness of C-SCRM implementations, and drive efficacy
- 2009 of the enterprise's C-SCRM processes and practices.

3.4.3. Enhancing Practices

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 sustaining practices have been broadly implemented and standardized across the enterprise:

- 2017 • Automate C-SCRM processes where applicable and practical to drive execution
- 2018 consistency, efficiency, and make available the critical resources required for other
- 2019 critical C-SCRM activities;
- 2020 • Adopt quantitative risk analyses that apply probabilistic approaches (e.g., Bayesian
- 2021 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 2032 **3.5. Capability Implementation Measurement and C-SCRM Measures**

2033
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:

- 2055
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 Model¹⁷

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

2093

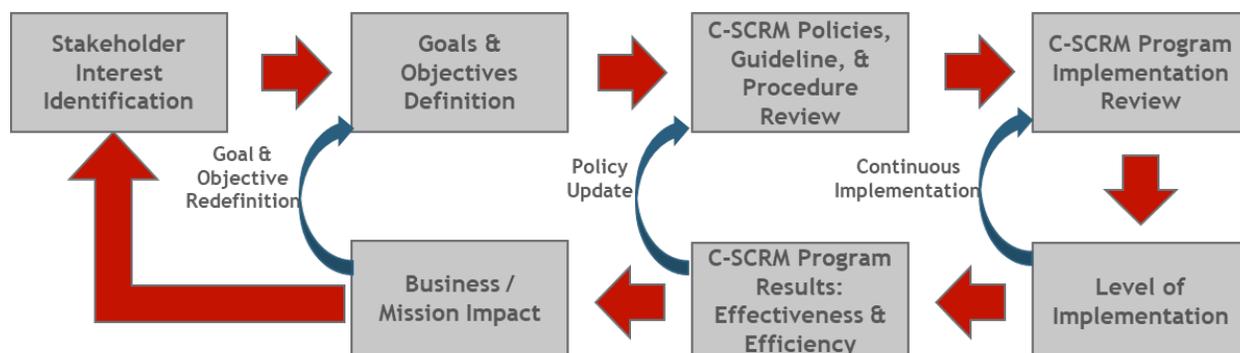
2094

¹⁷ 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"> • Policy adoption at lower levels • Timeliness of policy adoption at lower levels • Adherence to risk appetite and tolerance thresholds • Differentiated levels of risk exposure across Level 2 • Compliance with regulatory mandates • Adherence to customer requirements
Level 2	<ul style="list-style-type: none"> • Effectiveness of mitigation strategies • Time allocation across C-SCRM activities • Mission/business process-level risk exposure • Degree and quality of C-SCRM requirement adoption in mission/business processes • Use of C-SCRM PMO by Level 3
Level 3	<ul style="list-style-type: none"> • Design effectiveness of controls • Operating effectiveness of controls • Cost efficiency of controls

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.

2148

2149 3.6. Dedicated Resources
2150

2151 To appropriately manage cybersecurity risk in the supply chain, enterprises should dedicate
2152 funds towards this effort. Identifying resource needs and taking steps to secure adequate,
2153 recurring, and dedicated funding is an essential and important activity that needs to be built into
2154 the C-SCRM strategy and implementation planning effort and incorporated into an enterprise's
2155 budgeting, investment review, and funds management processes. Access to adequate resources is
2156 a critical, key enabler for the establishment and sustainment of a C-SCRM program capability.
2157 The continued availability of dedicated funds will allow enterprises to sustain, expand, and
2158 mature their capabilities over time.

2159
2160 Securing and assigning C-SCRM funding is representative of leadership's commitment to the
2161 importance of C-SCRM and its relevance to national and economic security and ensuring the
2162 protection, continuity and resilience of mission and business processes and assets.

2163
2164 Funding facilitates goal and action-oriented planning. Examining resource needs and allocating
2165 funding prompts a budgeting and strategic-planning process. Effective enterprises begin by
2166 defining a set of goals and objectives upon which to build a strategic roadmap laying out the path
2167 to achieve them, through the assignment and allocation of finite resources. The establishment of
2168 dedicated funding, tied to C-SCRM objectives, sets conditions for accountability of performance,
2169 and compels responsible staff to be efficient and effective and adopt a mindset of continuously
2170 seeking to improve C-SCRM capabilities and achieve security enhancing outcomes.

2171
2172 Obtaining new or increased funding can be a challenge as resources are often scarce and
2173 necessary for many competing purposes. The limited nature of funds forces prioritization. C-
2174 SCRM leaders need to first examine what can be accomplished within the constraints of existing
2175 resources and be able to articulate, prioritize, and defend their requests for additional resources.
2176 For new investment proposals, this requires a reconciliation of planned initiatives against the
2177 enterprise's mission/business objectives. When well-executed, a systematic planning process can
2178 tighten the alignment of C-SCRM processes to these objectives.

2179
2180 Many C-SCRM processes can and should be built into existing program and operational
2181 activities and may be adequately performed using available funds. However, there may be a need
2182 for an influx of one-time resources to establish an initial C-SCRM program capability. For
2183 example, this might include the need to hire new personnel with expertise in C-SCRM, acquire
2184 contractor support to aid in developing C-SCRM program guidance, or develop content for role-
2185 based C-SCRM training. There may also be insufficient resources in place to satisfy all recurring
2186 C-SCRM program needs. Existing funds may need to be reallocated towards C-SCRM efforts or
2187 new or additional funds requested. Enterprises should also seek out opportunities to leverage
2188 shared services whenever practical.

2189
2190 The use of shared services can optimize the use of scarce resources and concentrates capability
2191 into centers of excellence providing cost-efficient access to services, systems, or tools.
2192 Enterprises can adopt cost-sharing mechanisms across their lower-level entities that allow cost-
2193 efficient access to C-SCRM resources and capabilities. Enterprises pursuing shared-services

2194 models for C-SCRM should also be aware of the challenges with such models. Shared services
2195 (e.g., C-SCRM PMO) are most effective when the enterprise at large relies on a fairly
2196 homogenous set of C-SCRM strategies, policies, and processes. In many instances, centralized
2197 delivery of C-SCRM services require a robust technology infrastructure. The enterprise's
2198 systems should be able to support process automation and centralized delivery in order to fully
2199 realize the benefits of a shared-services model.

2200
2201 Consultation with budget/finance officials is critical to understanding what options may be
2202 available and viable in the near term and outyears. These officials can also advise on how best to
2203 justify needs, and the timeframes and processes for requesting new funds. There are likely
2204 different processes to follow for securing recurring funds versus requesting one-time funding.
2205 For example, funding for a new information system to support a C-SCRM capability may
2206 involve the development of a formal business case presented to an enterprise's investment
2207 review board for approval. Breaking out resource needs into ongoing and one-time costs, as well
2208 as into cost categories that align with budget formulation, resource decision-making, and the
2209 allocation and management of available funds will also be helpful.

2210
2211 It is recommended that the C-SCRM PMO have the lead responsibility of coordinating with
2212 mission/business process and budget officials to build out and maintain a multi-year C-SCRM
2213 program budget that captures both recurring and non-recurring resource requirements and maps
2214 those requirements to available funding and fund sources. To understand the amount of funding
2215 required, when, and for what purpose, enterprises should identify and assess which type and
2216 level of resources (people or things), are required to implement a C-SCRM program capability
2217 and perform required C-SCRM processes on an ongoing basis. The cost associated with each of
2218 these identified resource needs would then be captured, accumulated, and reflected in a budget
2219 that includes line items for relevant cost categories, such as personnel costs, contracts, training,
2220 travel, or tools and systems. This will provide the enterprise a baseline understanding of what
2221 can be accomplished within existing resource levels and where there are gaps in need of being
2222 filled. The actual allocation of funds may be centralized in a single C-SCRM budget or may be
2223 dispersed across the enterprise and reflected in individual office or mission/business process-area
2224 budgets. Regardless of how funds are actually assigned, a centralized picture of the C-SCRM
2225 budget and funds status will provide a valuable source of information that justifies new requests,
2226 informs prioritization decisions, and adjusts expectations about certain activities and the duration
2227 in which they can be accomplished.

2228
2229 Ensuring that C-SCRM program funding is distinctly articulated within the enterprise's budget—
2230 with performance measures linked to the funding—will drive accountability for results. The
2231 visible dedication of funds in budget requests and performance plans and reports compels
2232 leadership attention on C-SCRM processes and accomplishment of objectives. Budgets must be
2233 requested and justified on a periodic basis. This process allows leadership and oversight officials
2234 to trace and measure the effectiveness and efficiency of allocated resources. This, in turn, serves
2235 as a driving function for program and operational C-SCRM personnel to track and manage their
2236 performance.

2237 **Key Takeaways**

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

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

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

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

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

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

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.
2329
2330



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.
2338

2339 ***C-SCRM CONTROLS THROUGHOUT THE ENTERPRISE***

2340
2341 As noted in Table 4-1, C-SCRM controls in this publication are designated by the three levels
2342 comprising the enterprise. This is to facilitate the selection of C-SCRM controls specific to
2343 enterprises, their various missions, and individual systems, as described in Appendix C under the
2344 Respond step of the risk management process. During controls selection, enterprises should use
2345 the C-SCRM controls in this section to identify appropriate C-SCRM controls for tailoring per
2346 risk assessment. By selecting and implementing applicable C-SCRM controls for each level,
2347 enterprises will ensure that they have appropriately addressed C-SCRM throughout their
2348 enterprises.
2349

2350 ***APPLYING C-SCRM CONTROLS TO ACQUIRING PRODUCTS & SERVICES***

2351
2352 Acquirers may use C-SCRM controls as the basis from which to communicate their C-SCRM
2353 requirements to different types of enterprises, described within this publication, that provide
2354 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 SCRMM 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 SUPPLIERS 2377

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

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

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

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.

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C-SCRM CONTROL FORMAT

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

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

Table A-1: C-SCRM Control Format

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

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

2513
2514 Level(s): 2, 3

2515
2516 Related Control(s): AC-4

2517
2518 Control Enhancement(s):

2519 (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
2528 Level(s): 2, 3

2529
2530

2531 USING C-SCRM CONTROLS IN THIS PUBLICATION

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

- 2536
- 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
2555 The following new controls and control enhancement have been added:

- 2556
- 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.

2561 **C-SCRM SECURITY CONTROLS**

2562

2563 **FAMILY: ACCESS CONTROL**

2564

2565 [FIPS 200] specifies the Access Control minimum security requirement as follows:

2566

2567 *Organizations must limit information system access to authorized users, processes*
 2568 *acting on behalf of authorized users, or devices (including other information systems)*
 2569 *and to the types of transactions and functions that authorized users are permitted to*
 2570 *exercise.*

2571

2572 Systems and components that traverse the supply chain are subject to access by a variety of
 2573 individuals and enterprises, including suppliers, developers, system integrators, external system
 2574 service providers, and other ICT/OT-related service providers. Such access should be defined
 2575 and managed to ensure that it does not inadvertently result in unauthorized release,
 2576 modification, or destruction of information. This access should be limited to only the necessary
 2577 type, duration, and level of access for authorized enterprises (and authorized individuals within
 2578 those enterprises) and monitored for cybersecurity supply chain impact.

2579

2580 **AC-1 POLICY AND PROCEDURES**

2581 Supplemental C-SCRM Guidance: Enterprises should specify and include in agreements (e.g., contracting
 2582 language) access control policies for their suppliers, developers, system integrators, external system service
 2583 providers, and other ICT/OT-related service providers. These should include both physical and logical
 2584 access to the supply chain and the information system. Enterprises should require its prime contractors to
 2585 implement this control and flow down this requirement to relevant sub-tier contractors.

2586

2587 Level(s): 1, 2, 32588 **AC-2 ACCOUNT MANAGEMENT**

2589 Supplemental C-SCRM Guidance: Use of this control helps establish traceability of actions and actors in
 2590 the supply chain. This control also helps ensure access authorizations of actors in the supply chain is
 2591 appropriate on a continuous basis. The enterprise may choose to define a set of roles and associate a level
 2592 of authorization to ensure proper implementation. Enterprises must ensure that accounts for contractor
 2593 personnel do not exceed the period of performance of the contract. Privileged accounts should only be
 2594 established for appropriately vetted contractor personnel. Enterprises should also have processes in place to
 2595 establish and manage temporary or emergency accounts for contractor personnel that require access to a
 2596 mission-critical or mission-enabling system during a continuity or emergency event. For example, during a
 2597 pandemic event, existing contractor personnel who are not able to work due to illness may need to be
 2598 temporarily backfilled by new contractor staff. Enterprises should require its prime contractors to
 2599 implement this control and flow down this requirement to relevant sub-tier contractors.

2600

2601 Level(s): 2, 32602 **AC-3 ACCESS ENFORCEMENT**

2603 Supplemental C-SCRM Guidance: Ensure that the information systems and the supply chain have
 2604 appropriate access enforcement mechanisms in place. This includes both physical and logical access
 2605 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**
- 2657 Supplemental C-SCRM Guidance: Within the C-SCRM context, enterprises should specify various
2658 source and destination points for information about the supply chain and information that flows
2659 through the supply chain. This is so that enterprises have visibility of information flow within the
2660 supply chain.
2661 Level(s): 2, 3
- 2662
- 2663 **(19) INFORMATION FLOW ENFORCEMENT | VALIDATION OF METADATA**
- 2664 Supplemental C-SCRM Guidance: For C-SCRM, validation of data and the relationship to its metadata
2665 are critical. Much of the data transmitted through the supply chain is validated with the verification of
2666 the associated metadata that is bound to it. Ensure that proper filtering and inspection is put in place for
2667 validation before allowing payloads into the supply chain.
2668 Level(s): 2, 3
- 2669
- 2670 **(21) INFORMATION FLOW ENFORCEMENT | PHYSICAL OR LOGICAL SEPARATION OF INFORMATION**
2671 *FLows*
- 2672 Supplemental C-SCRM Guidance: The enterprise should ensure the separation of the information
2673 system and supply chain information¹⁸ flow. Various mechanisms can be implemented including, for
2674 example, encryption methods (e.g., digital signing). Addressing information flow between the
2675 enterprise and its suppliers, developers, system integrators, external system service providers, and
2676 other ICT/OT-related service providers may be challenging, especially when leveraging public
2677 networks.
2678 Level(s): 3
- 2679
- 2680 **AC-5 SEPARATION OF DUTIES**
- 2681 Supplemental C-SCRM Guidance: The enterprise should ensure that appropriate separation of duties is
2682 established for decisions requiring the acquisition of both information system and supply chain
2683 components. Separation of duties helps to ensure that adequate protections are in place for components
2684 entering the enterprise's supply chain. An example may be developers not having privileges to promote
2685 code they wrote from development to production environments. Enterprises should require its prime
2686 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**
- 2689 Supplemental C-SCRM Guidance: For C-SCRM supplemental guidance, see control enhancements.
2690
- 2691 Control Enhancement(s):
- 2692 **(6) LEAST PRIVILEGE | PRIVILEGED ACCESS BY NON-ORGANIZATIONAL USERS**
- 2693 Supplemental C-SCRM Guidance: Enterprises should ensure that protections are in place to prevent
2694 non-enterprise users from having privileged access to enterprise supply chain and related supply chain

¹⁸ 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
 2703 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.

2723
 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,
2738 smartwatches) has become common in the supply chain. They are used in direct support of an enterprise's
2739 operations as well as for purposes such as tracking supply chain logistics data as information systems and
2740 components traverse enterprise or systems integrator supply chains. Ensure that access control mechanisms
2741 are clearly defined and implemented where relevant when managing enterprises supply chain components.
2742 An example of such an implementation includes access control mechanisms implemented for use with
2743 remote handheld units in RFID for tracking components that traverse the supply chain. Access control
2744 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,
2748 developers, system integrators, external system service providers, and other ICT/OT-related service
2749 providers. Unlike in an acquirer's internal enterprise where direct and continuous monitoring is possible, in
2750 the external supplier relationship, information may be shared on an as-needed basis and should be
2751 articulated in an agreement. Access to the supply chain from such external information systems should be
2752 monitored and audited. Enterprises should require its prime contractors to implement this control and flow
2753 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
2758 suppliers', developers', system integrators', external system service providers', and other ICT/OT-
2759 related service providers' systems.

2760 Level(s): 2, 3

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

2762 Supplemental C-SCRM Guidance: Devices that do not belong to the enterprise (e.g., bring your own
2763 device (BYOD) policies) increase the enterprise's exposure to cybersecurity risk in the supply chain.
2764 This includes devices used by suppliers, developers, system integrators, external system service
2765 providers, and other ICT/OT-related service providers. Enterprises should review the use of non-
2766 enterprise devices by non-enterprise personnel and make a risk-based decision as to whether it will
2767 allow use of such devices or furnish devices. Enterprises should furnish devices to those non-enterprise
2768 personnel that present unacceptable levels of risk.

2770 Level(s): 2, 3
2771

2772 AC-21 INFORMATION SHARING

2773 Supplemental C-SCRM Guidance: Sharing information within the supply chain can help to manage
2774 cybersecurity risk in the supply chain. This information may include vulnerabilities, threats, criticality of
2775 systems and components, or delivery information. This information sharing should be carefully managed to
2776 ensure that the information is accessible only to authorized individuals within the enterprise's supply chain.
2777 Enterprises should clearly define boundaries for information sharing with respect to temporal,
2778 informational, contractual, security, access, system, and other requirements. Enterprises should monitor and
2779 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

2804

2805 **FAMILY: AWARENESS AND TRAINING**

2806

2807 [FIPS 200] specifies the Awareness and Training minimum security requirement as follows:

2808

2809 *Organizations must: (i) ensure that managers and users of organizational information*
 2810 *systems are made aware of the security risks associated with their activities and of the*
 2811 *applicable laws, Executive Orders, directives, policies, standards, instructions,*
 2812 *regulations, or procedures related to the security of organizational information*
 2813 *systems; and (ii) ensure that organizational personnel are adequately trained to carry*
 2814 *out their assigned information security-related duties and responsibilities.*

2815

2816 [NIST SP 800-161 Rev. 1] expands the Awareness and Training control of [FIPS 200] to include
 2817 C-SCRM. Making the workforce aware of C-SCRM concerns is key to a successful C-SCRM
 2818 strategy. C-SCRM awareness and training provides understanding of the problem space and of
 2819 the appropriate processes and controls that can help mitigate cybersecurity risk in the supply
 2820 chain. Enterprises should provide C-SCRM awareness and training to individuals at all levels
 2821 within the enterprise including, for example, information security, procurement, enterprise risk
 2822 management, engineering, software development, IT, legal, HR, and others. Enterprises should
 2823 also work with suppliers, developers, system integrators, external system service providers, and
 2824 other ICT/OT-related service providers to ensure the personnel that interact with an enterprise's
 2825 supply chains receive C-SCRM awareness and training, as appropriate.

2826

2827 **AT-1 POLICY AND PROCEDURES**

2828 Supplemental C-SCRM Guidance: Enterprises should designate a specific official to manage the
 2829 development, documentation, and dissemination of the awareness and training policy and procedures that
 2830 includes C-SCRM as well as role-based specific training for those with supply chain responsibilities.
 2831 Enterprises should integrate cybersecurity supply chain risk management training and awareness into the
 2832 security training and awareness policy. The C-SCRM training should target both the enterprise and its
 2833 contractors. The policy should ensure that supply chain cybersecurity role-based training is required for
 2834 those individuals or functions that touch or impact the supply chain, such as information system owner,
 2835 acquisition, supply chain logistics, system engineering, program management, IT, quality, and incident
 2836 response.

2837

2838 C-SCRM training procedures should address:

- 2839 a. Roles throughout the supply chain and system/element life cycle to limit opportunities and means
 2840 available to individuals performing these roles that could result in adverse consequences;
- 2841 b. Requirements for interaction between an enterprise's personnel and individuals not employed by
 2842 the enterprise that participate in the supply chain throughout the SDLC; and
- 2843 c. Incorporating feedback and lessons learned from C-SCRM activities into the C-SCRM training.

2844

Level(s): 1, 22845 **AT-2 LITERACY TRAINING AND AWARENESS**

2846 Supplemental C-SCRM Guidance: C-SCRM-specific supplemental guidance provided in control
 2847 enhancements.

2848

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
2891 and procedures within the supply chain, such as manufacturing, shipping, and receiving, physical
2892 access to facilities, inventory management, and warehousing. Enterprise and system integrator
2893 personnel providing development and operational support to the enterprise should receive training on
2894 how to handle these physical security mechanisms and on the associated cybersecurity risk in the
2895 supply chain.

2896 Level(s): 2

2897 (6) *ROLE-BASED TRAINING | COUNTERINTELLIGENCE TRAINING*
2898

2899 Supplemental C-SCRM Guidance: Public sector enterprises should provide specialized
2900 counterintelligence awareness training that enables its resources to collect, interpret, and act upon a
2901 range of data sources that may signal the presence of a foreign adversary's presence in the supply
2902 chain. Counterintelligence training should at a minimum cover known red flags, key information
2903 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
2908 training, especially in regard to key personnel in acquisitions and counterintelligence.

2909 Level(s): 2
2910

2911 FAMILY: AUDIT AND ACCOUNTABILITY

2912

2913 [FIPS 200] specifies the Audit and Accountability minimum security requirement as follows:

2914

2915 *Organizations must: (i) create, protect, and retain information system audit records to*
2916 *the extent needed to enable the monitoring, analysis, investigation, and reporting of*
2917 *unlawful, unauthorized, or inappropriate information system activity; and (ii) ensure*
2918 *that the actions of individual information system users can be uniquely traced to those*
2919 *users so they can be held accountable for their actions.*

2920

2921 Audit and accountability controls for C-SCRM provide information useful in the event of a
2922 supply chain cybersecurity incident or compromise. Enterprises should ensure they designate and
2923 audit cybersecurity supply chain-relevant events within their information system boundaries
2924 using appropriate audit mechanisms (e.g., system logs, Intrusion Detection System (IDS) logs,
2925 firewall logs, paper reports, forms, clipboard checklists, digital records). These audit mechanisms
2926 should also be configured to work within reasonable time-frame boundaries, as defined by
2927 enterprise policy. Enterprises may encourage their system suppliers, developers, system
2928 integrators, external system service providers, and other ICT/OT-related service providers to do
2929 the same and may include in agreements requirements for such monitoring. However, enterprises
2930 should not deploy audit mechanisms on systems outside of their enterprise boundary, including
2931 those of suppliers, developers, system integrators, external system service providers, and other
2932 ICT/OT-related service providers.

2933 AU-1 POLICY AND PROCEDURES

2934 Supplemental C-SCRM Guidance: Enterprises must designate a specific official to manage the
2935 development, documentation, and dissemination of the audit and accountability policy and procedures to
2936 include auditing of the supply chain information systems and network. Audit mechanisms provide data for
2937 tracking activities in an enterprise's supply chain information systems and network. Audit and
2938 accountability policy and procedures should appropriately address such tracking and its availability for
2939 other various supply chain activities, such as configuration management. Suppliers, developers, system
2940 integrators, external system service providers, and other ICT/OT-related service providers activities should
2941 not be included in such policy, unless those are performed within the acquirer's supply chain information
2942 systems and network. Audit and accountability policy procedures should appropriately address supplier
2943 audits as a way to examine the quality of a particular supplier and the risk it presents to the enterprise and
2944 the enterprise's supply chain.

2945 Level(s): 1, 2, 3

2946 AU-2 EVENT LOGGING

2947 Supplemental C-SCRM Guidance: An observable occurrence within the information system or supply
2948 chain network should be identified as a supply chain auditable event, based on the enterprise's SDLC
2949 context and requirements. Auditable events may include software/hardware changes, failed attempts to
2950 access supply chain information systems, or movement of source code. Information on such events should
2951 be captured by appropriate audit mechanisms and should be traceable and verifiable. Information captured
2952 may include type of event, date/time, length, and frequency of occurrence. Among other things, auditing
2953 may help detect misuse of the supply chain information systems or network caused by insider threat. Logs
2954 are a key resource when identifying operational trends and long-term problems, and as such enterprises
2955 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 Level(s): 2, 3

2977 Control Enhancement(s):
2978
2979

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
3050
3051 Level(s): 2, 3
3052

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 Level(s): 3
3108

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
- 3129 a. A shared development and operational environment between the enterprise and system integrator;
 - 3130 b. Product update/patch management connection to an off-the-shelf supplier; and
 - 3131 c. Data request and retrieval transactions in a processing system residing on an external service
3132 provider shared environment.

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

3203 Level(s): 1, 2, 3

3204 CM-2 BASELINE CONFIGURATION

3205 Supplemental C-SCRM Guidance: Enterprises should establish a baseline configuration of both the
3206 information system and the development environment including documenting, formally reviewing, and
3207 securing the agreement of stakeholders. The purpose of the baseline is to provide a starting point for
3208 tracking the changes to components, code, and/or settings throughout the SDLC. Regular reviews and
3209 updates of baseline configurations (i.e., re-baselining) are critical for traceability and provenance. The
3210 baseline configuration must take into consideration the enterprise's operational environment and any
3211 relevant suppliers', developers', system integrators', external system service providers', and other ICT/OT-
3212 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

3234 **(1)** *CONFIGURATION CHANGE CONTROL | AUTOMATED DOCUMENTATION, NOTIFICATION, AND*
 3235 *PROHIBITION OF CHANGES*

3236 Supplemental C-SCRM Guidance: Enterprises should define a set of system changes that are critical to
 3237 the protection of the information system and the underlying or interoperating systems and networks.
 3238 These changes may be defined based on a criticality analysis (including components, processes, and
 3239 functions) and where vulnerabilities exist that are not yet remediated (e.g., due to resource constraints).
 3240 The change control process should also monitor for changes that may affect an existing security
 3241 control to ensure that this control continues to function as required.

3242 Level(s): 2, 3
 3243

3244 **(2)** *CONFIGURATION CHANGE CONTROL | TESTING, VALIDATION, AND DOCUMENTATION OF*
 3245 *CHANGES*

3246 Supplemental C-SCRM Guidance: Test, validate, and document changes to the system before
 3247 finalizing the implementation of the changes.

3248 Level(s): 2, 3
 3249

3250 **(4)** *CONFIGURATION CHANGE CONTROL | SECURITY AND PRIVACY REPRESENTATIVES*

3251 Supplemental C-SCRM Guidance: Require enterprise security and privacy representatives] to be
 3252 members of the configuration change control function.

3253 Level(s): 2, 3
 3254

- 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
3257 enterprise-defined circumstances.
3258
3259 Level(s): 2, 3
- 3260 **CM-4 IMPACT ANALYSIS**
- 3261 Supplemental C-SCRM Guidance: Enterprises should take under consideration changes to the information
3262 system and underlying or interoperable systems and networks to determine whether the impact of these
3263 changes affects existing security control(s) and warrants additional or different protection to maintain an
3264 acceptable level of cybersecurity risk in the supply chain. Ensure that stakeholders, such as system
3265 engineers and system security engineers are included in the impact analysis activities to provide their
3266 perspectives for C-SCRM. NIST SP 800-53 Rev. 5 control enhancement CM-4 (1) is a mechanism that can
3267 be used to protect the information system and from vulnerabilities that may be introduced through the test
3268 environment.
3269
3270 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
3273 environment, looking for security and privacy impacts due to flaws, weaknesses, incompatibility, or
3274 intentional malice
3275
3276 Level(s): 3
3277
3278 Related Control(s): SA-11, SC-7
3279
- 3280 **CM-5 ACCESS RESTRICTIONS FOR CHANGE**
- 3281 Supplemental C-SCRM Guidance: Enterprises should ensure that requirements regarding physical and
3282 logical access restrictions for changes to the information systems and networks are defined and included in
3283 the enterprise's implementation of access restrictions. Examples include access restriction for changes to
3284 centrally managed processes for software component updates and the deployment of updates or patches.
3285
3286 Level(s): 2, 3
3287
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
3291 access enforcement and auditing of the information system and the underlying systems and networks.
3292
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
3296 configuration items, access to which should be managed and controlled.
3297
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
 3309 Level(s): 2, 3

3310
 3311 Control Enhancement(s):

3312 (1) *CONFIGURATION SETTINGS | AUTOMATED MANAGEMENT, APPLICATION, AND VERIFICATION*

3313 Supplemental C-SCRM Guidance: The enterprise should, when feasible, employ automated
 3314 mechanisms to manage, apply, and verify configuration settings.

3315
 3316 Level(s): 3

3317 (2) *CONFIGURATION SETTINGS | RESPOND TO UNAUTHORIZED CHANGES*

3318 Supplemental C-SCRM Guidance: The enterprise should ensure that designated security or IT
 3319 personnel are alerted regarding unauthorized changes to configuration settings. When suppliers,
 3320 developers, system integrators, external system service providers, and other ICT/OT-related service
 3321 providers are responsible for such unauthorized changes, this qualifies as a C-SCRM incident that
 3322 should be recorded and tracked to monitor trends. For a more comprehensive view, a specific,
 3323 predefined set of C-SCRM stakeholders should assess the impact of unauthorized changes in the
 3324 supply chain. When impact is assessed, relevant stakeholders should help define and implement
 3325 appropriate mitigation strategies to ensure a comprehensive resolution.

3326
 3327 Level(s): 3

3328 **CM-7 LEAST FUNCTIONALITY**

3329 Supplemental C-SCRM Guidance: Least functionality reduces the attack surface. Enterprises should select
 3330 components that allow the flexibility and option for specifying and implementing least functionality.
 3331 Enterprises should ensure least functionality in their information systems and networks and throughout
 3332 SDLC. NIST SP 800-53 Rev. 5 control enhancement CM-7 (9) mechanism can be used to protect
 3333 information systems and networks from vulnerabilities that may be introduced by the use of unauthorized
 3334 hardware being connected to enterprise systems. Enterprises should require its prime contractors to
 3335 implement this control and flow down this requirement to relevant sub-tier contractors.

3336
 3337 Level(s): 3

3338
 3339 Control Enhancement(s):

3340 (1) *LEAST FUNCTIONALITY | PERIODIC REVIEW*

3341 Supplemental C-SCRM Guidance: Enterprises should require its prime contractors to implement this
 3342 control and flow down this requirement to relevant sub-tier contractors.

3343
 3344 Level(s): 2, 3

3345 (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
3352 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
3361 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
3367 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.

3371
3372 Level(s): 3

3373

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.

3381
3382 Level(s): 2, 3

3383

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
3390 Level(s): 2, 3

3391

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 subsetting 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
3441Level(s): 3

3442

(7) SYSTEM COMPONENT INVENTORY | CENTRALIZED REPOSITORY3443
3444
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3446
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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).

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3451
3452Level(s): 3

3453

(8) SYSTEM COMPONENT INVENTORY | AUTOMATED LOCATION TRACKING3454
3455
3456

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.

3457
3458Level(s): 2, 3

3459

(9) SYSTEM COMPONENT INVENTORY | ASSIGNMENT OF COMPONENTS TO SYSTEMS3460
3461
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3463
3464
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3466

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**3468
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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.

3471
3472Level(s): 2, 3.3473
3474Control Enhancement(s):

3475

(1) CONFIGURATION MANAGEMENT PLAN | ASSIGNMENT OF RESPONSIBILITY3476
3477
3478
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3480
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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.

3482
3483
3484Level(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.

3531

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:

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

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

3582 **CP-1 POLICY AND PROCEDURES**

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

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

Level(s): 1, 2, 3

3592 **CP-2 CONTINGENCY PLAN**

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

Level(s): 2, 3

3600

Control Enhancement(s):

3601

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

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3604

3605

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

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.

3653
 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.

3660
 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.

3666
 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.

3673
 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.

3678
 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.

3684
 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.

3690
 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.

3696
3697 Level(s): 2, 3
3698

3699

3700 **FAMILY: IDENTIFICATION AND AUTHENTICATION**

3701

3702 [FIPS 200] specifies the Identification and Authentication minimum security requirement as
3703 follows:

3704

3705

*Organizations must identify information system users, processes acting on behalf of
3706 users, or devices and authenticate (or verify) the identities of those users, processes, or
3707 devices, as a prerequisite to allowing access to organizational information systems.*

3708

3709 NIST SP 800-161, *Supply Chain Risk Management Practices for Federal Information Systems
3710 and Organizations*, expands the [FIPS 200] identification and authentication control family to
3711 include identification and authentication of components, in addition to individuals (users) and
3712 processes acting on behalf of individuals within the supply chain network. Identification and
3713 authentication are critical to C-SCRM because it provides traceability of individuals, processes
3714 acting on behalf of individuals, and specific systems/components in an enterprise's supply chain
3715 network. Identification and authentication are required to appropriately manage cybersecurity
3716 risk in the supply chain to both reduce risk of supply chain cybersecurity compromise and to
3717 generate evidence in case of supply chain cybersecurity compromise.

3718

3719 **IA-1 POLICY AND PROCEDURES**

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

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

3739

3740 Level(s): 1, 2, 3

3741 **IA-3 DEVICE IDENTIFICATION AND AUTHENTICATION**

3742

Supplemental C-SCRM Guidance: Enterprises should implement capabilities to distinctly and positively
3743 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

3816 FAMILY: INCIDENT RESPONSE

3817

3818 [FIPS 200] specifies the Incident Response minimum security requirement as follows:

3819

3820 *Organizations must: (i) establish an operational incident handling capability for*
3821 *organizational information systems that includes adequate preparation, detection,*
3822 *analysis, containment, recovery, and user response activities; and (ii) track, document,*
3823 *and report incidents to appropriate organizational officials and/or authorities.*

3824

3825 Supply chain compromises may span suppliers, developers, system integrators, external system
3826 service providers, and other ICT/OT-related service providers. Enterprises should ensure their
3827 incident response controls address C-SCRM including what, when and how information about
3828 incidents will be reported or shared by, with, or between suppliers, developers, system
3829 integrators, external system service providers, other ICT/OT-related service providers, and any
3830 relevant interagency bodies. Incident response will help determine whether an incident is related
3831 to the supply chain.

3832

3833 IR-1 POLICY AND PROCEDURES

3834 Supplemental C-SCRM Guidance: Enterprises should integrate C-SCRM into incident response policy and
3835 procedures, and related C-SCRM Strategy/Implementation Plan(s), Policies, and C-SCRM Plan. Policy and
3836 procedures must provide direction about how to address supply chain related incidents and those
3837 cybersecurity incidents that may complicate or impact the supply chain. Individuals working within
3838 specific mission and system environments need to recognize cybersecurity supply chain-related incidents.
3839 Incident response policy should state when and how threats and incidents should be handled, reported, and
3840 managed.

3841

3842 Additionally, the policy should define when, how, and with whom to communicate to the FASC (Federal
3843 Acquisition Security Council), and other stakeholders or partners within the broader supply chain in the
3844 event of a cyber threat or incident. Departments and agencies must notify the FASC of supply chain risk
3845 information when 1) the FASC requests information relating to a particular source, covered article or
3846 procures; or 2) an executive agency has determined there is a reasonable basis to conclude a substantial
3847 supply chain risk associated with a source, covered procurement, or covered article exists. In such
3848 instances, the executive agency shall provide the FASC with relevant information concerning the source or
3849 covered article, including: (i) supply chain risk information identified through the course of the agency's
3850 activities in furtherance of mitigating, identifying or managing its supply chain risk; and (ii) supply chain
3851 risk information regarding covered procurement actions by the agency under the Federal Acquisition
3852 Supply Chain Security Act of 2018 (FASCSA) 41 U.S.C. § 4713; and any orders issued by the agency
3853 under 41 U.S.C. § 4713. Bidirectional communication with supply chain partners should be defined in
3854 agreements with suppliers, developers, system integrators, external system service providers, and other
3855 ICT/OT-related service providers to inform all involved parties of a supply chain cybersecurity incident.
3856 Incident information may also be shared with enterprises such as the Federal Bureau of Investigation (FBI),
3857 US CERT (United States Computer Emergency Readiness Team), and the NCCIC (National Cybersecurity
3858 and Communications Integration Center) as appropriate. Depending on the severity of the incident, the
3859 need for accelerated communications up and down the supply chain may be necessary. Appropriate
3860 agreements should be put in place with suppliers, developers, system integrators, external system service
3861 providers, and other ICT/OT-related service providers to ensure speed of communication, response,
3862 corrective actions, and other related activities. Enterprises should require its prime contractors to
3863 implement this control and flow down this requirement to relevant sub-tier contractors.

3864

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 Level(s): 1, 2, 3
 3897

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 Level(s): 1,2,3
3913

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 Control Enhancement(s):
3964

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-versa 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 Level(s): 3
3976

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 Control Enhancement(s):
3983

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 Level(s): 2, 3
3999

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
4061Control Enhancement(s):

4062

- (2)
- CONTROLLED MAINTENANCE | AUTOMATED MAINTENANCE ACTIVITIES*

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

Level(s): 3

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MA-3 MAINTENANCE TOOLS4073
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Supplemental C-SCRM Guidance: Maintenance tools are considered part of the supply chain. They also have a supply chain of their own. C-SCRM should be integrated when the enterprise acquires or upgrades a maintenance tool (e.g., an update to development environment or testing tool), including during the selection, ordering, storage, and integration of the maintenance tool. The enterprise should perform continuous review and approval of maintenance tools, to include those maintenance tools in use by external service providers. The enterprise should also integrate C-SCRM when evaluating replacement parts for maintenance tools. This control may be performed at both Levels 2 and 3, depending on how an agency handles the acquisition, operations, and oversight of maintenance tools.

Level(s): 2, 3Control Enhancement(s):

4085

- (1)
- MAINTENANCE TOOLS | INSPECT TOOLS*

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

Level(s): 3

4092

- (2)
- MAINTENANCE TOOLS | INSPECT MEDIA*

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

Level(s): 3

4100

- (3)
- MAINTENANCE TOOLS | PREVENT UNAUTHORIZED REMOVAL*

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Supplemental C-SCRM Guidance: Unauthorized removal of systems and network maintenance tools from the supply chain may introduce supply chain risk including, for example, unauthorized modification, replacement with counterfeit, or malware insertion while the tool is outside of the enterprise's control. Systems and network maintenance tools can include integrated development environment (IDE), testing, or vulnerability scanning. For C-SCRM, it is important that enterprises 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 Level(s): 2, 3
4158

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 Level(s): 3
4173

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

4180 Level(s): 3
4181

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

4200 Level(s): 3
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FAMILY: MEDIA PROTECTION

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

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

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

4222 **MP-1 POLICY AND PROCEDURES**

4223 Supplemental C-SCRM Guidance: Various documents and information on a variety of physical and
4224 electronic media are disseminated throughout the supply chain. This information may contain a variety of
4225 sensitive information and intellectual property from suppliers, developers, system integrators, external
4226 system service providers, and other ICT/OT-related service providers and should be appropriately
4227 protected. Media protection policies and procedures should address supply chain concerns including media
4228 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 Supplemental C-SCRM Guidance: Media storage controls should include C-SCRM activities. Enterprises
4233 should specify and include in agreements (e.g., contracting language) media storage policies for their
4234 suppliers, developers, system integrators, external system service providers, and other ICT/OT-related
4235 service providers. The enterprise should require its prime contractors to implement this control and flow
4236 down this requirement to relevant sub-tier contractors.

4237
4238 Level(s): 1, 2

4239 **MP-5 MEDIA TRANSPORT**

4240 Supplemental C-SCRM Guidance: The enterprise should incorporate C-SCRM activities when media is
4241 transported, either by enterprise or non-enterprise personnel. Some of the techniques to protect media
4242 during transport and storage include cryptographic techniques and approved custodian services.

4243
4244 Level(s): 1, 2

4245 **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 Related Controls: MP-6(1), MP-6(2), MP-6(3), MP-6(7), MP-6(8)
4257
4258

4259 FAMILY: PHYSICAL AND ENVIRONMENTAL PROTECTION

4260
4261 [FIPS 200] specifies the Physical and Environmental Protection minimum security requirement
4262 as follows:

4263
4264 *Organizations must: (i) limit physical access to information systems, equipment, and the*
4265 *respective operating environments to authorized individuals; (ii) protect the physical*
4266 *plant and support infrastructure for information systems; (iii) provide supporting utilities*
4267 *for information systems; (iv) protect information systems against environmental hazards;*
4268 *and (v) provide appropriate environmental controls in facilities containing information*
4269 *systems.*

4270
4271 Supply chains span the physical and logical world. Physical factors include, for example,
4272 weather and road conditions that may have an impact on transporting cyber components (or
4273 devices) from one location to another between persons or enterprises within a supply chain. If
4274 not properly addressed as a part of the C-SCRM risk management processes, physical and
4275 environmental risks may have a negative impact on the enterprise's ability to receive critical
4276 components in a timely manner, which may in turn impact their ability to perform mission
4277 operations. Enterprises should require implementation of appropriate physical and environmental
4278 control within their supply chain.

4279

4280 PE-1 POLICY AND PROCEDURES

4281 Supplemental C-SCRM Guidance: The enterprise should integrate C-SCRM practices and requirements
4282 into their own physical and environmental protection policy and procedures. The degree of protection
4283 should be commensurate with the degree of integration. The physical and environmental protection policy
4284 should ensure that the physical interfaces of the supply chain have adequate protection and audit for such
4285 protection.

4286
4287 Level(s): 1, 2, 3

4288 PE-2 PHYSICAL ACCESS AUTHORIZATIONS

4289 Supplemental C-SCRM Guidance: Enterprises should ensure only authorized individuals with a need for
4290 physical access have access to information, systems, or data centers (e.g., sensitive or classified). Such
4291 authorizations should specify what the individual is permitted or not permitted to do with regard to their
4292 physical access (e.g., view, alter/configure, insert something, connect something, remove, etc.).
4293 Agreements should address physical access authorization requirements and the enterprise should require its
4294 prime contractors to implement this control, flowing down this requirement to relevant sub-tier contractors.
4295 Authorization for non-Federal employees should follow an approved protocol, which includes
4296 documentation of the authorization, to include specifying any prerequisites or constraints that pertain to
4297 such authorization (e.g., individual must be escorted by a Federal employee, individual must be badged,
4298 individual is permitted physical access during normal business hours, etc.).

4299
4300 Level(s): 2, 3

4301
4302 Control Enhancement(s):

4303 **(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.

4356
 4357 Level(s): 1, 2, 3

4358 **PE-16 DELIVERY AND REMOVAL**

4359 Supplemental C-SCRM Guidance: This control enhancement reduces cybersecurity risk in the supply chain
 4360 introduced during the physical delivery and removal of hardware components from the enterprise's
 4361 information systems or supply chain.

4362
 4363 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.

4369
 4370 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.

4377
 4378 Level(s): 1, 2, 3

4379
 4380 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:

- 4386
- 4387 a. Diverting system or component for counterfeit replacement;
 - 4388 b. Loss of confidentiality, integrity, or availability of system or component function and data
 4389 (including data contained within the component and data about the component); and
 - 4390 c. Interrupting supply chain and logistics processes for critical components. In addition to providing
 4391 protection capabilities, asset location technologies also help gather data that can be used for
 4392 incident management.

4393
 4394 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)

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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.
4440 This includes creating, disseminating, and updating security policy, operational policy, and procedures for
4441 C-SCRM to shape acquisition or development requirements and the follow-on implementation, operations,
4442 and maintenance of systems and system interfaces and network connections. The C-SCRM policy and
4443 procedures provide inputs into and take guidance from C-SCRM Strategy & Implementation Plan at Level
4444 1. The C-SCRM policy and procedures provide guidance to and take inputs from System Security Plan and
4445 C-SCRM Plan at Level 3. In Level 3, ensure that the full SDLC is covered from the C-SCRM perspective.

4446

4447 Level(s): 2

4448

4449 Related Controls: PL-2, PM-304450 **PL-2 SYSTEM SECURITY AND PRIVACY PLANS**

4451 Supplemental C-SCRM Guidance: The system security plan (SSP) should integrate C-SCRM. The
4452 enterprise may choose to develop a stand-alone C-SCRM plan for an individual system or integrate SCRM
4453 controls into their SSP. The system security plan and/or system-level C-SCRM plan provide inputs into and
4454 take guidance from the C-SCRM Strategy & Implementation Plan at Level 1 and C-SCRM policy at Levels
4455 1 and 2. In addition to coordinating within the enterprise, the enterprise should coordinate with suppliers,
4456 developers, system integrators, external system service providers, and other ICT/OT-related service
4457 providers to develop and maintain their SSPs. For example, building and operating a system requires a
4458 significant amount of coordination and collaboration between the enterprise and system integrator
4459 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 Control Enhancement(s):
4499

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.
4505

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 through 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

4580

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 is 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
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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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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.

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Level(s): 2, 3

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FAMILY: PERSONNEL SECURITY

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

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

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

PS-1 POLICY AND PROCEDURES

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

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

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

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

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

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

- 4837
4838 Level(s): 1, 2, 3
4839
4840 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
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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 Supplemental C-SCRM Guidance: Risk assessments should be performed at the enterprise,
4935 mission/program, and operational levels of the enterprise. The system-level risk assessment should include
4936 both the supply chain infrastructure (e.g., development and testing environments, and delivery systems) and
4937 the information system/components traversing the supply chain. System-level risk assessments significantly
4938 intersect with the SDLC and should complement the enterprises broader RMF activities which take part
4939 during the SDLC. A criticality analysis will ensure that mission-critical functions and components are
4940 given higher priority due to their impact to the mission, if compromised. The policy should include supply
4941 chain-relevant cybersecurity roles applicable to performing and coordinating risk assessments across the
4942 enterprise (see Section 2 for the listing and description of roles). Applicable roles within suppliers,
4943 developers, system integrators, external system service providers, and other ICT/OT-related service
4944 providers should be defined.

4945

4946 Level(s): 1, 2, 34947 **RA-2 SECURITY CATEGORIZATION**

4948 Supplemental C-SCRM Guidance: Security categorization is critical to C-SCRM at Levels 1, 2, and 3. In
4949 addition to [FIPS 199] categorization, for C-SCRM, security categorization should be based on the
4950 criticality analysis which is performed as part of the SDLC. See Section 2 and [NISTIR 8179] for a detailed
4951 description of criticality analysis.

4952

4953 Level(s): 1, 2, 3

4954

4955 Related Controls: RA-9

4956

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
 4968 Level(s): 1, 2, 3

4969
 4970 Related Control(s): RA-3(1)
 4971

4972 **RA-5 VULNERABILITY MONITORING AND SCANNING**

4973 Supplemental C-SCRM Guidance: Vulnerability monitoring should cover suppliers, developers, system
 4974 integrators, external system service providers, and other ICT/OT-related service providers in the
 4975 enterprise's supply chain. This includes employing data collection tools to maintain a continuous state of
 4976 awareness about potential vulnerability to suppliers as well as the information systems/ system
 4977 components/ and raw inputs they provide through the cybersecurity supply chain. Vulnerability monitoring
 4978 activities should take place at all three levels of the enterprise. Scoping vulnerability monitoring activities
 4979 requires enterprises to consider suppliers as well as their sub-suppliers. Enterprises should consider use of
 4980 the *Impact Analysis Tool for Interdependent Cyber Supply Chain Risks* outlined in NISTIR 8272 to track
 4981 and maintain visibility into the relevant components within their supply chain. Enterprises should require
 4982 its prime contractors to implement this control and flow down this requirement to relevant sub-tier
 4983 contractors.

4984
 4985 Level(s): 2, 3

4986
 4987 Control Enhancement(s):

4988 (3) *VULNERABILITY MONITORING AND SCANNING | BREADTH AND DEPTH OF COVERAGE*

4989 Supplemental C-SCRM Guidance: Enterprises monitoring the supply chain for vulnerabilities should
 4990 express breadth of monitoring based on the criticality and/or risk profile of the supplier or
 4991 product/component, and the depth of monitoring based on the level of the supply chain monitoring
 4992 takes place at (e.g., sub-supplier). Where possible – a component inventory (e.g., hardware, software)
 4993 may aid enterprises in capturing the breadth and depth of the products/components within their supply
 4994 chain that may need to be monitored and scanned for vulnerabilities.

4995
 4996 Level(s): 2, 3

4997
 4998 (6) *VULNERABILITY MONITORING AND SCANNING | AUTOMATED TREND ANALYSIS*

4999 Supplemental C-SCRM Guidance: Enterprises should track trends, over time, in vulnerability to
 5000 components within the supply chain. This information may help enterprises develop procurement
 5001 strategies that reduce risk exposure density within the supply chain.

5002
 5003 Level(s): 2, 3
 5004

5005 **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

5040
5041

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
5152 Level(s): 1, 2, 3

5153
5154 Related Controls: SA-4 (1), (2), (3), (6) and (7)

5155
5156 Control Enhancement(s):

5157 (5) *ACQUISITION PROCESS | SYSTEM, COMPONENT, AND SERVICE CONFIGURATIONS*

5158 Supplemental C-SCRM Guidance: If an enterprise needs to purchase components, they need to ensure

5159 that the product specifications are “fit for purpose” and meet the enterprise’s requirements, whether

5160 purchasing directly from the OEM, channel partners, or secondary market.

5161
5162 Level(s): 3

5163 (7) *ACQUISITION PROCESS | NIAP-APPROVED PROTECTION PROFILES*

5164 Supplemental C-SCRM Guidance: This control enhancement requires that the enterprise build,

5165 procure, and/or use U.S. government protection profile-certified information assurance (IA)

5166 components when possible. NIAP certification can be achieved for OTS (COTS and GOTS).

5167
5168 Level(s): 2, 3

5169
5170 (8) *ACQUISITION PROCESS | CONTINUOUS MONITORING PLAN FOR CONTROLS*

5171 Supplemental C-SCRM Guidance: This control enhancement is relevant to C-SCRM and plans for

5172 continuous monitoring of control effectiveness and should therefore be extended to suppliers,

5173 developers, system integrators, external system service providers, and other ICT/OT-related service

5174 providers.

5175
5176 Level(s): 2, 3

5177 **SA-5 SYSTEM DOCUMENTATION**

5178 Supplemental C-SCRM Guidance: Information system documentation should include relevant C- SCRM

5179 concerns (e.g., C-SCRM plan).

5180
5181 Level(s): 3

5182 **SA-8 SECURITY AND PRIVACY ENGINEERING PRINCIPLES**

5183 Supplemental C-SCRM Guidance: The following security engineering techniques are helpful in managing

5184 cybersecurity risk in the supply chain:

5185

- 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
- 5206

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*

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

Level(s): 2, 3

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

Supplemental C-SCRM Guidance: Relationships with providers (“providers” within the context of this enhancement may include suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers) should meet the following supply chain security 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.
 5239

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

5246 Level(s): 3

5247 (5) *EXTERNAL SYSTEM SERVICES | PROCESSING, STORAGE, AND SERVICE LOCATION*

5248 Supplemental C-SCRM Guidance: Location may be under the control of the suppliers, developers,
 5249 system integrators, external system service providers, and other ICT/OT-related service providers.
 5250 Enterprises should assess C-SCRM risks associated with a given geographic location and apply an
 5251 appropriate risk response, which may include defining locations that are or are not acceptable and
 5252 ensuring appropriate protections are in place to address any associated C-SCRM risks.
 5253

5254 Level(s): 3

5255 SA-10 DEVELOPER CONFIGURATION MANAGEMENT

5256 Supplemental C-SCRM Guidance: Developer configuration management is critical for reducing
 5257 cybersecurity risk in the supply chain. By conducting configuration management activities, developers
 5258 reduce occurrence and likelihood of flaws, while increasing accountability and ownership for the changes.
 5259 Developer configuration management should be performed both by developers internal to federal agencies
 5260 and integrators or external service providers.
 5261

5262 Level(s): 2, 3

5263 Related Controls: SA-10 (1), (2), (3), (4), (5), and (6)
 5264

5265 SA-11 DEVELOPER TESTING AND EVALUATION

5266 Supplemental C-SCRM Guidance: Depending on the origins of components, this control may be
 5267 implemented differently. For OTS (off-the-shelf) components, the acquirer should conduct research (e.g.,
 5268 via publicly available resources) or request proof to determine whether the supplier (OEM) has performed
 5269 such testing as part of their quality/security processes. When the acquirer has control over the application
 5270 and the development processes, they should require this testing as part of the SDLC. In addition to the
 5271 specific types of testing activities described in the enhancements, examples of C-SCRM-relevant testing
 5272 include testing for counterfeits, verifying the origins of components, examining configuration settings prior
 5273 to integration, and testing interfaces. These types of tests may require significant resources and should be
 5274 prioritized based on criticality, threat, and vulnerability analyses (described in Section 2 and Appendix C),
 5275 and the effectiveness of testing techniques. Enterprises may also require third-party testing as part of
 5276 developer security testing.
 5277

5278 Level(s): 1, 2, 3

5279 Related Controls: SA-11 (1), (2), (3), (4), (5), (6), (7), (8), and (9)
 5280

5281 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 defensible 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
 5295 Level(s): 2, 3

5296
 5297 Related Controls: SA-15 enhancements (1), (2), (5), (6), and (7)

5298
 5299 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
 5306 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
 5315 Level(s): 2, 3

5316
 5317 Related Control(s): SA-15(5), SA-15(6), SA-15(7)

5318
 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
 5326 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
 5359 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
 5368 Level(s): 2, 3

5369
 5370 Control Enhancement(s):

5371 (1) *DEVELOPER SCREENING | VALIDATION OF SCREENING*

5372 Supplemental C-SCRM Guidance: Internal developer screening should be validated. Enterprises may
 5373 validate system integrator developer screening by requesting summary data from the system integrator
 5374 to be provided post-validation.

5375
 5376 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

5391
5392

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

5405 An enterprise's communications infrastructure is composed of ICT/OT components and systems,
5406 which have their own supply chains. These communications allow users or administrators to
5407 remotely access an enterprise's systems and to connect to the Internet, with other ICT/OT within
5408 the enterprise, contractor systems, and occasionally supplier systems. An enterprise's
5409 communications infrastructure may be provided and supported by suppliers, developers, system
5410 integrators, external system service providers, and other ICT/OT-related service providers.
5411

5412 **SC-1 POLICY AND PROCEDURES**

5413 Supplemental C-SCRM Guidance: System and communications protection policies and procedures should
5414 address cybersecurity risk in the supply chain to the enterprise's processes, systems, and networks.
5415 Enterprise-level and program-specific policies help establish and clarify these requirements and
5416 corresponding procedures provide instructions for meeting these requirements. Policies and procedures
5417 should include the coordination of communications among and across multiple enterprise entities within the
5418 enterprise as well as communications methods, external connections, and processes used between the
5419 enterprise and its suppliers, developers, system integrators, external system service providers, and other
5420 ICT/OT-related service providers.

5421

5422 Level(s): 1, 2, 35423 **SC-4 INFORMATION IN SHARED RESOURCES**

5424 Supplemental C-SCRM Guidance: The enterprise may share information system resources with system
5425 suppliers, developers, system integrators, external system service providers, and other ICT/OT-related
5426 service providers. Protecting information in shared resources in support of various supply chain activities is
5427 challenging when outsourcing key operations. Enterprises may either share too much, increasing their risk,
5428 or share too little, making it difficult for the suppliers, developers, system integrators, external system
5429 service providers, and other ICT/OT-related service providers to be efficient in their service delivery. The
5430 enterprise should work with developers to define a structure/process of information sharing including the
5431 data shared, method of sharing, and to whom (the specific roles) it is provided. Appropriate privacy,
5432 dissemination, handling, and clearance requirements should be accounted for in the information sharing
5433 process.

5434

5435 Level(s): 2, 35436 **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 Control Enhancement(s):
5464

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 Related Controls: SR-3(3)
5479
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

5486		
5487		<u>Related Controls:</u> SR-3(3)
5488		
5489	(19)	<i>BOUNDARY PROTECTION | BLOCKS COMMUNICATION FROM NON-ORGANIZATIONALLY CONFIGURED HOSTS</i>
5490		<u>Supplemental C-SCRM Guidance:</u> This control is relevant to C-SCRM as it applies to external service providers.
5491		
5492		
5493		<u>Level(s):</u> 3
5494	SC-8	TRANSMISSION CONFIDENTIALITY AND INTEGRITY
5495		<u>Supplemental C-SCRM Guidance:</u> 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.
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5506		<u>Level(s):</u> 2, 3
5507	SC-18	MOBILE CODE
5508		<u>Supplemental C-SCRM Guidance:</u> 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.
5509		
5510		
5511		
5512		
5513		<u>Level(s):</u> 3
5514		
5515		<u>Control Enhancement(s):</u>
5516	(2)	<i>MOBILE CODE | ACQUISITION, DEVELOPMENT, AND USE</i>
5517		<u>Supplemental C-SCRM Guidance:</u> 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.
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5519		
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5524		
5525		<u>Level(s):</u> 3
5526	SC-27	PLATFORM-INDEPENDENT APPLICATIONS
5527		<u>Supplemental C-SCRM Guidance:</u> 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.
5528		
5529		
5530		
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5532
5533Level(s): 2, 35534 **SC-28 PROTECTION OF INFORMATION AT REST**

5535 Supplemental C-SCRM Guidance: The enterprise should include provisions for protection of information at
 5536 rest into their agreements with suppliers, developers, system integrators, external system service providers,
 5537 and other ICT/OT-related service providers. The enterprise should also ensure that they provide appropriate
 5538 protections within the information systems and networks for data at rest for the suppliers, developers,
 5539 system integrators, external system service providers, and other ICT/OT-related service providers
 5540 information, such as source code, testing data, blueprints, and intellectual property information. This
 5541 control should be applied throughout the SDLC including during requirements, development,
 5542 manufacturing, test, inventory management, maintenance, and disposal. Enterprises should require its
 5543 prime contractors to implement this control and flow down this requirement to relevant sub-tier contractors.
 5544

5545 Level(s): 2, 35546
5547Related Controls: SR-3(3)5548 **SC-29 HETEROGENEITY**

5549 Supplemental C-SCRM Guidance: Heterogeneity techniques include use of different operating systems,
 5550 virtualization techniques, and multiple sources of supply. Multiple sources of supply can improve
 5551 component availability and reduce the impact of a supply chain cybersecurity compromise. In case of a
 5552 supply chain cybersecurity compromise, an alternative source of supply will allow the enterprises to more
 5553 rapidly switch to an alternative system/component which may not be affected by the compromise. Also,
 5554 heterogeneous components decrease the attack surface by limiting the impact to the subset of the
 5555 infrastructure that is using vulnerable components.

5556
5557Level(s): 2, 35558 **SC-30 CONCEALMENT AND MISDIRECTION**

5559 Supplemental C-SCRM Guidance: Concealment and misdirection techniques for C-SCRM include the
 5560 establishment of random resupply times, concealment of location, random change of fake location used,
 5561 and random change/shifting of information storage into alternate servers/storage mechanisms.

5562
5563Level(s): 2, 35564
5565Control Enhancement(s):5566 **(2) CONCEALMENT AND MISDIRECTION | RANDOMNESS**

5567 Supplemental C-SCRM Guidance: Supply chain processes are necessarily structured with predictable,
 5568 measurable, and repeatable processes for the purpose of efficiency and cost reduction. This opens up
 5569 the opportunity for potential breach. In order to protect against compromise, the enterprise should
 5570 employ techniques to introduce randomness into enterprise operations and assets in the enterprise's
 5571 systems or networks (e.g., randomly switching among several delivery enterprises or routes, or
 5572 changing the time and date of receiving supplier software updates if previously predictably scheduled).
 5573

5574

Level(s): 2, 35575 **(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
 5577 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 Level(s): 2, 3
5583

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 Level(s): 2, 3
5593

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 Level(s): 2, 3
5604

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 Level(s): 2, 3

5615 Related Controls: SR-3(3)
5616

5617 **SC-37 OUT-OF-BAND CHANNELS**

5618 Supplemental C-SCRM Guidance: C-SCRM-specific supplemental guidance is provided in control
5619 enhancement SC-37 (1).
5620

5621 Control Enhancement(s):
5622

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 Level(s): 2, 3
5630

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 Level(s): 2, 3
5635

5636 Related Control(s): SR-7
5637

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 Level(s): 1, 2, 3
5643

5644 **FAMILY: SYSTEM AND INFORMATION INTEGRITY**

5645

5646 [FIPS 200] specifies the System and Information Integrity minimum security requirement as
5647 follows:

5648

5649 *Organizations must: (i) identify, report, and correct information and information*
5650 *system flaws in a timely manner; (ii) provide protection from malicious code at*
5651 *appropriate locations within organizational information systems; and (iii) monitor*
5652 *information system security alerts and advisories and take appropriate actions in*
5653 *response.*

5654

5655 System and information integrity for systems and components traversing the supply chain is
5656 critical for managing cybersecurity risk in the supply chain. Insertion of malicious code and
5657 counterfeits are two primary examples of cybersecurity risk in the supply chain, both of which
5658 can at least partially be addressed by deploying system and information integrity controls.
5659 Enterprises should ensure that adequate system and information integrity protections are part of
5660 C-SCRM.

5661

5662 **SI-1 POLICY AND PROCEDURES**

5663 Supplemental C-SCRM Guidance: The enterprise should include C-SCRM in system and information
5664 integrity policy and procedures, including ensuring that program-specific requirements for employing
5665 various integrity verification tools and techniques are clearly defined. System and information integrity for
5666 information systems and components and the underlying information systems and networks is critical for
5667 managing cybersecurity risk in the supply chain. Insertion of malicious code and counterfeits are two
5668 primary examples of cybersecurity risk in the supply chain, both of which can be at least partially
5669 addressed by deploying system and information integrity controls.

5670

5671 Level(s): 1, 2, 3

5672

5673 Related Controls: SR-1, 9, 10, 11

5674 **SI-2 FLAW REMEDIATION**

5675 Supplemental C-SCRM Guidance: Output of flaw remediation activities provides useful input into ICT/OT
5676 SCRM processes described in Section 2 and Appendix C. Enterprises should require its prime contractors
5677 to implement this control and flow down this requirement to relevant sub-tier contractors.

5678

5679 Level(s): 2, 3

5680

5681 Control Enhancement(s):

5682 **(5) FLAW REMEDIATION | AUTOMATIC SOFTWARE AND FIRMWARE UPDATES**

5683 Supplemental C-SCRM Guidance: The enterprise should specify the various software assets within its
5684 information systems and networks that require automated updates (both indirect and direct). This
5685 specification of assets should be defined from criticality analysis results, which provide information on
5686 critical and noncritical functions and components (see Section 2 and Appendix C). A centralized patch
5687 management process may be employed for evaluating and managing updates prior to deployment.
5688 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 Level(s): 2
5692

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 Level(s): 2, 3
5701

5702 Related Controls: SA-11; SI-7(15); SI-3(4), (6), (8), and (10); SR-3(3)
5703

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 Level(s): 1, 2, 3
5712

5713 Control Enhancement(s):
5714

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 Level(s): 2, 3
5721

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 Level(s): 2, 3
5729

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 TAINING**

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
 5836

5837 Related Controls: RA-9

5838

5839 **(3) SUPPLY CHAIN CONTROLS AND PROCESSES | SUB-TIER FLOW DOWN**

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
 5874

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

5928

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.

5962

- 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:
- 5973 a. Develop, document, and maintain an accurate and complete inventory of suppliers that present
5974 cybersecurity risk in the supply chain. This inventory should:
- 5975 1. Document enterprise suppliers;
- 5976 2. Identify whether the supplier provides a product and/or service;
- 5977 3. For each supplier, indicate which programs, projects, and systems are using supplier products and
5978 services;
- 5979 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).
- 5981 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

Control Identifier	Control (or Control Enhancement) Name	C-SCRM Baseline	Flow Down Control	Levels		
				1	2	3
AC-1	Policy and Procedures	x	x	x	x	x
AC-2	Account Management	x	x		x	x
AC-3	Access Enforcement	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
AC-4	Information Flow Enforcement		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
AC-5	Separation of Duties		x		x	x
AC-6(6)	<i>Least Privilege | Privileged Access by Non-organizational Users</i>				x	x
AC-17	Remote Access	x	x		x	x
AC-17(6)	<i>Remote Access | Protection of Mechanism Information</i>				x	x
AC-18	Wireless Access	x		x	x	x
AC-19	Access Control for Mobile Devices	x			x	x
AC-20	Use of External Systems	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
AC-21	Information Sharing			x	x	
AC-22	Publicly Accessible Content	x			x	x
AC-23	Data Mining Protection		x		x	x
AC-24	Access Control Decisions		x	x	x	x
AT-1	Policy and Procedures	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	
AT-3	Role-based Training	X	X			X	
AT-3(2)	<i>Role-based Training | Physical Security Controls</i>					X	
AT-4	Training Records	X				X	
AU-1	Policy and Procedures	X			X	X	X
AU-2	Event Logging	X	X		X	X	X
AU-3	Content of Audit Records	X	X		X	X	X
AU-6	Audit Record Review, Analysis, and Reporting	X				X	X
AU-6(9)	<i>Audit Record Review, Analysis, and Reporting | Correlation with Information from Nontechnical Sources</i>						X
AU-10	Non-repudiation						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
AU-12	Audit Record Generation	X	X			X	X
AU-13	Monitoring for Information Disclosure		X			X	X
AU-14	Session Audit		X			X	X
AU-16	Cross-organizational Audit Logging					X	X
AU-16(2)	<i>Cross-organizational Audit Logging | Sharing of Audit Information</i>		X			X	X
CA-1	Policy and Procedures	X			X	X	X
CA-2	Control Assessments	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
CA-3	Information Exchange	X	X				X
CA-5	Plan of Action and Milestones	X				X	X
CA-6	Authorization	X			X	X	X
CA-7(3)	<i>Continuous Monitoring | Trend Analyses</i>						X
CM-1	Policy and Procedures	X			X	X	X
CM-2	Baseline Configuration	X	X			X	X
CM-2(6)	<i>Baseline Configuration | Development and Test Environments</i>					X	X
CM-3	Configuration Change Control		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
CM-4	Impact Analyses	X					X
CM-4(1)	<i>Impact Analyses | Separate Test Environments</i>						X

CM-5	Access Restrictions for Change	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
CM-6	Configuration Settings	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
CM-7	Least Functionality	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
CM-8	System Component Inventory	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
CM-9	Configuration Management Plan		x		x	x
CM-9(1)	<i>Configuration Management Plan | Assignment of Responsibility</i>				x	x
CM-10	Software Usage Restrictions	x			x	x
CM-10(1)	<i>Software Usage Restrictions | Open source Software</i>				x	x
CM-11	User-installed Software	x			x	x
CM-12	Information Location				x	x
CM-12(1)	<i>Information Location | Automated Tools to Support Information Location</i>				x	x
CM-13	Data Action Mapping				x	x
CM-14	Signed Components					x
CP-1	Policy and Procedures	x		x	x	x
CP-2	Contingency Plan	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

CP-3	Contingency Training	x	x		x	x
CP-3(1)	<i>Contingency Training | Simulated Events</i>				x	x
CP-4	Contingency Plan Testing	x			x	x
CP-6	Alternate Storage Site				x	x
CP-6(1)	<i>Alternate Storage Site | Separation from Primary Site</i>				x	x
CP-7	Alternate Processing Site				x	x
CP-8	Telecommunications Services				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
CP-11	Alternate Communications Protocols				x	x
IA-1	Policy and Procedures	x		x	x	x
IA-2	Identification and Authentication (organizational Users)	x	x	x	x	x
IA-3	Device Identification and Authentication			x	x	x
IA-4	Identifier Management	x	x		x	x
IA-4(6)	<i>Identifier Management | Cross-organization Management</i>			x	x	x
IA-5	Authenticator Management	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
IA-8	Identification and Authentication (non-organizational Users)	x			x	x
IA-9	Service Identification and Authentication		x		x	x
IR-1	Policy and Procedures	x	x	x	x	x
IR-2	Incident Response Training	x	x		x	x
IR-3	Incident Response Testing				x	x
IR-4(6)	<i>Incident Handling | Insider Threats</i>			x	x	x
IR-4(7)	<i>Incident Handling | Insider Threats — Intra-organization Coordination</i>			x	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
IR-5	Incident Monitoring	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
IR-8	Incident Response Plan	x	x		x	x
IR-9	Information Spillage Response		x			x
MA-1	Policy and Procedures	x	x	x	x	x
MA-2(2)	<i>Controlled Maintenance | Automated Maintenance Activities</i>					x
MA-3	Maintenance Tools				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
MA-4	Nonlocal Maintenance	x	x		x	x
MA-4(3)	<i>Nonlocal Maintenance | Comparable Security and Sanitization</i>				x	x
MA-5	Maintenance Personnel	x			x	x

MA-5(4)	<i>Maintenance Personnel | Foreign Nationals</i>		x		x	x
MA-6	Timely Maintenance					x
MA-7	Field Maintenance					x
MA-8	Maintenance Monitoring and Information Sharing					x
MP-1	Policy and Procedures	x		x	x	
MP-4	Media Storage		x	x	x	
MP-5	Media Transport			x	x	
MP-6	Media Sanitization	x	x		x	x
PE-1	Policy and Procedures	x		x	x	x
PE-2	Physical Access Authorizations	x	x		x	x
PE-2(1)	<i>Physical Access Authorizations | Access by Position or Role</i>				x	x
PE-3	Physical Access Control	x			x	x
PE-3(1)	<i>Physical Access Control | System Access</i>				x	x
PE-3(2)	<i>Physical Access Control | Facility and Systems</i>				x	x
PE-3(5)	<i>Physical Access Control | Tamper Protection</i>				x	x
PE-6	Monitoring Physical Access	x		x	x	x
PE-16	Delivery and Removal	x				x
PE-17	Alternate Work Site					x
PE-18	Location of System Components			x	x	x
PE-20	Asset Monitoring and Tracking				x	x
PE-23	Facility Location		x		x	x
PL-1	Policy and Procedures	x			x	
PL-2	System Security and Privacy Plans	x	x			x
PL-4	Rules of Behavior	x			x	x
PL-7	Concept of Operations					x
PL-8	Security and Privacy Architectures				x	x
PL-8(2)	<i>Security and Privacy Architectures | Supplier Diversity</i>				x	x
PL-9	Central Management			x	x	
PL-10	Baseline Selection	x			x	x
PM-2	Information Security Program Leadership Role			x	x	
PM-3	Information Security and Privacy Resources			x	x	
PM-4	Plan of Action and Milestones Process				x	x
PM-5	System Inventory		x		x	x
PM-6	Measures of Performance			x	x	
PM-7	Enterprise Architecture			x	x	
PM-8	Critical Infrastructure Plan			x		
PM-9	Risk Management Strategy			x		
PM-10	Authorization Process			x	x	
PM-11	Mission and Business Process Definition			x	x	x
PM-12	Insider Threat Program			x	x	x
PM-13	Security and Privacy Workforce			x	x	
PM-14	Testing, Training, and Monitoring			x	x	
PM-15	Security and Privacy Groups and Associations			x	x	
PM-16	Threat Awareness Program			x	x	
PM-17	Protecting Controlled Unclassified Information on External Systems				x	
PM-18	Privacy Program Plan		x	x	x	
PM-19	Privacy Program Leadership Role			x		
PM-20	Dissemination of Privacy Program Information			x	x	
PM-21	Accounting of Disclosures			x	x	

PM-22	Personally Identifiable Information Quality Management			X	X	
PM-23	Data Governance Body			X		
PM-25	Minimization of Personally Identifiable Information Used in Testing, Training, and Research				X	
PM-26	Complaint Management				X	X
PM-27	Privacy Reporting				X	X
PM-28	Risk Framing			X		
PM-29	Risk Management Program Leadership Roles			X		
PM-30	Supply Chain Risk Management Strategy			X	X	
PM-31	Continuous Monitoring Strategy			X	X	X
PM-32	Purposing				X	X
PS-1	Policy and Procedures	X	X	X	X	X
PS-3	Personnel Screening	X	X		X	X
PS-6	Access Agreements	X	X		X	X
PS-7	External Personnel Security	X			X	
PT-1	Policy and Procedures		X	X	X	X
RA-1	Policy and Procedures	X		X	X	X
RA-2	Security Categorization	X		X	X	X
RA-3	Risk Assessment	X		X	X	X
RA-5	Vulnerability Monitoring and Scanning	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
RA-7	Risk Response	X		X	X	X
RA-9	Criticality Analysis		X	X	X	X
RA-10	Threat Hunting			X	X	X
SA-1	Policy and Procedures	X		X	X	X
SA-2	Allocation of Resources	X		X	X	
SA-3	System Development Life Cycle	X		X	X	X
SA-4	Acquisition Process	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
SA-5	System Documentation	X				X
SA-8	Security and Privacy Engineering Principles	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
SA-10	Developer Configuration Management				X	X
SA-11	Developer Testing and Evaluation			X	X	X
SA-15	Development Process, Standards, and Tools				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
SA-16	Developer-provided Training				X	X
SA-17	Developer Security and Privacy Architecture and Design				X	X
SA-20	Customized Development of Critical Components				X	X
SA-21	Developer Screening		X		X	X
SA-21(1)	<i>Developer Screening | Validation of Screening</i>				X	X
SA-22	Unsupported System Components	X			X	X
SC-1	Policy and Procedures	X		X	X	X
SC-4	Information in Shared System Resources				X	X
SC-5(2)	<i>Denial-of-service Protection | Capacity, Bandwidth, and Redundancy</i>				X	
SC-7	Boundary Protection	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
SC-8	Transmission Confidentiality and Integrity		X		X	X
SC-18	Mobile Code					X
SC-18(2)	<i>Mobile Code | Acquisition, Development, and Use</i>					X
SC-27	Platform-independent Applications				X	X
SC-28	Protection of Information at Rest		X		X	X
SC-29	Heterogeneity				X	X
SC-30	Concealment and Misdirection				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
SC-36	Distributed Processing and Storage		X		X	X
SC-37(1)	<i>Out-of-band Channels | Ensure Delivery and Transmission</i>				X	X
SC-38	Operations Security				X	X
SC-47	Alternate Communications Paths			X	X	X
SI-1	Policy and Procedures	X		X	X	X
SI-2	Flaw Remediation	X	X		X	X
SI-2(5)	<i>Flaw Remediation | Automatic Software and Firmware Updates</i>				X	
SI-3	Malicious Code Protection	X	X		X	X
SI-4	System Monitoring	X	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
SI-5	Security Alerts, Advisories, and Directives	X	X	X	X	X

SI-7	Software, Firmware, and Information Integrity		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
SI-12	Information Management and Retention	x				x
SI-20	Tainting		x		x	x
SR-1	Policy and Procedures	x		x	x	x
SR-2	Supply Chain Risk Management Plan	x				x
SR-3	Supply Chain Controls and Processes	x		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
SR-4	Provenance				x	x
SR-5	Acquisition Strategies, Tools, and Methods	x		x	x	x
SR-6	Supplier Assessments and Reviews				x	x
SR-7	Supply Chain Operations Security				x	x
SR-8	Notification Agreements	x			x	x
SR-9	Tamper Resistance and Detection				x	x
SR-10	Inspection of Systems or Components	x	x		x	x
SR-11	Component Authenticity	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
SR-12	Component Disposal	x			x	x
SR-13	Supplier Inventory				x	x

6010
6011

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.¹⁹

6022
6023 Threat scenarios are generally used in two ways:

- 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
6031
6032 Threat scenarios serve as a critical component of the enterprise's cybersecurity supply chain risk
6033 management process described in Appendix C of this publication. An enterprise forms a threat scenario to
6034 analyze a disparate set of threat and vulnerability conditions to assemble a cohesive story that can be
6035 analyzed as part of a risk assessment. With a threat scenario defined, the enterprise can complete a risk
6036 assessment to understand how likely the scenario is and what would happen (i.e., the impact) as a result.
6037 Ultimately the analyzed components of a threat scenario are used to reach a risk determination which
6038 represents the conclusion of an enterprise's level of exposure to cybersecurity risk in the supply chain.

6039
6040 Once a risk determination has been made, the enterprise will determine a path for responding to the risk
6041 using the Risk Exposure Framework. Within the Risk Exposure Framework, enterprises will document
6042 the threat scenario, the risk analysis, and the identified a risk response strategy and any associated C-
6043 SCRM controls.

6044
6045 This appendix provides an example of a Risk Exposure Framework for C-SCRM that can be used by
6046 enterprises to develop a tailored Risk Exposure Framework for potential and identified threats that best
6047 suits their needs. It contains six examples of how this framework may be used. The examples differ
6048 slightly in their implementation of the framework so as to show how the framework may be tailored by an
6049 enterprise. Each example identifies one or more vulnerabilities, describes a specific threat source,
6050 identifies the expected impact on the enterprise, and proposes [SP 800-161, Rev. 1] C-SCRM controls
6051 that would help mitigate the resulting risk.

¹⁹ 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

6055 **Step 1: Create a Plan for Developing and Analyzing Threat Scenarios**

- 6056 • Identify the purpose of the threat scenario analysis in terms of the objectives, milestones, and
6057 expected deliverables;
- 6058 • Identify the scope of enterprise applicability, level of detail, and other constraints;
- 6059 • Identify resources to be used, including personnel, time, and equipment; and
- 6060 • Define a Risk Exposure Framework to be used for analyzing scenarios.

6061

6062 **Step 2: Characterize the Environment**

- 6063 • Identify core mission/business processes and key enterprise dependencies;
- 6064 • Describe threat sources that are relevant to the enterprise. Include the motivation and resources
6065 available to the threat source, if applicable;
- 6066 • List known vulnerabilities or areas of concern. (Note: areas of concern include the planned
6067 outsourcing of a manufacturing plant, the pending termination of a maintenance contract, or the
6068 discontinued manufacture of an element);
- 6069 • Identify existing and planned controls;
- 6070 • Identify related regulations, standards, policies, and procedures; and
- 6071 • Define an acceptable level of risk (risk threshold) per the enterprise's assessment of Tactics,
6072 Techniques, and Procedures (TTPs), system criticality, and a risk owner's set of mission or
6073 business priorities. The level of risk or risk threshold can be periodically revisited and adjusted to
6074 reflect the elasticity of the global supply chain, enterprise changes, and new mission priorities.

6075

6076 **Step 3: Develop and Select Threat Event(s) for Analysis**

- 6077 • List possible ways threat sources could exploit known vulnerabilities or impact areas of concern
6078 to create a list of events. (Note: historical data is useful in determine this information);
- 6079 • Briefly outline the series of consequences that could occur as a result of each threat event. These
6080 may be as broad or specific as necessary. If applicable, estimate the likelihood and impact of each
6081 event;
- 6082 • Eliminate those events that are clearly outside the defined purpose and scope of the analysis;
- 6083 • Describe in more detail the remaining potential threat events. Include the TTPs a threat source
6084 may use to carry out attacks. (Note: the level of detail in the description is dependent upon the
6085 needs of the enterprise); and
- 6086 • Select for analysis those events that best fit the defined purpose and scope of the analysis. More
6087 likely or impactful events, areas of concern to the enterprise, and an event that can represent
6088 several of the other listed events are generally useful candidates.

6089

6090 **Step 4: Conduct an Analysis using the Risk Exposure Framework**

- 6091 • For each threat event, note any immediate consequences of the event and identify those enterprise
6092 units and processes that would be affected, taking into account existing and planned controls and
6093 the extent to which those controls are able to effectively prevent, withstand, or otherwise mitigate
6094 the harm that could result from the threat event, and applicable regulations, standards, policies,
6095 and procedures;
- 6096 • Estimate the impact these consequences would have on the mission/business processes,
6097 information, assets, as well as the enterprise units or other stakeholders affected, preferably in
6098 quantitative terms from historical data and taking into account existing and planned controls, and
6099 applicable regulations, standards, policies, and procedures. (Note: it may be beneficial to identify
6100 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.
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Table C-1: Sample Risk Exposure Framework

Threat Scenario	Threat	
	Threat Event Description	<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>
	Threat Event Outcome	<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>
Enterprise units / processes/information/ assets/stakeholders affected		<p><i>List the affected enterprise units / processes/information/ assets/stakeholders affected.</i></p>
Risk	Impact	<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>
	Likelihood	<p><i>Enter the likelihood a specific event or events would have on an enterprise</i></p> <p>Likelihood: Chance of something happening</p>
	Risk Score (Impact x Likelihood)	<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>
	Acceptable Level of Risk	<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	Potential Mitigating Strategies / C-SCRM Controls	<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.
Estimated Cost of Mitigating Strategies	<i>Enter estimated cost of risk mitigating strategies.</i>
Change in Likelihood	<i>Identify potential changes in likelihood.</i>
Change in Impact	<i>Identify potential changes in impact.</i>
Selected Strategies	<i>List selected strategies to reduce impact.</i>
Estimated Residual Risk	<i>Enter the estimated amount of residual risk</i> Residual Risk: Portion of risk remaining after security measures have been applied.

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6133 **SAMPLE SCENARIOS**

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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.

6143 ***SCENARIO 1: Influence or Control by Foreign Governments Over Suppliers***²⁰

6144 6145 **Background**

6146
6147 An enterprise has decided to perform a threat scenario analysis of its Printed Circuit Board (PCB)
6148 suppliers. The scenario will focus on the sensitivity of the business to unforeseen fluctuations in
6149 component costs.

6151 **Threat Source**

6152
6153 ABC Company designs, assembles, and ships 3.5 million personal computers per year. It has a global
6154 footprint both in terms of customer and supply bases. Five years ago, in an effort to reduce the cost of
6155 goods sold, ABC Company shifted a majority of its PCB procurement to Southeast Asia. To avoid being
6156 single sourced, ABC Company finalized agreements with five different suppliers within the country and
6157 has enjoyed a positive partnership with each during this time.

6159 **Vulnerability**

6160
6161 Though sourcing from multiple vendors, ABC Company relies on suppliers in a single country (i.e.,
6162 Southeast Asia). This exposes ABC Company to geopolitical threats due to the potential for policies of a
6163 single government to have a dramatic impact on the availability of supplied inputs.²³

6165 **Threat Event Description**

6166
6167 The enterprise has established the following fictitious threat for the analysis exercise: Last year, the
6168 country where ABC Company does most of their PCB business has seen a new regime take over the
6169 government. This regime has been more focused on improving finances and business environment within
6170 the country, allowing larger firms who set up headquarters and other major centers within country
6171 advantages to do business more easily and cost-efficiently with suppliers within the same region. In
6172 February of 2019, this now-corrupt regime has passed new legislation establishing an additional 20
6173 percent tax on all electronic components and goods sold outside of the country. This new law was to take
6174 effect on June 1, 2019.

6175
6176 When the new law was announced, the current ABC Company inventory of PCBs was about 10 percent
6177 of yearly demand, which was the typical inventory level with which they were comfortable. Before June,
6178 ABC Company reached out to all five suppliers to order additional materials, but there was quickly a

²⁰ 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;²¹
- 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

²¹ 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.

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Table B-2: Scenario 1

Threat Scenario	Threat Source	Dynamic geopolitical conditions that impact the supply of production components for PCs
	Vulnerability	Geographical concentration of suppliers for a key production component
	Threat Event Description	<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>
	Threat Event Outcome	<p>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.</p>
Enterprise units / processes affected		N/A
Risk	Impact	High: \$40,000,000 decline in PC product line profit
	Likelihood	Moderate: 10% annualized probability of occurrence
	Risk Score (Impact x Likelihood)	High: Inherent Risk Exposure equal to approx. \$4,000,000 in product line profit
	Acceptable Level of Risk	No greater than 10% probability of greater than \$10,000,000 in product line profit

Mitigation	Potential Mitigating Strategies / C-SCRM Controls	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.
	Estimated Cost of Mitigating Strategies	N/A	
	Change in Likelihood	Low: 10% probability of occurrence	
	Change in Impact	Moderate: \$2,000,000 in product line profit	
	Selected Strategies	Combination of strategies using the mitigation noted.	
	Estimated Residual Risk	Low: Residual risk exposure 0.02% of PC product line profit margin	

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SCENARIO 2: Telecommunications Counterfeits

Background

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.

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.

Environment

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

6255 **Threat Event**

6256

6257 To support the threat scenario, the agency created a fictitious threat source described as a group motivated
6258 by profit with vast experience creating counterfeit solutions. The counterfeiter is able to make a high
6259 profit margin by creating and selling as genuine products that are visually identical to their genuine
6260 counterparts, but which use lower-quality materials. They have the resources to copy most trademark and
6261 other identifying characteristics and insert counterfeits into a supply chain commonly used by the
6262 enterprise with little to no risk of detection. The counterfeit product is appealing to unaware purchasing
6263 authorities as it is generally offered at a discount, sold as excess inventory or as stockpile.
6264

6265 If an inferior quality element was inserted into the system, it would likely fail more often than expected,
6266 causing reduced functionality of the system. In the event of a large number of counterfeit products
6267 integrating with genuine parts into the system randomly, the number and severity of unexpected outages
6268 could grow significantly. The agency and integrator decided that the chances a counterfeit product could
6269 be purchased to maintain the system and the estimated potential impact of such an event were high
6270 enough to warrant further evaluation.
6271

6272 **Threat Scenario Analysis**

6273

6274 The person(s) purchasing the element from a supplier will be the first affected by a counterfeit product.
6275 Policy requires they attempt to purchase a genuine product from vetted suppliers. This individual would
6276 have to be led to believe that the product is genuine. As the counterfeit product in question is visually
6277 identical to the element desired, and at a discount, there is a high chance the counterfeit will be purchased.
6278 One will be tested to ensure functionality, and then the items will be placed into storage.
6279

6280 When one of the elements in the system needs replacing, an engineer will install a counterfeit, quickly test
6281 to ensure it is running properly, and record the change. It could take two years for the counterfeit product
6282 to fail, so up to 200 counterfeit elements could be inserted into the system before the first sign of failure.
6283 If all the regularly replaced elements are substituted for counterfeits and each counterfeit fails after two
6284 years, the cost of the system would increase by \$160,000 in ten years. The requisite maintenance time
6285 would also cost the integration company in personnel and other expenses.
6286

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

6293 **Mitigation Strategy**

6294
 6295 The following were identified as potential mitigating activities (from [NIST SP 800-161 Rev. 1]):
 6296

- 6297 • Require developers to perform security testing/evaluation at all post-design phases of the SDLC
 6298 [Ref. SA-11];
- 6299 • Validate that the information system or system component received is genuine and has not been
 6300 altered [Ref. SR-11];
- 6301 • Incorporate security requirements into the design of information systems (security engineering)
 6302 [Ref. PL-8, SC-36]; and
- 6303 • Employ supplier diversity requirements [PL-8(2)].
 6304

6305 Based on these controls, the agency was able to devise a strategy that would include:
 6306

- 6307 • Acceptance testing: Examination of elements to ensure they are new, genuine, and that all
 6308 associated licenses are valid. Testing methods include, where appropriate: physical inspection by
 6309 trained personnel using digital imaging, digital signature verification, serial/part number
 6310 verification, and sample electrical testing;
- 6311 • Increasing security requirements into the design of the system by adding redundant elements
 6312 along more critical paths (as determined by a criticality analysis) and to minimize the impact of
 6313 an element failure; and
- 6314 • Search for alternative vetted suppliers/trusted components.
 6315

6316 It was determined that this strategy would cost less than accepting the risk of allowing counterfeits into
 6317 the system or modifying the system to accept the upgraded element. The estimated cost for implementing
 6318 a more rigorous acquisition and testing program was \$80,000; the cost for increasing security engineering
 6319 requirements was \$100,000.
 6320

6321 **Table B-3: Scenario 2**
 6322

Threat Scenario	Threat Source	Counterfeit telecommunications element introduced into supply chain
	Vulnerability	Element no longer produced by OEM Purchasing authorities unable / unwilling to identify and purchase only genuine elements
	Threat Event Description	Threat agent inserts their counterfeit element into a trusted distribution chain. → Purchasing authorities buy the counterfeit element. → Counterfeit elements installed into the system
	Threat Event Outcome	The element fails more frequently than before, increasing the number of outages
Enterprise units / processes/information/assets/stakeholders affected	Acquisitions Maintenance OEM / supplier relations Mission-essential functions	

Risk	Impact	Moderate: Element failure leads to 1-4-hour system downtime	
	Likelihood	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	
	Risk Score (Impact x Likelihood)	Medium: Significant short-term disruptions that lead downtime to exceed uptime threshold by 0.5% (e.g., 99.4% < 99.9% requirement)	
	Acceptable Level of Risk	Low: System must have less than 10% annualized probability of missing 99% uptime thresholds	
Mitigation	Potential Mitigating Strategies / C-SCRM Controls	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
	Estimated Cost of Mitigating Strategies	\$180,000	\$1 million
	Change in Likelihood	Low: 8% annualized probability of component failure	
	Change in Impact	Low: Element failure causes failover to redundant system component – cost limited to maintenance and replacement	
	Selected Strategies	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	
	Estimated Residual Risk	Low: 8% annualized probability of component failures leading to system downtime (i.e., less than 99.9% uptime)	

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SCENARIO 3: Industrial Espionage

Background

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.

Environment

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

Table B-4: Scenario 3

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Threat Scenario	Threat Source	Nation-state with significant resources looking to steal IP		
	Vulnerability	Supplier considering partnership with company that has relationship with threat source		
	Threat Event Description	Nation-state helps KXY meet industry compliance requirements. ABC Company partners with KXY to develop chips		
	Existing Practices	Strong contractual requirements as to the functionality of the system and elements Comprehensive inventory tracking system at ABC Company Industry compliance requirements		
	Threat Event Outcome	Nation-state extracts technology threat actor, modifies technology, or exploits previously unknown vulnerability		
Enterprise units / processes/information/assets/stakeholders affected		KXY Supplier ABC Company integrator functionality testing Technology users Other federal agencies / customers		
Risk	Impact	Technology modified / vulnerabilities exploited – High	Technology sold to interested parties – Moderate	
	Likelihood	Moderate	Moderate	
	Risk Score (Impact x Likelihood)	High		
	Acceptable Level of Risk	Moderate		
Mitigation	Potential Mitigating Strategies / C-SCRM Controls	(1) Improve traceability and monitoring capabilities	(2) Increase provenance and information control requirements	(3) Choose another supplier
	Estimated Cost of Mitigating Strategies	20% increase	20% increase	40% increase
	Change in Likelihood	Moderate → Low		
	Change in Impact	High → Moderate		
	Selected Strategies	Develop and require unique, difficult-to-copy labels or alter labels to discourage cloning or modification of the component [C-SCRM_PE-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]		
	Estimated Residual Risk	Moderate – The residual risk was determined to be equivalent with the existing risk without the partnership		

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6441 SCENARIO 4: Malicious Code Insertion

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6443 Background

6444

6445 ABC Company has decided to perform a threat scenario analysis on a traffic control system. The scenario
6446 is to focus on software vulnerabilities and should provide general recommendations regarding mitigating
6447 practices.

6448

6449 Environment

6450

6451 The system runs nearly automatically and uses computers running a commonly available operating
6452 system along with centralized servers. The software was created in-house and is regularly maintained and
6453 updated by an integration company on contract for the next five years. The integration company is large,
6454 frequently used by ABC Company in a variety of projects and has significant resources to ensure that the
6455 system maintains its high availability and integrity requirements.

6456

6457 Threats to the system could include loss of power to the system, loss of functionality, or loss of integrity
6458 causing incorrect commands to be processed. Some threat sources could include nature, malicious
6459 outsiders, and malicious insiders. The system is equipped with certain safety controls such as backup
6460 generator power, redundancy of design, and contingency plans if the system fails.

6461

6462 Threat Event

6463

6464 ABC Company decided that the most concerning threat event would result from a malicious insider
6465 compromising the integrity of the system. Possible attacks could include the threat actor inserting a worm
6466 or a virus into the system, reducing its ability to function, or they could manually control the system from
6467 one of the central servers or by creating a back-door in the server to be accessed remotely. Depending on
6468 the skillfulness of the attack, an insider could gain control of the system, override certain fail-safes, and
6469 cause significant damage.

6470

6471 Based on this information, ABC Company developed the following fictitious threat event for analysis:

6472

6473 *John Poindexter, a disgruntled employee of the integration company, decides to insert some*
6474 *open source malware into a component of the system. He then resigns from the firm, leaving no*
6475 *traceability of his work. The malware has the ability to call home to John and provide him*
6476 *access to stop or allow network traffic at any or all 50 of the transportation stations. As a*
6477 *result, unpredictable, difficult-to-diagnose disruptions would occur, causing significant*
6478 *monetary losses and safety concerns.*

6479

6480 After a Risk Assessment was accomplished using [NIST SP 800-30 Rev. 1], management decided that the
6481 acceptable level of risk for this scenario was “Moderate.”

6482

6483 Threat Scenario Analysis

6484

6485 If John were successful, a potential course of events could occur as follows:

6486

6487 John conducts a trial run, shutting off the services of one station for a short time. It would be
6488 discounted as a fluke and have minimal impact. Later, John would create increasingly frequent
6489 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
6502 **Mitigating Practices**

6503
6504 ABC Company identified the following potential areas for improvement:

- 6505 • Establish and retain identification of supply chain elements, processes, and actors [SR-4];
- 6506 • Control access and configuration changes within the SDLC and require periodic code reviews
6507 [AC-1, AC-2, CM-3];
- 6508 • Require static code testing [RA-9]; and
- 6509 • Incident Handling [IR-4].

6510
6511
6512
6513 **Table B-5: Scenario 4**

6514

Threat Scenario	Threat Source	Integrator– Malicious Code Insertion
	Vulnerability	Minimal oversight of integrator activities - no checks and balances for any individual inserting a small piece of code
	Threat Event Description	Disgruntled employee of an Integrator company inserts malicious functionality into traffic navigation software, and then leaves the ABC Company
	Existing Practices	Integrator: peer-review process Acquirer: Contract that sets down time, cost, and functionality requirements
	Threat Event Outcome	50 large metro locations and 500 instances affected by malware. When activated, the malware causes major disruptions to traffic
Enterprise units / processes/information/ assets/stakeholders affected		Traffic Navigation System Implementation company Legal Public Affairs
Risk	Impact	High – Traffic disruptions are major and last for two weeks while a work-around is created. Malicious code is not discovered and remains a vulnerability
	Likelihood	High
	Risk Score (Impact x Likelihood)	High

	Acceptable Level of Risk	Moderate
Mitigation	Potential Mitigating Strategies / C-SCRM Controls	C-SCRM_AC-1; C-SCRM_AC-2; C-SCRM_CM-3; C-SCRM_IR-2; C-SCRM_SA-10; C-SCRM_SA-11
	Estimated Cost of Mitigating Strategies	\$2.5 million
	Change in Likelihood	High → Low
	Change in Impact	High (no change)
	Selected Strategies	Combination of strategies using the mitigation noted
	Estimated Residual Risk	Moderate

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SCENARIO 5: Unintentional Compromise

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6519

Background

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Uninformed insiders replace components with more cost-efficient solutions without understanding the implications to performance, safety, and long-term costs.

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6526

ABC Company has concerns about its acquisition policies and has decided to conduct a threat scenario analysis to identify applicable mitigating practices. Any practices selected must be applicable to a variety of projects and have significant success within a year.

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6528

Environment

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ABC Company acquires many different systems with varying degrees of requirements. Because of the complexity of the environment, ABC Company officials decide they should use a scenario based on an actual past event.

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6534

Threat Event

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6536

Using an actual event as a basis, the agency designs the following threat event narrative:

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6544

Gill, a newly hired program manager, is tasked with reducing the cost of a \$5 million system being purchased to support complex research applications in a unique physical environment. The system would be responsible for relaying information regarding temperature, humidity, and toxic chemical detection as well as storing and analyzing various data sets. There must not be any unscheduled outages more than 10 seconds long, or serious safety concerns and potential destruction of research will occur. ABC Company’s threat assessment committee determined that the acceptable level of risk for this type of event has a score of 2/10.

6545
6546 Gill sees that a number of components in the system design are priced high compared with similar
6547 components he has purchased in the commercial acquisition space. Gill asks John, a junior
6548 engineer with the integration company, to replace several load balancer/routers in the system
6549 design to save costs.
6550

6551 **Threat Scenario Analysis**

6552
6553 ABC Company decides that there were three potential outcomes to the scenario:

- 6554 1. It is determined that the modifications are inadequate before any are purchased (30 % chance, no
6555 impact);
- 6556 2. It is determined that the modifications are inadequate during testing (40 % chance, low impact);
6557 or
- 6558 3. The inadequacy of the modifications is undetected, the routers are installed in the system, begin
6559 to fail, and create denial of service incidents (30 % chance, high impact).
6560

6561 **Mitigating Strategies**

6562
6563 Three potential mitigating strategies were identified:

- 6564 • Improve the existing training program [Ref. AT-1] and add configuration management controls to
6565 monitor all proposed changes to critical systems [Ref. CM-1];
- 6566 • Improve the testing requirements [Ref. SA-11]; and
- 6567 • Require redundancy and heterogeneity in the design of systems [Ref. SC-29, SC-36].
6568
6569

6570 Adding configuration management controls would increase the likelihood that the modifications were
6571 rejected either at the initial stage or during testing, but it was determined that a \$200,000 investment in
6572 training alone could not bring the level of risk to an acceptable level in the time required.
6573

6574 Improving the testing requirements would increase the likelihood of the modifications being rejected
6575 during testing, but it was determined that no amount of testing alone could bring the level of risk to an
6576 acceptable level.
6577

6578 Requiring redundancy and heterogeneity in the design of the system would significantly reduce the
6579 impact of this and other events of concern but could double the cost of a project. In this scenario, it was
6580 determined that an investment of \$2 million would be required to bring the risk to an acceptable level.
6581

6582 As a result of this analysis, ABC Company decides to implement a combination of practices:

- 6583 • A mandatory, day-long training program for those handling the acquisition of critical systems and
6584 adding configuration management controls requiring changes be approved by a configuration
6585 management board (CMB) (\$80,000 initial investment);
- 6586 • \$60,000 investment in testing equipment and software for critical systems and elements; and
- 6587 • Redundancy and diversity of design requirements as deemed appropriate for each project.
6588

6589 It was determined that this combination of practices would be most cost-effective for a variety of projects
6590 and help mitigate the risk from a variety of threats.
6591

6592

Table B-6: Scenario 5

Threat Scenario	Threat Source	Internal Employee – Unintentional Compromise		
	Vulnerability	Lax training practices		
	Threat Event Description	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		
	Existing Practices	Minimal training program that is not considered mandatory Basic testing requirements for system components		
	Threat Event Outcome	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
Enterprise units / processes/information/ assets/stakeholders affected		None	Acquisitions	Acquisitions, System, Users
Risk	Impact	None	Low	High
	Likelihood	Moderate: 30%	High: 40 %	Moderate: 30 %
	Risk Score (Impact x Likelihood)	None	Moderate	Moderate
	Acceptable Level of Risk	Low	Moderate	High
Mitigation	Potential Mitigating Strategies / SCRM Controls	Improve training program and require changes be approved by CMB.	Improve acquisition testing	Improve design of system
	Estimated Cost of Mitigating Strategies	\$200,000	---	\$2 million
	Change in Impact	None – No Change	Low – No Change	High → Low
	Change in Likelihood	30% → 10%	40% → 20%	30% -- No Change
	New Risk Score	None	Low	Moderate
	Selected Strategies	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)		
	Residual Risk	Low		

6593 **SCENARIO 6: Vulnerable Reused Components Within Systems**

6594

6595 **Background**

6596

6597 As part of their standard development practices, ABC Company reuses internally-developed and open
6598 source system components in the development of their COTS solutions. Recent high-profile cyber attacks
6599 have capitalized on vulnerabilities present in reused system components and ABC Company's customers
6600 are demanding increased transparency as a means of mitigating their own risk exposure.

6601

6602 ABC Company has decided to perform a threat scenario analysis to determine which steps can be taken to
6603 improve the security of their software products and offer customers greater confidence that ABC
6604 Company is taking the necessary steps to protect them from these types of attacks.

6605

6606 **Environment**

6607

6608 ABC Company is a well-known, market-leader in the Financial Planning & Analysis (FP&A) software
6609 market. ABC Company's customers rely on Acme's FP&A solution to store, process, and analyze
6610 sensitive financial information (e.g., closing the books).

6611

6612 **Threat Event**

6613

6614 Apache Struts (a widely-used software component) is used as a component within ABC Company's
6615 COTS FP&A solution. A vulnerability present in Apache Struts was patched in March of 2021. Motivated
6616 by financial gain, opportunistic cyber-criminal organizations were hunting for opportunities to capitalize
6617 on vulnerabilities in COTS solutions.

6618

6619 ABC Company's provides frequent updates to mitigate software vulnerabilities in their COTS solutions.
6620 However, in this case the software component in question was not included as part of these updates.

6621

6622 The vulnerability in question is present and exploitable within ABC Company's FP&A solution.

6623

6624 **Threat Scenario Analysis**

6625

6626 If the attackers were to discover the vulnerability in ABC Company's product, a potential course of
6627 events could occur as follows:

6628

6629 A well-resourced cyber-criminal organization could install rogue code in customer instances of
6630 the FP&A solution. Using this rogue code, the cyber criminals could extract and sell sensitive,
6631 undisclosed financial information of public companies which trade on global stock markets. Upon
6632 discovery of the attack, ABC Company could face significant reputational harm due to the
6633 negative publicity. ABC Company's customers may engage in legal action against ABC
6634 Company as a result of their failure to appropriately patch known-vulnerabilities in their software
6635 products.

6636

6637

6638

6639

6640 **Mitigating Strategies**

6641

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)
6654
6655
6656
6657

Table B-7: Scenario 5

Threat Scenario	Threat Source	Cyber Criminal Organization – Vulnerable Software Components
	Vulnerability	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
	Threat Event Description	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
	Existing Practices	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
	Threat Event Outcome	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.
Enterprise units / processes/information/assets/stakeholders affected		FP&A Software Products Divison
Risk	Impact	High – \$350M in aggregate cost. substantial reputational impact, loss of market share, share price, and customers.
	Likelihood	High – 20% annual probability of occurrence
	Risk Score (Impact x Likelihood)	High: \$70M loss exposure
	Acceptable Level of Risk	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

Mitigation	Potential Mitigating Strategies / SCRM Controls	<ul style="list-style-type: none"> • Ensure that developers receive training on secure development practices and are instructed on the use of vulnerability tooling to ensure developed software is secure • Ensure that reused system components either internally or open source are evaluated as part of a standard process for known vulnerabilities (Ref. SA-15) • Maintain a system component inventor to aid in maintenance of the software product throughout its life cycle (Ref. CM-8) • 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)
	Estimated Cost of Mitigating Strategies	<ul style="list-style-type: none"> • Developer training: \$500-\$800K • System Component Inventory Process: \$1.2-1.5M • Continuous Monitoring of System Component Vulnerabilities: \$800K – \$1.2M
	Change in Impact	High \$350M (no change based on identified controls)
	Change in Likelihood	Low 5% annual probability of occurrence
	New Risk Score	Moderate: \$17.5M

6658

6659

6660 APPENDIX D: C-SCRM TEMPLATES**6661 1. C-SCRM STRATEGY & IMPLEMENTATION PLAN**

6662
6663 To address supply chain risks, enterprises develop a C-SCRM strategy. The C-SCRM strategy,
6664 accompanied by an implementation plan, is at the enterprise level (Level 1), though different
6665 mission/business areas (Level 2) may further tailor the C-SCRM strategy to address specific
6666 mission/business needs as outlined at the enterprise level. The C-SCRM strategy and
6667 implementation plan should anchor to the overarching enterprise risk management strategy and
6668 comply with applicable laws, executive orders, directives, and regulations.

6669 Typical components of the strategy and implementation plan, as outlined in the below template,
6670 include strategic approaches to reducing an enterprise's supply chain risk exposure via
6671 enterprise-wide risk management requirements, ownership, risk tolerance, roles and
6672 responsibilities, and escalation criteria. Note that the strategy and implementation plan may be
6673 developed as a single document or split apart into multiple documents. In any case, these C-
6674 SCRM outputs should be closely related in nature.

6675 1.1. C-SCRM Strategy & Implementation Plan Template**6676 1.1.1. Purpose**

6677
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 Sample Text

6685
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
6735
6736 *Strategic objectives establish the foundation for determining enterprise-level C-SCRM controls*
6737 *and requirements. Each objective supports achievement of the enterprise's stated purpose in*
6738 *pursuing sound C-SCRM practices and risk-reducing outcomes. Together, the objectives provide*
6739 *the enterprise with the essential elements needed to bring C-SCRM capabilities to life, and*
6740 *effectively pursue the enterprise's purpose.*

6741
6742 In aggregate, strategic objectives should address essential C-SCRM capabilities and enablers,
6743 such as:

- 6744 • 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.

6758

6759 Sample Text**6760 Objective 1: Effectively manage cybersecurity risk in the supply chain**

6761

6762 This objective addresses the primary intent of the enterprise's pursuit of C-SCRM.
6763 Establishing and sustaining an enterprise-wide C-SCRM program will enable the
6764 enterprise's risk owners to identify, assess, and mitigate supply chain risk to the
6765 enterprise's assets, functions, and associated services. Implementing an initial capability
6766 that can sustain and grow in scope of focus and breadth and depth of function will be
6767 done in phases and will incorporate holistic "people, process, and technology" needs to
6768 ensure the enterprise is able to achieve desired C-SCRM goals in areas such as improving
6769 enterprise awareness, protection, and resilience.

6770

6771 Objective 2: Serve as a trusted source of supply for customers

6772

6773 Addressing customer supply chain risks at scale and across the enterprise's diverse
6774 portfolio demands a prioritization approach, structure, improved processes, and ongoing
6775 governance. C-SCRM practices and controls need to be tailored to address the distinct
6776 and varied supply chain threats and vulnerabilities that are applicable to the enterprise's
6777 customers. This objective can be achieved by:

- 6778 • Strengthening vetting processes, C-SCRM requirements, and oversight of external
6779 providers;
- 6780 • Ensuring customer needs are met in line with their cybersecurity risk in the supply
6781 chain appetite, tolerance, and environment.

6782 Objective 3: Position as an industry leader in C-SCRM

6783

6784 The enterprise is well-positioned to enable and drive forward improvements that address
6785 how cybersecurity risk is managed in the supply chains across the industry. Therefore, we
6786 must use this position to advocate with industry stakeholders about communication,
6787 incentivization, and education of industry players about our requirements and
6788 expectations related to addressing supply chain risk.

6789

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.*

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.

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.

6817

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
---	-----------	-----	-----	-----

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1.1.5. Roles & Responsibilities

Designate those responsible for the Strategy & Implementation template, 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

- 6828 • Senior Leadership Team shall:
 - 6829 ○ endorse the enterprise’s C-SCRM strategic objectives and implementation plan;
 - 6830 ○ provide oversight of C-SCRM implementation and effectiveness;
 - 6831 ○ communicate C-SCRM direction and decisions for priorities and resourcing
 - 6832 needs;
 - 6833 ○ determine the enterprise’s risk appetite and risk tolerance; and
 - 6834 ○ respond to high-risk C-SCRM issue escalations that could impact the enterprise’s
 - 6835 risk posture in a timely manner.

- 6837 • Mission/Business Owners shall:
 - 6838 ○ determine mission-level risk appetite and tolerance, ensuring they are in line with
 - 6839 enterprise expectations;
 - 6840 ○ define supply chain risk management requirements and implementation of
 - 6841 controls that support enterprise objectives;
 - 6842 ○ maintain criticality analyses of mission functions and assets; and
 - 6843 ○ perform risk assessments for mission/business-related procurements.

1.1.6. Definitions

List the key definitions described within the Strategy & Implementation template, providing enterprise-specific context and examples where needed.

Sample Text

- 6851 • Enterprise: An enterprise with a defined mission/goal and a defined boundary, using
 - 6852 information systems to execute that mission, and with responsibility for managing its
 - 6853 own risks and performance. An enterprise may consist of all or some of the following
 - 6854 business aspects: acquisition, program management, financial management (e.g.,
 - 6855 budgets), human resources, security, and information systems, information, and mission
 - 6856 management.

- 6857 • Objective: An enterprise’s broad expression of goals. Specified target outcome for
 - 6858 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;
- 6872 • significant Strategy & Implementation events;
- 6873 • introduction of new technologies;
- 6874 • discovery of new vulnerabilities;
- 6875 • operational or environmental changes;
- 6876 • shortcomings in the Strategy & Implementation template;
- 6877 • change of scope; and
- 6878 • other enterprise-specific criteria.

6879 **Sample Version Management Table**

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
 - 6910 ○ [Enterprise Name] Enterprise Risk Management Policy
 - 6911 ○ [Enterprise Name] Information Security Policy
- 6912 • Legislation
 - 6913 ○ Strengthening and Enhancing Cyber-capabilities by Utilizing Risk Exposure
 - 6914 Technology Act (SECURE) Technology of 2018
- 6915 • Regulations
 - 6916 ○ NYDFS 23 NYCRR 500: Section 500.11 Third Party Service Provider Security
 - 6917 Policy
 - 6918 ○ CIP-013-1: Cyber Security - Supply Chain Risk Management
 - 6919 ○ FFIEC Information Security Handbook II.C.20: Oversight of Third-Party Service
 - 6920 Providers

6921

6922 Sample Level 2 Text

- 6923 • Policies
 - 6924 ○ [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

6945 Sample Level 1 Text

6946

6947 [Enterprise] is concerned about the risks in the products, services, and solutions bought, used,

6948 and offered to customers.

6949

6950 The policy objective of the [Enterprise's] C-SCRM Program is to successfully implement and

6951 sustain the capability of providing improved assurance that the products, services, and solutions

6952 used and offered by [Enterprise] are trustworthy, appropriately secure and resilient, and able to

6953 perform to the required quality standard.

6954

6955 C-SCRM is a systematic process for identifying and assessing susceptibilities, vulnerabilities,

6956 and threats throughout the supply chain and implementing strategies and mitigation controls to

6957 reduce risk exposure and combat threats. The establishment and sustainment of an enterprise-

6958 wide C-SCRM Program will enable [Enterprise's] risk owner(s) to identify, assess, and mitigate

6959 supply chain risk to [Enterprise's] mission assets, functions, and associated services.

6960

6961 Sample Level 2 Text

6962

6963 [Mission and Business Process] recognizes its criticality to [Enterprise Objective]. A key

6964 component of producing products involves coordinating among multiple suppliers, developers,

6965 system integrators, external system service providers, and other ICT/OT-related service

6966 providers. [Mission and Business Process] understands the realization of cybersecurity risk in the

6967 supply chain may disrupt or completely inhibit [Mission and Business Process]'s ability to

6968 generate products in a timely manner and in accordance with the required quality standard.

6969

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

7033 **2.1.4. Roles & Responsibilities**

7034

7035 *State those responsible for the C-SCRM policies, as well as its key contributors. Include the role*
7036 *and name of each individual or group, as well contact information where necessary (e.g.,*
7037 *enterprise affiliation, address, email address, and phone number).*

7038

7039 **Sample Level 1 Text**

- 7040 • The C-SCRM Program Executive shall be responsible for:
 - 7041 ○ leading the establishment, development, and oversight of the C-SCRM Program,
 - 7042 in coordination and consultation with designated C-SCRM Leads;
 - 7043 ○ establishing and serving as the Chair of the C-SCRM PMO. This Team will be
 - 7044 comprised of the chair and the designated C-SCRM Leads and will be responsible
 - 7045 for developing and coordinating C-SCRM strategy and implementation plans and
 - 7046 actions, addressing C-SCRM-related issues, program reporting and oversight, and
 - 7047 identifying and making program resource recommendations; and
 - 7048 ○ escalating and/or reporting C-SCRM issues to Senior Officials, as may be
 - 7049 appropriate.
- 7050
- 7051 • Each C-SCRM Security Officer shall be responsible for:
 - 7052 ○ identify C-SCRM Leads (the Lead will be responsible for participating as a
 - 7053 collaborative and core member of the C-SCRM PMO);
 - 7054 ○ incorporate relevant C-SCRM functions into enterprise and position-level
 - 7055 functions; and
 - 7056 ○ implement and conform to C-SCRM Program requirements.

7057

7058 **Sample Level 2 Text**

- 7059
- C-SCRM Leads shall be responsible for:
 - representing the interests and needs of C-SCRM PMO members; and
 - leading and/or coordinating the development and execution of program or business-line C-SCRM plan(s). This shall include ensuring such plan(s) are appropriately aligned to and integrated with the enterprise-level C-SCRM plan.
 - Mission and Business Process C-SCRM Staff shall be responsible for:
 - Primary execution of C-SCRM activities (e.g., supplier or product assessments); and
 - Support mission and business-specific C-SCRM activities driven by non-C-SCRM staff.
- 7060
- 7061
- 7062
- 7063
- 7064
- 7065
- 7066
- 7067
- 7068
- 7069
- 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

7076 **Sample Text (Applies to Level 1 and/or Level 2)**

- 7077
- Covered Articles: 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).
 - Cybersecurity Supply Chain Risk Assessment: Cybersecurity Supply Chain Risk Assessment is a systematic examination of cybersecurity risk in the supply chain, likelihoods of their occurrence, and potential impacts.
 - Risk Owner: A person or entity with the accountability and authority to manage a risk.
- 7078
- 7079
- 7080
- 7081
- 7082
- 7083
- 7084
- 7085
- 7086

7087

7088 2.1.6. Revision & Maintenance

7089

7090 *Define the required frequency for the C-SCRM policy. Maintain a table of revisions to enforce*

7091 *version control. C-SCRM policies are living documents that must be updated and communicated*

7092 *to all appropriate individuals (e.g., staff, contractors, and suppliers).*

7093

7094 **Sample Text (Applies to Level 1 and/or Level 2)**

7095

7096 [Enterprise's] C-SCRM policy must be reviewed at minimum on an annual basis since changes

7097 to laws, policies, standards, guidelines, and controls are dynamic and evolving. Additional

7098 criteria that may trigger interim revisions include:

- 7099
- change of policies that impact the C-SCRM policy;
 - significant C-SCRM events;
- 7100

- 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

7134
7135 *Designate a unique identifier and/or name for the system. Include any applicable historical*
7136 *names and relevant Tier 1 and Tier 2 document titles.*
7137

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**

Information Type	Security Objectives		
	Confidentiality (Low, Moderate, High)	Integrity (Low, Moderate, High)	Availability (Low, Moderate, High)

7183 Based on the table above, indicate the high-water mark for each of the security impacts (i.e., low,
7184 moderate, high). Determine the overall system categorization.

Security Objective	Security Impact Level
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*
7191 *of the system is covered under each status*

System Status		
<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

7228 **3.1.7. Security Control Details**

7229

7230 *Document C-SCRM controls to ensure the plan addresses requirements for developing*
 7231 *trustworthy, secure, privacy-protective, and resilient system components and systems, including*
 7232 *the application of the security design principles implemented as part of life cycle-based systems*
 7233 *security engineering processes. Consider relevant topic areas such as assessments, standard*
 7234 *operating procedures, responsibilities, software, hardware, product, service, and DevSecOps*
 7235 *considerations.*

7236

7237 *For each control, provide a thorough description of how the security controls in the applicable*
 7238 *baseline are implemented. Include any relevant artifacts for control implementation. Incorporate*
 7239 *any control-tailoring justification, as needed. Reference applicable Level 1 and/or Level 2 C-*
 7240 *SCRM policies that provide inherited controls where applicable. There may be multiple Level 1*
 7241 *policies that come from the CIO, CAO, or PMO.*

7242

7243 **Sample Text**

7244

7245 **SR-6 SUPPLIER ASSESSMENTS AND REVIEWS**

7246

7247 Implementation: As a part of a comprehensive, defense-in-breadth information security strategy,
 7248 the enterprise established a C-SCRM program to address the management of cybersecurity risk
 7249 in the supply chain. The C-SCRM PMO is responsible for conducting assessments of
 7250 cybersecurity risk in the supply chain for business partners seeking to integrate with [SYSTEM
 7251 NAME] in accordance with enterprise-wide C-SCRM Level 2 policy requirements. C-SCRM
 7252 training and awareness materials must also be provided for all individuals prior to receiving
 7253 access to [SYSTEM NAME].

7254

7255 Control Enhancements: Control enhancements 2, 7 and 8 from [NIST 800-161] are applicable.

7256

7257 (2) SUPPLIER REVIEWS

7258 Implementation: C-SCRM PMO provides supplier reviews to business partners in the form of
 7259 SCRA before entering into a contractual agreement to acquire information systems,
 7260 components, or services in relation to [SYSTEM NAME]. The Level 1 strategy and Level 2
 7261 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.*

7291

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

7311

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*
7339 *name of the individual who made the change. At a minimum, review and update Level 3 C-SCRM*
7340 *plans at life cycle milestones, gate reviews, and significant contracting activities, and verify for*
7341 *compliance with upper tier plans as appropriate. Ensure the plan adapts to shifting impacts of*
7342 *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*
7347 *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

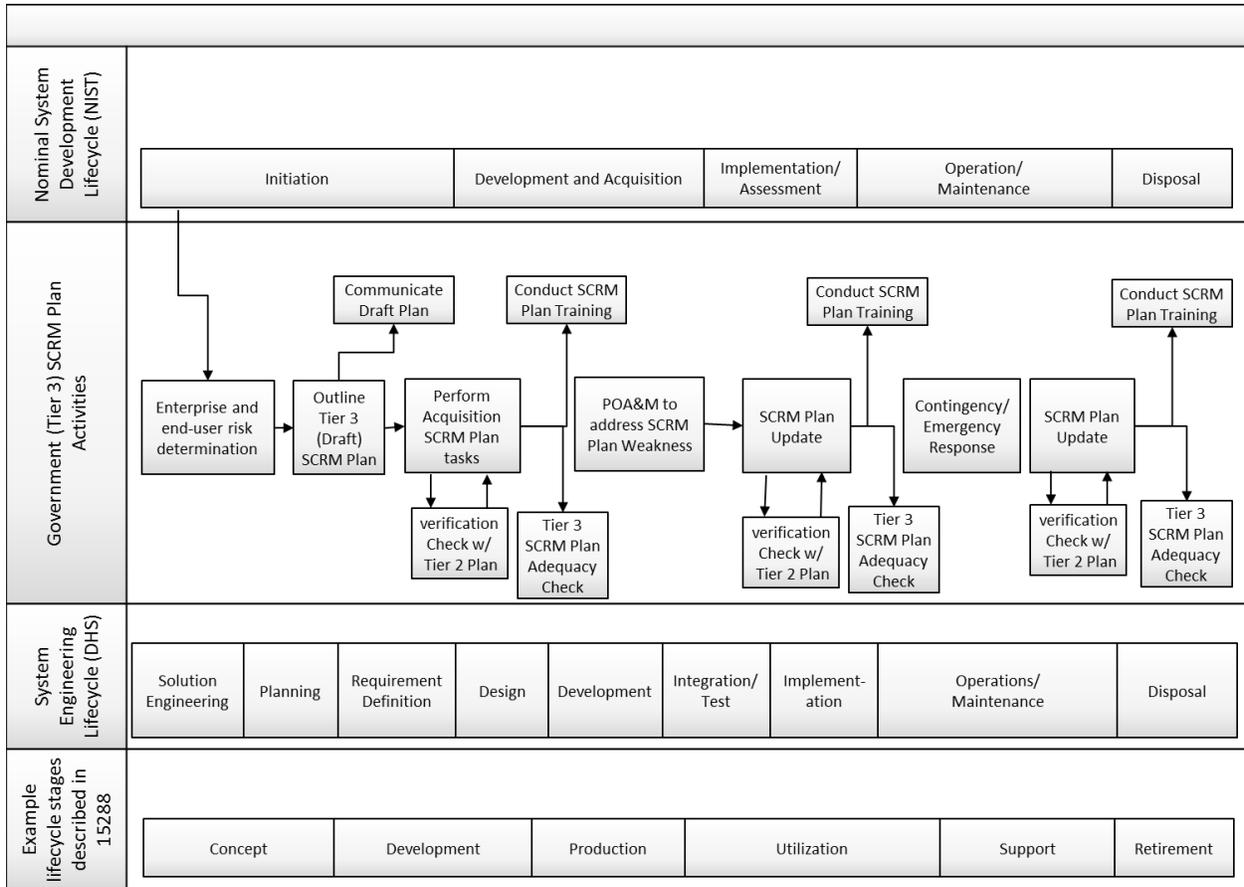
7363 **3.1.15. C-SCRM Plan and Life Cycles**

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



7374

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 supplier²² 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

7414

²² 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

7415 4.1.2. Description

7416
7417 *Describe the purpose and scope of the S-CSRA template, referencing the enterprise commitment*
7418 *to C-SCRM and mandate to perform S-CSRAs as an extension of that commitment. Outline the*
7419 *templates relationship to enterprise risk management principles, frameworks, practices. This*
7420 *may include providing an overview of the enterprise's S-CSRA processes, standard operating*
7421 *procedures, and/or criticality designations that govern usage of this template.*

7422
7423 *Reinforce the business case for executing S-CSRAs by highlighting the benefits of reducing*
7424 *expected loss from adverse supply chain cybersecurity events, as well as the C-SCRM PMOs role*
7425 *in executing these assessments efficiently at scale.*

7426
7427 *Provide an overview of the enterprise boundaries, systems, and services within the scope of the*
7428 *S-CSRAs.*

7429
7430 *List the contact information and other resources that readers may access in order to further*
7431 *engage with the S-CSRA process.*

7432 Sample Text

7433
7434
7435 This S-CSRA is intended to evaluate risks, in a fair and consistent manner, posed to the
7436 [Enterprise] via third parties that hold the potential for harm or compromise arising as a result of
7437 cybersecurity risks. Cybersecurity risk in the supply chain include exposures, threats, and
7438 vulnerabilities associated with the products and services traversing the supply chain as well as
7439 the exposures, threats, and vulnerabilities to the supply chain and its suppliers.

7440
7441 The S-CSRA template provides tactical guidelines for the [Enterprise's C-SCRM PMO] to
7442 review cybersecurity risk in the supply chain and ensure that S-CSRAs are appropriately carried
7443 out in line with enterprise mandates efficiently and effectively.

7444
7445 Requestors seeking to introduce third-party products, services, or suppliers into enterprise
7446 boundaries should familiarize themselves with the following template. This will ensure that
7447 requestors can provide the requisite information to the C-SCRM PMO to ensure timely execution
7448 of S-CSRAs and are otherwise aligned with adherence to the steps of the S-CSRA.

7449
7450 The S-CSRA process contains five primary steps, as outlined in the below template:²³

- 7451 1. Information Gathering & Scoping Analysis
7452 2. Threat Analysis
7453 3. Vulnerability Analysis
7454 4. Impact Analysis
7455 5. Risk Response Analysis

7456
7457 To learn more about the S-CSRA process and/or submit an assessment request to the C-SCRM
7458 PMO, please go to [Enterprise intranet page] or contact [C-SCRM PMO email].

²³ See Appendix D's "Assess" section for the methodological principles and guidance that underpin these steps.

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7460
7461
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7464
7465
7466
7467
7468

4.1.3. Information Gathering & Scoping Analysis

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.

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 is 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
Section 2: Supplier Overview		
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
Section 3: Policies & Procedures		
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
Section 4: Logistics (if applicable)		
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
Section 5: Software Design & Development (if applicable)		
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 (PSIRT)?		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

7470 **4.1.4. Threat Analysis**

7471

7472 *Define threat analysis as well as the criteria that will be utilized to assess the threat of the*
 7473 *product, service, or supplier. Include a rubric with categorical definitions to encourage*
 7474 *transparency behind assessment results.*

7475

7476 **Sample Text**

7477 The S-CSRA threat analysis evaluates and characterizes the level of threat to the integrity,
 7478 trustworthiness, and authenticity of the product, service, or supplier as described below.

7479 This analysis is based on a threat actor’s capability and intent to compromise or exploit the
 7480 product, service, or supplier being introduced into the supply chain. Following completion of the
 7481 analysis, one of the following threat levels is assigned:

7482

- 7483
- 7484
- 7485
- 7486
- 7487
- 7488
- 7489
- 7490
- 7491
- 7492
- 7493
- **Critical:** Information indicates adversaries are engaged in subversion, exploitation, or sabotage of the product, service, or supplier.
 - **High:** Information indicates adversaries have established an overt or clandestine relationship with the product, service, or supplier, with the capability and intent to engage in subversion, exploitation or sabotage of the supply chain; however, there are no known indications of subversion, exploitation, or sabotage.
 - **Moderate:** Information indicates adversaries have the capability but *not* the intent to engage in subversion, exploitation or sabotage of the product, service, or supplier. Conversely, they may have the intent but *not* the capability.
 - **Low:** Information indicates adversaries have neither the capability nor the intent to 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
- 7516
- 7517
- 7518
- 7519
- 7520
- 7521
- 7522
- **Critical:** The product, service, or supplier contains vulnerabilities that are wholly exposed (physically or logically) and are easily exploitable.
 - **High:** The product, service, or supplier contains vulnerabilities that are highly exposed and are reasonably exploitable.
 - **Moderate:** The product, service, or supplier contains vulnerabilities that are moderately exposed and would be difficult to exploit.
 - **Low:** The product, service, or supplier is not exposed and would be unlikely to be 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

- 7542 • **Critical:** The product, service, or supplier's failure to perform as designed would result
7543 in a total enterprise failure or a significant and/or unacceptable level of degradation of
7544 operations that could only be recovered with exceptional time and resources.
- 7545 • **High:** The product, service, or supplier's failure to perform as designed would result in
7546 severe enterprise failure or a significant and/or unacceptable level of degradation of
7547 operations that could only be recovered with significant time and resources.
- 7548 • **Moderate:** The product, service, or supplier's failure to perform as designed would result
7549 in serious enterprise failure that could readily and quickly managed with no long-term
7550 consequences.
- 7551 • **Low:** The product, service, or supplier's failure to perform as designed would result in
7552 very little adverse effects on the enterprise that could readily and quickly managed with
7553 no long-term consequences.

7554 To appropriately assign the above impact analysis designation, C-SCRM PMOs and requestors
7555 should coordinate the collection of information related to [Enterprise's] critical functions and
7556 components, identification of the intended user environment for the product or service, and
7557 supplier information.

7558

7559 **4.1.7. Risk Response Analysis**

7560

7561 *Define risk analysis as well as the criteria that will be utilized to assess the scoring of the*
7562 *product or service being assessed. Include a rubric with categorical definitions to encourage*
7563 *transparency behind assessment results.*

7564

7565 **Sample Text**

7566 The S-CSRA risk score reflects a combined judgement based on likelihood and impact analyses.
7567 The likelihood analysis is scored via a combination of the aforementioned threat and
7568 vulnerability analysis score, as outlined in the figure below.

7569

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

7570
7571 The S-CSRA risk score is then aggregated based upon that likelihood score and the impact score.
7572 If multiple vulnerabilities are identified for a given product or service, each vulnerability shall be
7573 assigned a risk level based upon its likelihood and impact.
7574

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

7575
7576 The aforementioned risk analyses and scoring provide measures by which [Enterprise]
7577 determines whether or not to proceed with procurement of the product, service, or supplier.
7578 Decisions to proceed must be weighed against the risk appetite and tolerance across the tiers of
7579 the enterprise, as well as the mitigation strategy that may be put in place to manage the risks as a
7580 result of procuring the product, service, or supplier.
7581

7582 4.1.8. Roles & Responsibilities

7583

7584 *State those responsible for the S-CSRA policies, as well as its key contributors. Include the role*
 7585 *and name of each individual or group, as well contact information where necessary (e.g.,*
 7586 *enterprise affiliation, address, email address, and phone number).*

7587

7588 Sample Text

7589

- 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

7594

7595

- 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.

7596

7597

7598

7599

7600

7601

7602 4.1.9. Definitions

7603

7604 *List the key definitions described within the policy, providing enterprise-specific context and*
 7605 *examples where needed.*

7606

7607 Sample Text

7608

- Procurement: Process of obtaining a system, product, or service.

7609

7610 4.1.10. Revision & Maintenance

7611

7612 *Define the required frequency for the S-CSRA template. Maintain a table of revisions to enforce*
 7613 *version control. S-CSRA templates are living documents that must be updated and communicated*
 7614 *to all appropriate individuals (e.g., staff, contractors, and suppliers).*

7615

7616 Sample Text

7617

7618 [Enterprise's] S-CSRA template must be reviewed at a minimum on an annual basis since
 7619 changes to laws, policies, standards, guidelines, and controls are dynamic and evolving.
 7620 Additional criteria that may trigger interim revisions include:

7621

- 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

7622

7623

7624

7625

- 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

7633

7634

7635

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)²⁴, 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 articles²⁵. 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

7660

²⁴ 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>

²⁵ 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 FASCSEA, 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.²⁶

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 FASCSEA
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 SCRAMs 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 SCRAMs 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**

7710
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 **General Information**

7721
7722 The FASCSA requires agencies to conduct and prioritize supply chain risk assessments when
7723 acquiring a covered article as well during its use or performance. In most cases, this also
7724 compels the need to assess the source associated with the covered article. Supply chain
7725 cybersecurity risk assessments conducted by agencies are highly dependent on the operating
7726 environment and use case associated with a covered article. Agencies have flexibility in how
7727 they apply NIST guidelines to their operations and there is not, nor should there be, a one-size-
7728 fits-all approach to conducting a SCRA. However, to facilitate assessments that may need to take
7729 place at the government-wide level to evaluate risk that may impact national security or multiple
7730 agency missions; for example: there is a need to ensure agencies' SCRA information and
7731 documentation reflects an acceptable baseline level of due diligence and standardization.

7732
7733 In general, information used for an assessment will be comprised of up to three categories of
7734 inputs:

- 7735 1) Purpose and context information (i.e., use-case specific) used to understand the risk
7736 environment and to inform and establish risk tolerance relative to the use case;
- 7737 2) Data/information obtained from the source;
- 7738 3) All-source information, which may come from publicly available data, government sources
7739 (which may include classified sources), and/or commercial fee-based sources.

7740
7741 The purpose and context, as well as when in the SDLC or procurement life cycle a given
7742 assessment of a supplier and/or covered article is performed, will necessarily drive variations in
7743 terms of focus, degree of rigor, and scope with regard to what type, how much, and from what
7744 source(s) information used in an assessment is obtained.

7747 The FASCSA recognizes that agencies have constrained resources, and it is necessary to
7748 prioritize the conduct of SCRA²⁷. 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 SCRA's.

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 SCRA's, 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.

²⁷ See Section 1326 (a)(2) of the FASCSA

7791
7792 **Baseline Risk Factors (Common, Minimal)**
7793
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 SCRA's 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;
 - 7806 • ensuring minimum necessary information is available to the FASC, when required;
 - 7807 • promoting consistency and comparability across agencies;
 - 7808 • aiding the conduct of more sophisticated analyses such as trend analysis or causal or
7809 correlation relationships between found indicators of risk and realized risks; and
 - 7810 • having a base of information sufficient to identify and understand potential mitigation
7811 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

BASELINE RISK FACTOR	DEFINITION OR GUIDANCE	NON-EXCLUSIVE INDICATORS OF RISK (As applicable)
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"> 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.
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"> Requirement or ability to access CUI or classified information Federal information will be managed and/or be able to be accessed by external persons or entities other than the prime contractor or supplier Product or service data inputs or outputs can affect life safety, if compromised
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"> Prevalence of use of the product or service by the agency Single source of supply Product or service availability in the marketplace Availability of or acceptable alternatives to product, service, or source
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"> 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 Relevant environment considerations that give rise to risk concerns should be documented in procurement plans and applicable controls addressed in solicitations and contracts
External Agency Interdependencies	Understand and identify interdependencies related to data, systems, and mission functions	<ul style="list-style-type: none"> Covered article performs a function in support of a government-wide shared service Covered article exchanges data with another agency's mission critical system Contractor maintains an analytic tool that stores government-wide CUI data.
VULNERABILITIES or THREATS (Inherited Risk)		

<p>Purpose Functionality, features, and components of the covered article</p>	<p>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.</p>	<ul style="list-style-type: none"> • Ability of the source to produce and deliver the product or service as expected • Built-in security features and capabilities or lack thereof. • Secure configuration options and constraints. • Network/Internet Connectivity capability or requirements and method(s) of connection • Software and/or Hardware Bill of Material • Any transmission of information or data by a covered article to a country outside of the United States.
<p>Company Information</p>	<p>Information about the company, to include size, structure, key leadership, and its financial health.</p>	<ul style="list-style-type: none"> • Stability or high turnover/firings at senior leadership level • Corporate family tree • Years in business • Merger and acquisition activity (past and present) • Customer base and trends • Number of employees at specific location and company-wide, • Investors/Investments • Patent sales to foreign entities • Financial metrics and trends • Financial reports/audits
<p>Quality/Past Performance</p>	<p>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.</p>	<ul style="list-style-type: none"> • Past performance information • Relevant customer ratings or complaints • Recalls • Quality metrics • Evidence of a quality program and/or certification
<p>Personnel</p>	<p>Risks associated with personnel affiliated with or employed by the source or an entity within the supply chain of the product or service.</p>	<ul style="list-style-type: none"> • 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. • Hiring history from a foreign country’s or foreign adversary’s intelligence, military, law enforcement or other security services • Turnover rate • Staffing level and competencies • Evidence of questionable loyalties, unethical or illicit behavior and activity
<p>Physical</p>	<p>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.</p>	<ul style="list-style-type: none"> • Evidence of effectiveness of physical security controls such as procedures and practices that ensure or assist in the support of physical security. • Proximity to critical infrastructure or sensitive government assets or mission functions • Natural Disaster, Seismic, and Climate concerns

Geo-Political	Risks associated with a geographic location/region.	<ul style="list-style-type: none">• Location-based political upheaval or corruption• Trade route disruptions• Jurisdictional legal requirements• Country or Regional instability
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<p>Foreign Ownership, Control, Influence (FOCI)</p>	<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"> • Country is identified as a foreign adversary or country of special concern; • 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 • Identified personal and/or professional ties between the source—including its officers, directors or similar officials, employees, consultants, or contractors—and any foreign government • 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 • Extent or amount of FOCI on a supplier • 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 • Any indications the supplier may be partly or wholly acquired by a foreign entity or a foreign adversary • 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 • 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 • 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 • Foreign nationals or key management personnel from a foreign country involved with the design, development, manufacture or distribution of the covered article • Supplier’s known connections to a foreign country’s or foreign adversary’s intelligence, law enforcement or other security service • Supplier is domiciled in or influenced/ controlled by a country that is known to conduct intellectual property theft against the United States.
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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"> Record of compliance with pertinent U.S. laws, regulations and contracts or agreements Judgments/Fines
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"> Civil or criminal litigation; Past history or current evidence of fraudulent activity Source’s history of committing intellectual property theft 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. Source’s history regarding unauthorized technology transfers
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"> Evidence of effective cybersecurity policies and practices Supplier’s history as a victim of computer network intrusions Supplier’s history as a victim of intellectual property theft Information about whether a foreign intelligence entity unlawfully collected or attempted to acquire an acquisition item, technology or intellectual property. Existence of unmitigated cybersecurity vulnerabilities Indication of malicious activity including subversion, exploitation or sabotage associated with the supplier or the covered article.
*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"> Evidence or history of counterfeits or non-conforming products associated with the supplier Suppliers’ anti-counterfeit practices and controls Sourcing of components from the grey market
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"> Evidence of effective C-SCRM and Supplier Relationship Management practices Components or materials (relevant to covered article) originate from single source in upstream supply chain Reliance on single trade route Provenance of the covered article

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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
7857 Separate from, or as part of the assessment, agencies should examine whether there are any laws
7858 or federal restrictions prohibiting the use of certain suppliers and the acquisition or use of certain
7859 items, services or materials. The list below, while not inclusive of all applicable laws and
7860 restrictions, is focused on foreign ownership and control, other types of foreign influence,
7861 foreign adversaries and foreign investment concerns that may pose risks to the U.S. supply
7862 chain.

7863
7864 Use of such suppliers or the acquisition of such an item, service or material from an individual or
7865 entity on any of the lists below is a violation of law absent an exception or waiver, and therefore
7866 should likely be excluded from the federal procurement process. If an item has already been
7867 obtained prior to the below prohibitions going into effect, agencies should conduct an assessment
7868 to determine whether they are permitted to keep the prohibited items or services, and if so,
7869 whether any adversarial threats posed by continued use can be mitigated.

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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. The Foreign Sanctions Evaders (FSE) List: 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. The System for Award Management (SAM) Exclusions: 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. The List of Foreign Financial Institutions Subject to Correspondent Account Payable-Through Account Sanctions (the “CAPTA List”). 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. The Persons Identified as Blocked. 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. The BIS Unverified List: 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. The 2019 National Defense Authorization Act, Section 889: 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

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.

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Table E-2: Risk Severity Schema

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.

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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.

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7908 Risk Response Guidance

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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

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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 Agency²⁸ (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.

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7930 Risk Response Escalation and Triaging

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7932 Agencies are reminded of the importance of integrating SCRSM 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.

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²⁸ 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

7948 ASSESSMENT DOCUMENTATION AND RECORDS MANAGEMENT

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7950 Content Documentation Guidance

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7952 Agencies need to ensure their assessment record satisfies the minimal documentation
7953 requirements described in this section for referrals of sources and/or covered articles to the
7954 FASC or when escalating internally for risk-response decision that may implicate the use of an
7955 agencies' Section 4713 authority. This documentation baseline standard helps to ensure a robust
7956 and defensible record is established that can be used to support well-informed risk-response
7957 decisions and actions. It also helps to promote consistency in the scope and organization of
7958 documented content to facilitate comparability, re-usability, and information sharing.

7959

7960 The documentation requirements extend beyond capturing risk factor assessment information
7961 and includes general facts about who conducted the assessment and when, identifier and
7962 descriptive information about the source and covered article, citation of the data source(s) used
7963 to attain assessment information, an assignment of a confidence level to discrete findings and
7964 aggregate analysis of findings, as well as noting assumptions and constraints.

7965

7966 Agencies should also have, and follow, a defined assessment and risk scoring methodology.
7967 This methodology should be documented and referenced in the assessment record concerning a
7968 given source and/or covered article. Any deviations from the agency-defined methodology
7969 should be described in the general information section of the assessment record.

7970

7971 As information is researched and compiled, it needs to be organized and synthesized to cull out
7972 and document relevant findings that align to the varying risk factor categories. Sourced
7973 information, especially concerning notable findings of risk of concern, should be retained or be
7974 retrievable in a form that retains its evidentiary integrity and considered as supplemental content
7975 that may be required to support and defend a risk response decision or action. As such, the
7976 sources for, and the quality of and confidence in, the sourced information needs to be considered
7977 as part of the assessment activity and documented accordingly. Broadly, quality information
7978 should be understood to be information that is timely, relevant, unbiased, sufficiently complete
7979 or provided in-context, and attained from credible sources.

7980

7981 Documentation requirements should be incorporated into existing, relevant supply chain risk
7982 assessment policies, processes, and procedures. These requirements should be informed by
7983 consultation with, and direction from, officials within the agency to include legal counsel and
7984 personnel with responsibility for records management, CUI and classified information
7985 management, and privacy.

7986

7987 While a format is not specified, the minimal scope of content and documentation for a given
7988 assessment record should include the content described in Table E-3 below:

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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.

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Assessment Record

7996 Agencies should ensure records management requirements are adhered to with regard to SCRA's.
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
8011 **INTRODUCTION**
8012

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 recommended²⁹ 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 New standards, tools, and recommended practices are sourced from over 150 position papers
8066 submitted in advance NIST’s June 2021 Enhancing Software Supply Chain Security Workshop,
8067 federal software supply chain security working groups, as well as an array of public and private
8068 industry partnerships.

8069

8070 To facilitate prioritization and practical implementation of new software supply chain security
8071 recommendations, the corresponding guidance in Section 1.3 is presented in the Foundational,
8072 Sustaining, and Enhancing practices paradigm first presented in the main body of SP 800-161
8073 Rev. 1.

8074

²⁹ 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 6th, 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.

8129

8130

8131 **THE EO THROUGH THE LENS OF SP 800-161 Rev. 1**

8132

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.

8138

8139 NIST has translated the EO’s Section 4 software supply chain directives into three targeted
8140 initiatives³⁰. Those initiatives encompass:

8141

- 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

8145

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

8151

- 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**

8159

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

³⁰ 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
8166 **Definition**

8167
8168 NIST’s response to the EO, titled a “Definition of Critical Software Under Executive Order (EO)
8169 14028”, was released on June 25, 2021. The publication revisits traditional notions of context-
8170 based criticality definitions and enhances them with additional function-based definitions, as
8171 summarized below³¹.

8172
8173 To aid in the application of this enhanced assessment of software criticality and facilitate their
8174 efforts to comply with Section 4 of the EO, Table F-1 identifies the points at which existing
8175 criticality considerations in SP 800-161 Rev. 1 adopted by Federal departments and agencies
8176 may be enhanced by the new EO-critical software definition.

8177
8178 **Table F-1: Impacts of EO-critical software definition on SP 800-161 Rev. 1 guidance for**
8179 **Federal Departments and Agencies**
8180

Section Identifier	Section Title	EO-critical Definition Impact
1.4	C-SCRM Key Practices	<ul style="list-style-type: none"> Integrate context-based criticality concepts within the Foundational Practices’ measurement of supplier criticality and utilization of supplier risk assessments 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)
2	Integration of C-SCR in Enterprise-wide Risk Management	<ul style="list-style-type: none"> Enhance SP 800-39’s Assess risk step with EO-critical risk definitions when considering software supply chain components and suppliers
2.1	Multi-level Risk Management	<ul style="list-style-type: none"> 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
3.1	C-SCRM in Acquisition	<ul style="list-style-type: none"> Ensure groupings accommodate EO-critical software supply chain suppliers when segmenting the organization’s supplier relationships and contracts Codify function-based software criticality definitions during the ‘plan procurement’ step and incorporate EO-critical concepts when justifying the level of criticality
4.3	Applying C-SCRM Controls to Acquiring Products and Services	<ul style="list-style-type: none"> Extend EO-critical definition considerations to ICT/OT related service providers, where applicable
Appendix C	Risk Exposure Framework	<ul style="list-style-type: none"> Incorporate EO-critical definition components when determining the organizational acceptable level of risk,

³¹ NIST’s Definition of Critical Software Under Executive Order (EO) 14028

		particularly within the context of system criticality assessments
Appendix D	C-SCRM Templates	<ul style="list-style-type: none"> Account for EO-critical definitions when considering automated generation of C-SCRM plan elements, such as supply chain component criticality
Appendix E	FASCSA	<ul style="list-style-type: none"> Account for risk factors associated with EO-critical definitions when identifying, assessing, and responding to supply chain risk
Appendix G	C-SCRM Activities in the Risk management Process	<ul style="list-style-type: none"> 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)

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Security Measures (SM) for “EO-Critical Software” Use

Following the release of the “Definition of Critical Software Under Executive Order (EO) 14028,” NIST subsequently published “Security Measures for ‘EO-Critical Software’ Use Under Executive Order (EO) 14028” on July 9, 2021.

The security measures contained within this publication are designed to guide the secure use of EO-critical software. Its contents demonstrate two key concepts for federal department and agencies seeking to comply with the EO:

- (1) SP 800-161 Rev. 1’s C-SCRM controls, control enhancements, and supplemental guidance remain an effective vehicle through which EO-driven software supply chain security controls can be operationalized across the SDLC; and
- (2) Software supply chain security measures are essential both internally and for supplier oversight; departments and agencies must recognize that they are critical players in the software supply chain and should, at a minimum, implement the same security controls internally that they impose upon their software suppliers.

The table below outlines the mappings and coverage of the EO’s security measures across SP 800-161 Rev. 1’s controls, control enhancements, and supplemental guidance outlined in the main body of this document, many of which are included in the C-SCRM controls baseline.

EO Security Measures and their associated [NIST SP 800-53] controls are considered flow-down in that enterprises should require their prime contractors to implement this control and flow down this requirement to relevant sub-tier contractors as part of procurement. These control and security measures are foundational to cybersecurity in every organization.

Federal departments and agencies aligned to SP 800-161 Rev. 1 controls should use the below table to aid conformance with EO Security Measures and ensure their effective application across the software supply chain.

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Table F-2: C-SCRM Control and Security Measure Crosswalk

Control Identifier	Control Name	C-SCRM Baseline	EO Security Measure
AC-2	Account Management	x	1.1, 1.2, 1.3, 2.2
AC-3	Access Enforcement	x	2.2
AC-4	Information Flow Enforcement		2.4
AC-5	Separation of Duties		3.3
AC-6	Least Privilege ³²	x ³⁷	2.2, 3.3
AC-17	Remote Access	x	2.4
AT-2	Literacy Training and Awareness ³⁷	x ³⁷	5.1
AT-3	Role-based Training	x	4.5, 5.1, 5.2, 5.3
AU-2	Event Logging	x	4.1
AU-3	Content of Audit Records	x	4.1
AU-12	Audit Record Generation	x	4.1
AU-13	Monitoring for Information Disclosure		4.4
AU-14	Session Audit		4.4
CA-7	Continuous Monitoring ³⁷	x ³⁷	3.2, 3.3, 4.1
CM-2	Baseline Configuration	x	3.3
CM-3	Configuration Change Control		3.3
CM-6	Configuration Settings	x	3.3
CM-7	Least Functionality	x	3.3
CM-8	System Component Inventory	x	2.1, 3.1
CP-3	Contingency Training	x	5.2
IA-2	Identification and Authentication (organizational Users)	x	1.1, 1.2
IA-4	Identifier Management	x	1.1
IA-5	Authenticator Management	x	1.1
IA-9	Service Identification and Authentication		1.2
IR-2	Incident Response Training	x	4.5
PM-5	System Inventory		2.1, 3.1
RA-5	Vulnerability Monitoring and Scanning	x	3.2, 3.3
RA-9	Criticality Analysis		3.1
SC-7	Boundary Protection	x	1.4, 4.4
SC-8	Transmission Confidentiality and Integrity		2.4
SC-28	Protection of Information at Rest		2.3
SI-2	Flaw Remediation	x	3.2
SI-3	Malicious Code Protection	x	4.3, 4.4
SI-4	System Monitoring	x	4.2, 4.3
SI-5	Security Alerts, Advisories, and Directives	x	3.2, 3.3, 4.3
SR-8	Notification Agreements	x	

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8219 The security measures are intended to protect the use of deployed EO-critical software in
8220 agencies’ operational environments. Security measures for EO Critical Software are not intended
8221 to be comprehensive, nor are they intended to eliminate the need for other security measures that
8222 federal agencies implement as part of their existing requirements and cybersecurity programs.

³² 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

8237 **Table F-3: C-SCRM Control and Security Measure Crosswalk**
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Control Identifier	Control (or Control Enhancement) Name	C-SCRM Baseline	EO Security Measure
AU-4	Audit Log Storage Capacity	N/A	4.1
AU-5	Response to Audit Logging Process Failures	N/A	4.1
AU-8	Time Stamps	N/A	4.1
AU-11	Audit Record Retention	N/A	4.1
CA-7	Continuous Monitoring	N/A	3.2, 3.3, 4.1
CP-9	System Backup	N/A	2.5
CP-10	System Recovery and Reconstitution	N/A	2.5
SC-2	Separation of System and User Functionality	N/A	1.3
SC-7(15)	Boundary Protection Networked Privileged Accesses	N/A	1.3

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Software Verification

The second initiative launched by NIST in response to EO 14028 encompasses the aggregation and codification of recommended minimum practices for software verification. As the name implies, the resulting “Guidelines on Minimum Standards for Developer Verification of Software” released in July 2021 focuses primarily on the perspective of developers supplying secure products and services to organizations within the Federal Government. Those recommended minimum software verifications techniques for developers are listed below³³:

- Threat modeling to look for design-level security issues
- Automated testing for consistency and to minimize human effort
- Static code scanning to look for top bugs
- Heuristic tools to look for possible hardcoded secrets
- Use of built-in checks and protections
- “Black box” test cases
- Code-based structural test cases
- Historical test cases
- Fuzzing
- Web app scanners, if applicable
- Address included code (libraries, packages, services)

At a minimum, federal department and agencies should familiarize themselves with these guidelines and take action to ensure applicable recommended baseline practices are being performed by their suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers.

Federal departments and agencies should ensure that roles and responsibilities for software verification are made explicit within solicitations and agreements. Suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers who have direct or indirect responsibilities for software development may be held responsible by Federal departments and agencies for the verification of software. In the case of resellers, they should be held responsible for demonstrating that the software is verified. At times, agencies may determine a need for performing software verification activities for example, in cases where the contract should address corrective actions and ongoing maintenance and update requirements.

As with the security measures for critical software use, these recommended baseline practices can be operationalized by departments and agencies through the lens of SP 800-161 Rev. 1. Table F-4 outlines where the minimum software verification techniques can be used by Federal departments and agencies to enhance existing C-SCRM controls, control enhancements, and supplemental guidance:

³³ 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

Control Identifier	Control Name	EO Minimum Software Verification Technique Impact
AU-12	Audit Record Generation	<ul style="list-style-type: none"> 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.
SA-3	System Development Life Cycle	<ul style="list-style-type: none"> Integrate all applicable minimum software verification techniques into a supplier’s “traditional SDLC activities”
SA-4	Acquisition Process	<ul style="list-style-type: none"> 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.
SA-8	Security Engineering Principles	<ul style="list-style-type: none"> 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 Expand supplier’s “security mechanisms” to include the built-in checks and protections verification technique Use address included code verification techniques to enhance supplier “design information system components and elements”
SA-9	External System Services	<ul style="list-style-type: none"> Ensure minimum software verification techniques and results are documented alongside a supplier’s “cyber-supply chain threats, vulnerabilities, and associated risks”
SA-10	Developer Configuration Management	<ul style="list-style-type: none"> 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.
SA-11	Developer Testing and Evaluation	<ul style="list-style-type: none"> Supplement suggested “C-SCRM-relevant testing” with all applicable minimum software verification techniques
SA-15	Development Process, Standards, and Tools	<ul style="list-style-type: none"> Enhance “threat modelling and vulnerability analysis” activities to include the minimum software verification techniques, where applicable
SA-22	Unsupported System Components	<ul style="list-style-type: none"> Incorporate automated testing, built-in checks, and address included code (libraries, packages, services) verification techniques to proactively identify unsupported systems or system subcomponents
SR-6	Supplier Assessment and Reviews	<ul style="list-style-type: none"> Augment “baseline factors and assessment criteria” to include a supplier’s minimum software verification techniques, where applicable
SR-9	Tamper Resistance and Detection	<ul style="list-style-type: none"> Augment “tamper resistance and detection control” to include a supplier’s minimum software verification techniques, where applicable

SR-11	Component Authenticity	<ul style="list-style-type: none"> 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”
SI-7	Software, Firmware, and Information Integrity	<ul style="list-style-type: none"> Expound on “applicable verification tools” to include all minimum software verification techniques, where applicable
CM-3	Configuration Change Control	<ul style="list-style-type: none"> 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
CM-6	Configuration Settings	<ul style="list-style-type: none"> Codify “automated management, application, and verification” activities to include all applicable minimum software verification techniques
CM-10	Software Usage Restrictions	<ul style="list-style-type: none"> 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)

8286

8287 **Cybersecurity Labeling for Consumers: Internet of Things (IoT) Devices and Software**
8288

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 manufactures. This work
8310 provides specific recommendations for improving how securable manufactured IoT devices are.
8311 IoT device manufactures 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 **Emerging software supply chain concepts**

8324 Both C-SCRM and software supply chain security disciplines have evolved rapidly in recent
8325 years. The release of EO 14028, subsequent roundtables, and cross-industry publications have
8326 brought many of these evolutions to the fore. This section seeks to introduce those emerging
8327 concepts for departments and agencies looking to adopt industry leading practices, while
8328 simultaneously responding to the EO's Section 4 mandate to gather and define new industry
8329 standards, tools, and recommended practices in software supply chain security
8330 standards, tools, and recommended practices in software supply chain security
8331

8332 As with the existing standards, tools, and recommended practices provided above, these
8333 emerging concepts are tailored to the context of departments and agencies within the federal
8334 space. Given the varying levels of complexity and technical capabilities required to implement
8335 these capabilities, they are presented in the Foundational, Sustaining, and Enhancing practices
8336 paradigm first introduced in the main body of SP 800-161 Rev. 1. Departments and agencies
8337 should use these designations to assist in prioritizing the implementation of these leading
8338 software supply chain security capabilities as well as a source of reference when imposing
8339 requirements.
8340

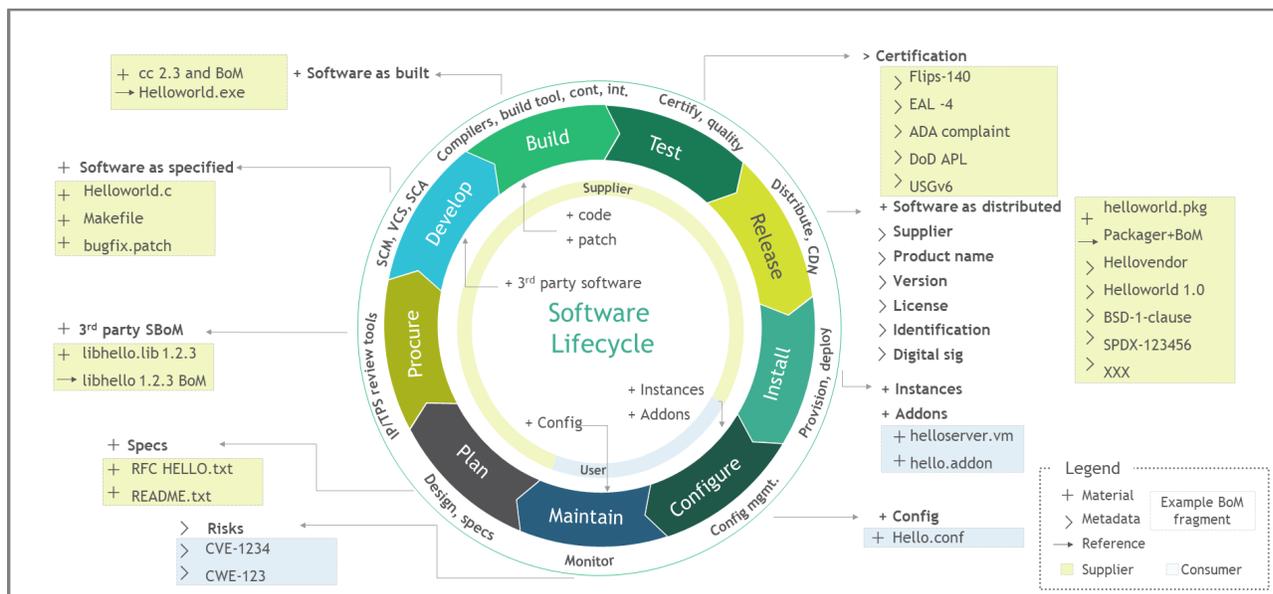
8341 As mentioned in the introduction of this appendix, the new standards, tools, and recommended
8342 practices are sourced from over 150 position papers submitted in advance NIST's June 2021
8343 Enhancing Software Supply Chain Security Workshop, federal software supply chain security
8344 working groups, as well as an array of public and private industry partnerships.
8345

8346 **Software Bill of Materials (SBOM)**

8347 The US Department of Commerce's National Telecommunications and Information
8348 Administration (NTIA) is the designated lead for producing SBOM guidance featured
8349 prominently within the EO. An SBOM is defined as a "formal record containing the details and
8350 supply chain relationships of various components used in building software," similar to food
8351 ingredient labels on packaging. The intent of SBOMs is to provide increased transparency,
8352 provenance, and speed at which vulnerabilities can be identified and remediated by departments
8353 and agencies. SBOMs as well as their currency can be indicative of a developer or suppliers'
8354 application of secure software development practices across the SDLC. Figure F-1 illustrates
8355 how an SBOM may be assembled across the SDLC.
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Fig. F-1: Software Life Cycle & Bill of Materials Assembly Line

8367 Departments and agencies should ensure that their suppliers of software products and services
8368 are able to produce SBOMs in conformance with the EO and NTIA’s published guidelines by
8369 containing:

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- **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

8377 Departments and agencies, where possible and applicable, should require their suppliers to
8378 demonstrate they are implementing, or have implemented, these foundational SBOM
8379 components and functionality along with the following capabilities:

8380
8381
8382

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 SWID³⁴.
- 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

8388

³⁴ 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
- Contextualize SBOM data with additional data elements that inform the risk posture of the acquiring entity. Additional data elements include plug-ins, hardware components, organizational controls, and other community-provided components³⁵
 - Integrate vulnerability detection with SBOM repositories to enable automated alerting of any cybersecurity risk in the supply chain³⁶

8397 **Enhancing Capabilities**

- 8398
- Incorporate artificial intelligence and machine learning (AI/ML) considerations into SBOMs to monitor risks relating to the testing and training of datasets for ML models³⁷
 - Develop risk monitoring and scoring components to dynamically monitor the impact of SBOMs' vulnerability disclosures to the acquiring organization. Align with asset inventories for further risk exposure and criticality calculations.³⁸

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 **Foundational Capabilities**

- 8417
- Perform outside-in analyses of vendors utilizing open source data and, as resources permit, commercially available third-party assessment and security ratings platforms. Acquirers with access to confidential information may further supplement these outside-in analyses.
 - Require vendors' describe and, at a minimum, self-attest to their commitment and capabilities for securing software throughout the SDLC

8425

³⁵ GitLab's NIST Position Paper: Area #5

³⁶ VigilantOps NIST Position Paper: Section 4 Enhancing Software Supply Chain Security

³⁷ Accenture NIST Position Paper: Minimum Secure Software Development Testing Requirements at Scale and Pace

³⁸ 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^[1]

8436 **Enhancing Capabilities**

8437

- 8438 • Automatically verify hashes/signatures infrastructure for all vendor-supplied software
- 8439 installation and updates^[2]
- 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^[3]
- 8443 • Enforce just-in-time credentials for supplier build systems³⁹
- 8444 • Ensure suppliers attest to utilizing automated build deployments, including pre-
- 8445 production testing, automatic rollbacks, and staggered production deployments⁴⁰

8446 **Open source software controls**

8447

8448 As stated in the EO, “ensuring and attesting, to the extent practicable, to the integrity and
 8449 provenance of open source software used within any portion of a product” is a central driver
 8450 behind many of flagship initiatives like the SBOM. Though organizations should enforce formal
 8451 baseline software supply chain security controls regardless of where and how code is developed,
 8452 the risks of using open source or community developed software are unique. Open source
 8453 projects are diverse, numerous, and use a wide range of operating models. Many of these
 8454 projects’ provenance, integrity, support maintenance, and other underlying functions are not well
 8455 understood or easy to discover and vary from one project to the next.

8456

8457 Open source components are pervasive and as such, Federal departments and agencies should
 8458 seek to better understand their suppliers’ usage of open source components by considering the
 8459 below capabilities:

8460

^[1] Contrast Security NIST Position Paper Initial list of secure software development life cycle standards

^[2] Enduring Security Framework User Subgroup Working Paper

^[3] Amazon Web Services NIST Position Paper

³⁹ Enduring Security Framework User Subgroup Working Paper

⁴⁰ 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 repositories⁴¹

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 activities⁴²
 - 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 vulnerabilities⁴³
 - 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

8485 Vulnerabilities are discovered by a variety of sources. Developers of software may find security
8486 bugs in already deployed code. Security researchers and penetration testers may find
8487 vulnerabilities by scanning or manually testing software and accessible systems (following
8488 published rules of behavior) [DRAFT NIST SP 800-216]. As such, effectively identifying,
8489 triaging, remediating, and reporting on vulnerabilities is a central pillar of the EO. In its
8490 discussion of Zero Trust architecture, the EO recognizes that discovering vulnerabilities are
8491 inevitable and departments and agencies' strategies should therefore focus on how to manage
8492 those vulnerabilities once discovered efficiently and comprehensively.

8493

8494 Aside from adhering to NIST's existing Vulnerability Disclosure Program guidance documented
8495 within NIST SP 800-216, which addresses reporting, coordinating, publishing, and receiving
8496 information about security vulnerabilities, departments and agencies can impose a range of
8497 activities and capabilities from its suppliers that will enable comprehensive and timely
8498 management of vulnerabilities:

8499
8500

⁴¹ Broadcom and Symantec NIST Position Paper

⁴² BlackBerry NIST Position Paper

⁴³ Google NIST Position Paper

8501 **Foundational Capabilities**

- 8502
- 8503 • Demonstrate utilization of effective change control, automation, robust CI/CD, and
 - 8504 DevSecOps practices to mitigate common vulnerabilities
 - 8505 • Integrate SBOMs, vulnerability databases, and reporting mechanisms to ensure
 - 8506 departments and agencies rapidly receive notification of recently released vulnerabilities

8507 **Sustaining Capabilities**

- 8508
- 8509 • Adhere to a coordinated vulnerability disclosure (CVD) practice to ensure that
 - 8510 departments and agencies are able to remediate vulnerabilities in a timely manner⁴⁴
 - 8511 • Establish a formal, publicly available means by which the public can notify the supplier
 - 8512 of uncovered vulnerabilities⁴⁵

8513 **Enhancing Capabilities**

- 8514
- 8515 • Engage suppliers that are staff defined product security incident response teams (PSIRT)
 - 8516 and/or internal research team dedicated to the identification, triage, and remediation
 - 8517 across the supplier's product/service suite⁴⁶
 - 8518 • Suppliers should have a formalized bug bounty program that incentivizes discovery and
 - 8519 proactive remediation of vulnerabilities before adversaries are able to utilize them

8520

Key Takeaways

- 8521 • **Using this appendix.** Federal departments and agencies should utilize this appendix to
- 8522 contextualize their application of any existing SP 800-161 Rev. 1 controls upon their
- 8523 suppliers, and, where feasible should adopt new software supply chain security
- 8524 recommendations that previously fell outside of the explicit scope of SP 800-161 Rev. 1.
- 8525
- 8526
- 8527 • **Relationship of SP 800-161 Rev. 1 to the EO.** This publication serves as a lens for
- 8528 understanding the targeted EO directives which include 1) Critical Software, 2) Minimum
- 8529 Standard for Vendor or Developer Verification of Code, and 3) Cybersecurity Labeling
- 8530 for Consumers: Internet of Things (IoT) Devices and Software. This publication serves as
- 8531 a complement to tangential workstreams by NIST, NTIA, NSA, DOD, CISA, and OMB.
- 8532
- 8533 • **Emerging Software Supply Chain Concepts.** This publication offers recommended
- 8534 practices against emerging software supply chain concepts which include Software Bill
- 8535 of Materials (SBOM), Enhanced vendor risk assessments, Open source software
- 8536 Controls, and Vulnerability Management practices. Organizations should prioritize,
- 8537 tailor, and implement these practices and capabilities by applying this publication's
- 8538 Foundational, Sustaining, and Enhancing practices paradigm as a source of reference.
- 8539

8540

⁴⁴ CERT/CC NIST Position Paper⁴⁵ GitLab NIST Position Paper⁴⁶ 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
8549 **Table F-5: Existing Industry Standards, Tools, and Recommended Practices**
8550

Source	Description
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

	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;

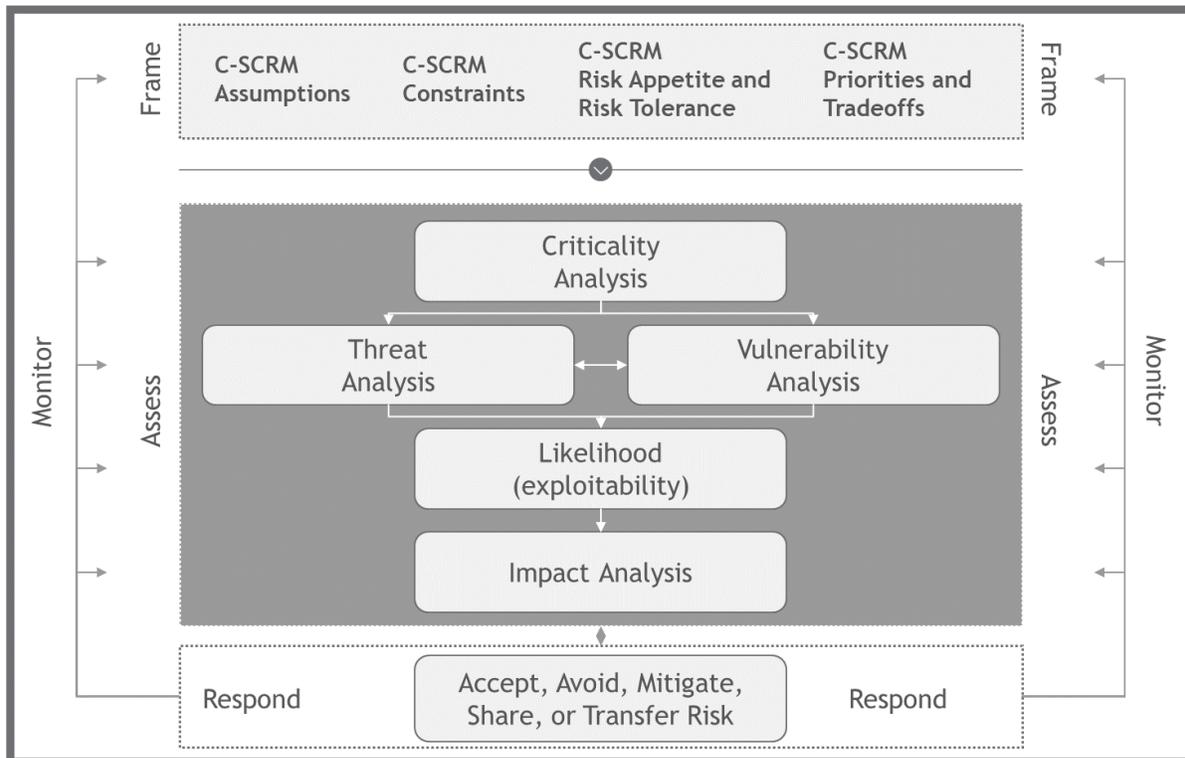
<p>SP 800-53A Rev. 4, Assessing Security and Privacy Controls in Federal Information Systems and Organizations: Building Effective Assessment Plans</p>	<p>Provides a set of procedures for conducting assessments of security controls and privacy controls employed within federal information systems and organizations.</p>
<p>SP 800-53 B, Control Baselines for Information Systems and Organizations</p>	<p>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</p>
<p>SP 800-160 Volume 1: NIST, Systems Security Engineering: Considerations for a Multidisciplinary Approach in the Engineering of Trustworthy Secure Systems</p>	<p>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;</p>
<p>Draft NIST SP 800-216 Recommendations for Federal Vulnerability Disclosure Guidelines</p>	<p>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</p>

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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.

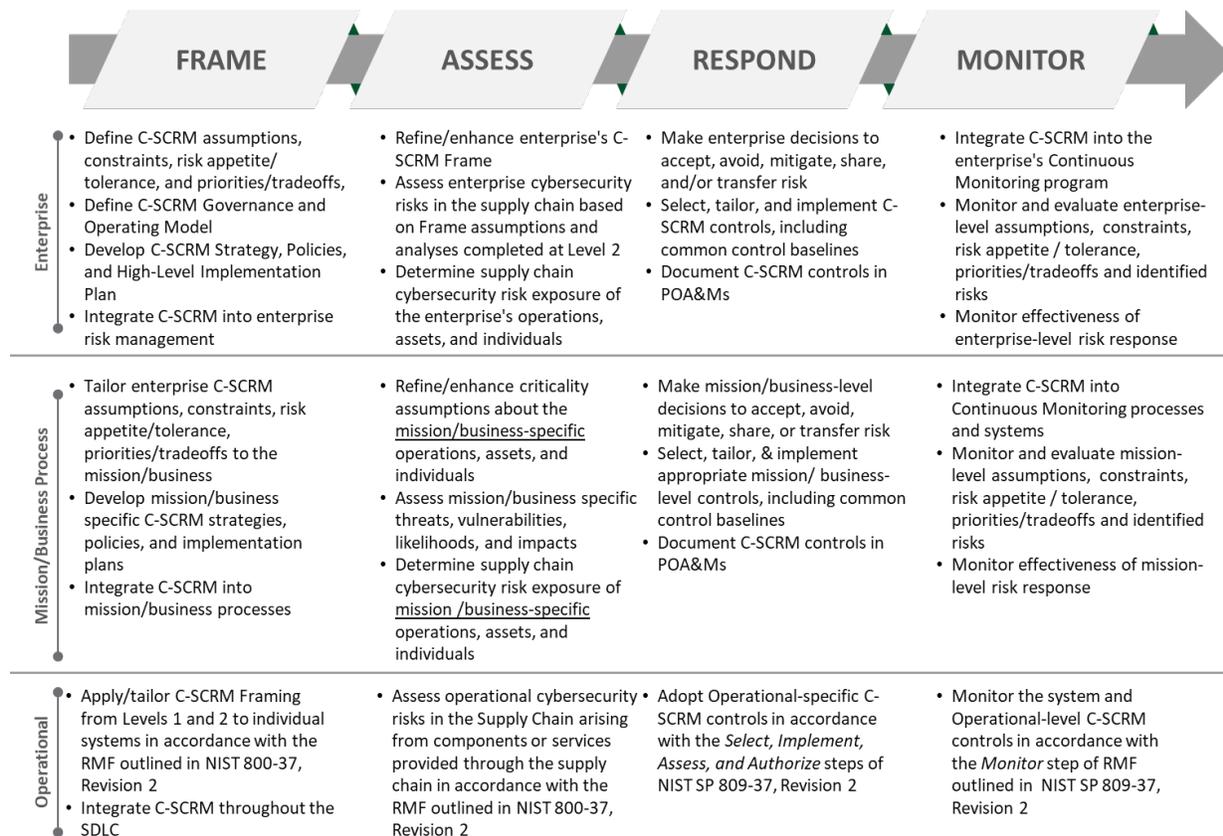


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Fig. G-1: Cybersecurity Supply Chain Risk Management (C-SCRM)

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.
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Fig. G-2: C-SCRM Activities in the Risk Management Process⁴⁷

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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*.

⁴⁷ More detailed information on the Risk Management Process can be found in Appendix C

8597 TARGET AUDIENCE

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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 3⁴⁸ – 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

⁴⁸ The RMF does have some applications at Levels 1 and 2 such as the identification of common controls.

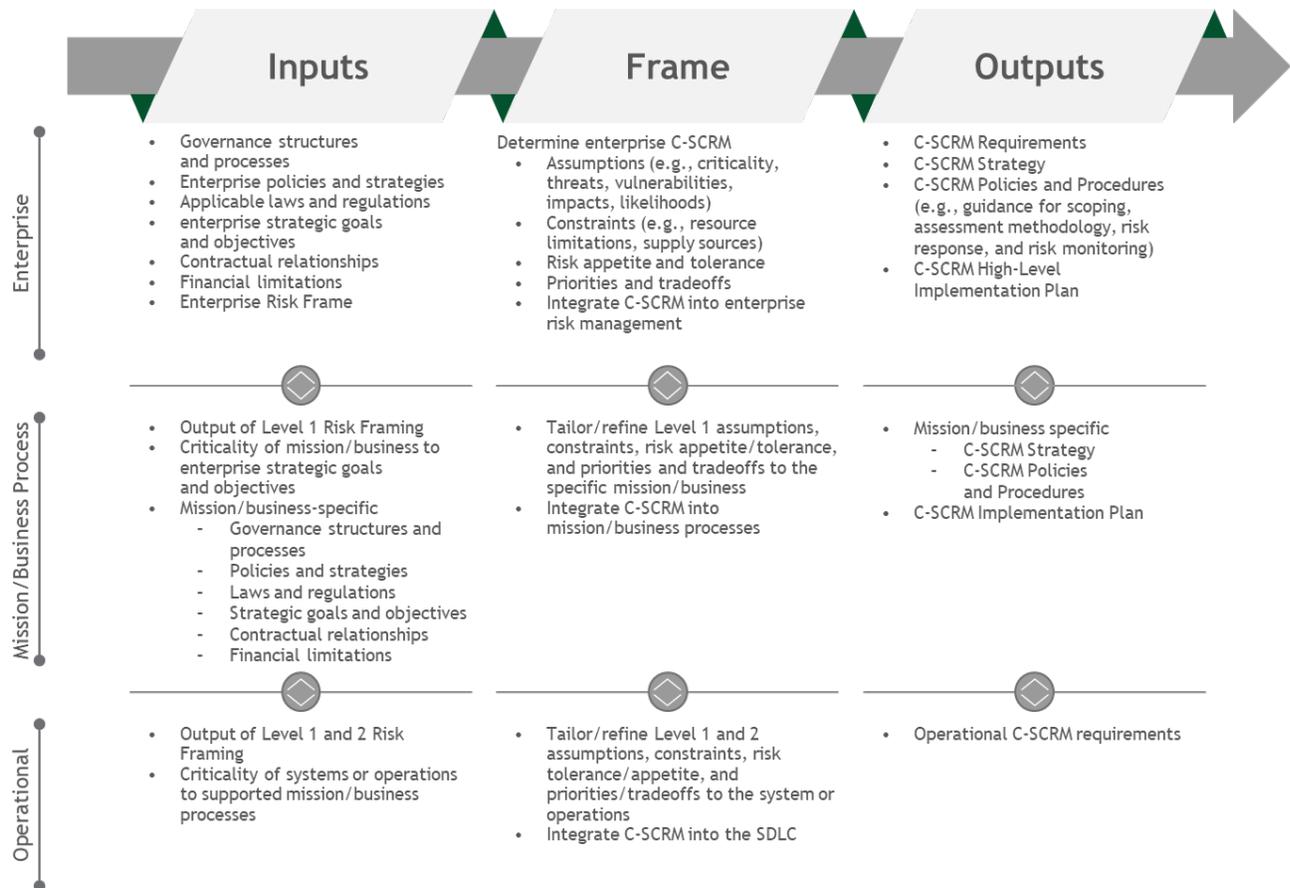
8639 frameworks and methodologies provide bounds, standardization, and orientation for supply chain
8640 risk management activities performed within later steps.

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
8687



8688

8689

Fig. G-3: C-SCRM in the Frame Step

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].⁴⁹ 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

⁴⁹ NISTIR 8179: Criticality Analysis Process Model: Prioritizing Systems and Components

8793 available information with further detail incorporated through additional iterations or at the
8794 Assess step. Determining criticality may include, but is not limited to, the following:
8795

- 8796 • Define criticality analysis procedures to ensure there is a set of documented procedures to
8797 guide the enterprise's criticality analysis across levels;
- 8798 • Conduct enterprise and mission-level criticality analysis to identify and prioritize
8799 enterprise and mission objectives, goals and requirements;
- 8800 • Conduct operational-level criticality analysis (i.e., systems and subsystems) to identify
8801 and prioritize critical workflow paths, system functionalities and capabilities;
- 8802 • Conduct system and subsystem component-level criticality analysis to identify and
8803 prioritize key system and subsystem inputs (e.g., COTS products);
- 8804 • Conduct detailed review (e.g., bottom-up analysis) of impacts and interactions between
8805 enterprise, mission, system/sub systems, and components/subcomponents to ensure cross-
8806 process interaction and collaboration.
8807

8808 Given the potential impact a supply chain incident may have to an organization's operations,
8809 assets, and in some instances, its business partners or customers, it is important for organizations
8810 to ensure that in addition to criticality, materiality considerations are built into their supply chain
8811 risk management strategy, risk assessment practices and overall governance of supply chain
8812 risks.
8813

8814 Please note that criticality can be determined for existing systems or for future system
8815 investments, development, or integration efforts based on system architecture and design. It is an
8816 iterative activity that should be performed when a change warranting iteration is identified in the
8817 Monitor step.
8818

8819 *Threat Sources*

8820 For C-SCRM, threat sources include: (i) adversarial threats such as cyber/physical attacks either
8821 to the supply chain or to an information system component(s) traversing the supply chain; (ii)
8822 accidental human errors; (iii) structural failures which include failure of equipment,
8823 environmental controls, resource depletion; and (iv) environmental threats such as geopolitical
8824 disruptions, pandemics, economic upheavals, and natural or man-made disasters; a. With regard
8825 to adversarial threats, [NIST SP 800-39] states that enterprises provide a succinct
8826 characterization of the types of tactics, techniques, and procedures employed by adversaries that
8827 are to be addressed by safeguards and countermeasures (i.e., security controls) deployed at Level
8828 1 (enterprise-level), at Level 2 (mission/business process level), and at Level 3 (information
8829 system/services level)—making explicit the types of threat sources to be addressed as well as
8830 making explicit the threat sources not being addressed by the safeguards/countermeasures.
8831
8832

8833 Threat information can include but is not limited to historical threat data, factual threat data, or
8834 business entity (e.g., suppliers, developers, system integrators, external system service providers,
8835 and other ICT/OT-related service providers) or technology-specific threat information. Threat
8836 information may come from multiple information sources, including the U.S. Intelligence
8837 Community (for federal agencies), DHS, CISA, the FBI, Information Sharing and Analysis
8838 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.

Table G-1: Examples of Supply Chain Cybersecurity Threat Sources/Agents

Threat Sources	Threat	Examples
Adversarial: Counterfeiters	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. ⁵⁰
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

⁵⁰ “Defense Industrial Base Assessment: Counterfeit Electronics,” [Defense Industrial Base Assessment: Counterfeit Electronics].

		subverting ⁵¹ 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. ⁵
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

⁵¹ 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.

⁵Information and Communications Technology Supply Chain Risk Management Task Force: Threat Evaluation Working. Group: Threat Scenarios Version 2.0

		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. ⁵
Systemic Supply Disruptions	Production short-falls in rare earth metals leads to supply shortages for critical production inputs into semi-conductors	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.

8859
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

Level	Threat Consideration	Methods
Level 1	<ul style="list-style-type: none"> Enterprise business and mission Strategic supplier relationships Geographical considerations related to the extent of the enterprise’s supply chain 	<ul style="list-style-type: none"> Establish common starting points for identifying supply chain cybersecurity threat. Establish procedures for countering enterprise-wide threats such as insertion of counterfeits into critical systems and components.
Level 2	<ul style="list-style-type: none"> Mission and business processes Geographic locations Types of suppliers (COTS, external service providers, or custom, etc.) Technologies used enterprise-wide 	<ul style="list-style-type: none"> Identify additional sources of threat information specific to enterprise mission and business processes. 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). Scope identified threat sources to the specific mission and business processes, using the agency the cybersecurity supply chain information. Establish mission-specific preparatory procedures for countering threat adversaries/natural disasters.
Level 3	<ul style="list-style-type: none"> SDLC 	<ul style="list-style-type: none"> Base the level of detail with which threats should be considered on the SDLC phase. Identify and refine threat sources based on the potential for threat insertion within individual SDLC processes.

8869

8870 *Vulnerabilities*

8871

8872 A vulnerability is a weakness in an information system, system security procedures, internal
 8873 controls, or implementation that could be exploited or triggered by a threat source [FIPS 200],
 8874 [NIST SP 800-34 Rev. 1], [NIST SP 800-53 Rev 4], [NIST SP 800-53A Rev. 4], [NIST SP 800-
 8875 115]. Within the C-SCRM context, it is any weakness in the supply chain, provided services,
 8876 system/component design, development, manufacturing, production, shipping and receiving,
 8877 delivery, operation, and component end-of-life that can be exploited by a threat source. This
 8878 definition applies to both the services/systems/components being developed and integrated (i.e.,

8879 within the SDLC) and to the supply chain, including any security mitigations and techniques,
8880 such as identity management or access control systems. Vulnerability assumptions made in the
8881 Frame step of the FARM process capture the enterprise's long-term assumptions about the
8882 enterprise's weaknesses that can be exploited or triggered by a threat source. These will become
8883 further refined and updated to reflect point-in-time variances during the Assess step. Enterprises
8884 may make long-term supply chain cybersecurity vulnerability assumptions about:

- 8885
- 8886 • The entities within supply chain itself (e.g., individual supplier relationships);
- 8887 • The critical services provided through the supply chain which support the enterprise's
- 8888 critical missions and business processes;
- 8889 • The products/systems/components provided through the supply chain and used within the
- 8890 SDLC (i.e., being developed and integrated);
- 8891 • The development and operational environment directly impacting the SDLC; and
- 8892 • The logistics/delivery environment that transports systems and components (logically or
- 8893 physically).

8894

8895 Vulnerabilities manifest differently across the 3 levels (i.e., enterprise, mission/business process,
8896 information system). At Level 1, vulnerabilities present as susceptibilities of the enterprise at-
8897 large due to managerial and operating structures (e.g., policies, governance, processes) as well as
8898 conditions in the supply chain (e.g., concentration of products or services from a single supplier)
8899 or critical enterprise processes (e.g., use of a common system across critical processes). At Level
8900 2, vulnerabilities are specific to a mission/business process and result from its operating
8901 structures and conditions such as reliance on a specific system or supplier provided input, or
8902 service to achieve specific mission/business process operating objectives. Level 2 vulnerabilities
8903 may vary widely across the different mission/business processes. Within Level 3, vulnerabilities
8904 manifest as supplied product or operational-level weaknesses or deficiencies arising from the
8905 SDLC, system security procedures, internal controls, implementations, as well as system inputs
8906 or services provided through the supply chain (e.g., system components, services).

8907

8908 Enterprises should identify approaches to characterize supply chain cybersecurity vulnerabilities
8909 consistent with the characterization of threat sources and events and with the overall approach
8910 employed by the enterprise for characterizing vulnerabilities. Vulnerabilities may be relevant to a
8911 single threat source or broadly applicable across threat sources (adversarial, structural,
8912 environmental, accidental). For example, a single point of failure in a network may be subject to
8913 disruptions caused by environmental threats (e.g., disasters) as well as adversarial threats
8914 (terrorists). Appendix B provides examples of supply chain cybersecurity threats, based on
8915 [NIST SP 800-30 Rev. 1, Appendix B].

8916

8917 All three levels should contribute to determining the enterprise's approach to characterizing
8918 vulnerabilities, with progressively more detail identified and documented in the lower levels.
8919 Table G-3 provides examples of considerations and different methods for use in characterizing
8920 supply chain cybersecurity vulnerabilities at different levels.

8921

8922

Table G-3: Supply Chain Cybersecurity Vulnerability Considerations

Level	Vulnerability Consideration	Methods
Level 1	<ul style="list-style-type: none"> • Enterprise mission/business • Holistic supplier relationships (e.g., system integrators, COTS, external services) • Geographical considerations related to the extent of the enterprise’s supply chain • Enterprise/Security Architecture • Criticality 	<ul style="list-style-type: none"> • Examine agency cybersecurity supply chain information including that from supply chain maps to identify especially vulnerable entities, locations, or enterprises. • Analyze agency mission for susceptibility to potential supply chain cybersecurity vulnerabilities. • Examine 3rd party provider/ supplier relationships and interdependencies for susceptibility to potential supply chain cybersecurity vulnerabilities. • Review enterprise architecture and criticality to identify areas of weakness requiring more robust cybersecurity supply chain considerations.
Level 2	<ul style="list-style-type: none"> • Mission and business processes • Geographic locations • Mission/process level supplier dependencies (e.g., outsourced or contracted services) • Technologies used 	<ul style="list-style-type: none"> • Refine analysis from Level 1 based on specific mission and business processes and applicable threat and supply chain information. • 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 vulnerabilities⁵² or other acceptable methodologies. • Consider using scoring guidance to prioritize vulnerabilities for remediation.
Level 3	<ul style="list-style-type: none"> • Individual technologies, solutions, and services should be considered • Supply chain SDLC inputs such as system components or services 	<ul style="list-style-type: none"> • Refine analysis based on inputs from related Level 2 missions and business processes. • Use CVEs where available to characterize and categorize vulnerabilities. • Identify weaknesses.

8923

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8925

⁵² See <https://nvd.nist.gov/>

8926 *Consequences and Impact*

8927

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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8969 **Table G-4: Supply Chain Cybersecurity Consequence & Impact Considerations**

Level	Impact Considerations	Methods
Level 1	<ul style="list-style-type: none"> • General enterprise-level impact assumptions • Supplier criticality (e.g., holistic supplier relationships) 	<ul style="list-style-type: none"> • Examine magnitude of exposure to individual entities within the supply chain. • 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.
Level 2	<ul style="list-style-type: none"> • Process role in enterprise’s primary function • Supplier criticality to mission/process (inputs and services) 	<p>For each type of cybersecurity event:</p> <ul style="list-style-type: none"> • 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. • Examine supplier network to identify business/mission-level impacts due to events affecting individual supplier entities.
Level 3	<ul style="list-style-type: none"> • Criticality of upstream and downstream Level 2 processes • System criticality • Supplier criticality to system operations (system components and services) 	<ul style="list-style-type: none"> • Examine the systems aggregated criticality to Level 1 and Level 2 primary processes • Examine the criticality of supplied system components or services to the system’s overall function. • Examine supplier network to identify individual entities which may disrupt availability of critical system inputs or services.

8970

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;

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- 8987
- 8988
- 8989
- 8990
- Accidental procurement of a counterfeit part results in premature component failure, thereby impacting the enterprise's mission performance;
 - Disruption in at a key cloud service provider resulting in operational downtime losses between \$1.5M – \$15M dollars.

8991 *Likelihood*

8992

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.

9002

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).

9016

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:

9019

9020

Table G-5: Supply Chain Cybersecurity Likelihood Considerations

Level	Likelihood Consideration	Methods
Level 1	<ul style="list-style-type: none"> • General threat and likelihood assumptions for the enterprise • Level 2 and 3 likelihood findings • Overall engagement models with suppliers that alter opportunities for contact with threat sources 	<ul style="list-style-type: none"> • Analyze critical national infrastructure implications which may increase the enterprise’s target value. • Refine analyses from Levels 2 and 3 to determine aggregate exposure to threat source contact.
Level 2	<ul style="list-style-type: none"> • Mission/process level threat and likelihood assumptions • Mission/process level engagement model with suppliers (e.g., criticality of assets interacted with) • Level 3 findings for relevant systems 	<ul style="list-style-type: none"> • Evaluate mission/business process level conditions which present opportunities for threat sources to come into contact with processes or assets via the supply chain. • Evaluate the aggregate supply chain threat conditions facing key systems relied upon by the mission/business process.
Level 3	<ul style="list-style-type: none"> • Enterprise system threat and likelihood assumptions • Supplier & system target value • Location & operating conditions • Supplier & system security policies, processes, and controls • Nature and degree of supplier contact with system (inputs, services) 	<ul style="list-style-type: none"> • Analyze nature of system inputs coming through the supply chain into the SDLC which alter likelihood of encountering threat sources. • Evaluate the systems role in Level 1 and Level 2 processes which alter target value for potential adversaries. • Analyze supply chain characteristics (e.g., location of supplier) which may increase the likelihood that a system is affected by a threat source.

9021

9022 Agencies should determine which approach(es) they will use to determine the likelihood of a
 9023 supply chain cybersecurity compromise, consistent with the overall approach used by the
 9024 agency’s risk management process. Agencies should ensure that appropriate procedures are in
 9025 place to thoroughly document any risk analysis assumptions leading to the tabulation of the final
 9026 risk score, especially in cases where high or critical impact risks are involved. Visibility into
 9027 assumptions may be critical in enabling decision makers to take action.
 9028

9029 RISK MANAGEMENT PROCESS CONSTRAINTS

9030
9031 **TASK 1-2:** Identify constraints⁵³ on the conduct of risk assessment, risk response, and risk
9032 monitoring activities within the enterprise.

9033
9034 **Supplemental Guidance**

9035
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.

9047
9048 **Table G-6: Supply Chain Constraints**

Level	Agency Constraints	Supply Chain Constraints
Level 1	<ul style="list-style-type: none"> • Enterprise policies, strategies, governance • Applicable laws and regulations • Mission and business processes • Enterprise processes (security, quality, etc.) • Resource limitations 	<ul style="list-style-type: none"> • Enterprise C-SCRM policy based on the existing agency policies, strategies, and governance; applicable laws and regulations; mission and business processes; and enterprise processes. • Acquisition regulations and policy. • Available, mandated or restricted sources of supply or products.
Level 2	<ul style="list-style-type: none"> • Mission and business processes • Criticality of processes • Enterprise architecture • Mission-level security policies 	<ul style="list-style-type: none"> • C-SCRM Mission/business requirements that are incorporated into mission/business processes and enterprise architecture. • Supplier service contracts, product warranties and liability agreements.

⁵³ Refer to [NIST SP 800-39], Section 3.1, Task 1-2 for a description of constraints in the risk management context.

-
- | | | |
|---------|--|---|
| Level 3 | <ul style="list-style-type: none"> • Functional requirements • Security requirements | <ul style="list-style-type: none"> • Product and Operational-level C-SCRM capabilities. • Supplier-provided system component warranties and service agreements. |
|---------|--|---|
-

9049

9050 An enterprise's C-SCRM policy is a critical vehicle for directing C-SCRM activities. Driven by
 9051 applicable laws and regulations, this policy should support applicable enterprise policies
 9052 including acquisition and procurement, information security, quality, and supply chain and
 9053 logistics. It should address goals and objectives articulated in the overall agency strategic plan, as
 9054 well as specific mission and business processes and business goals, along with the internal and
 9055 external customer requirements. It should also define the integration points for C-SCRM with the
 9056 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:

9065

- 9066 • C-SCRM PMO that provides overarching guidance on cybersecurity risk in the supply
 9067 chain to engineering decisions that specify and select cyber products as the system design
 9068 is finalized;
- 9069 • Procurement officer and maintenance engineering responsible for identifying and
 9070 replacing the hardware when defective;
- 9071 • Delivery enterprise and acceptance engineers who verify that the system component is
 9072 acceptable to receive into the acquiring enterprise;
- 9073 • System integrator responsible for system maintenance and upgrades, whose staff resides
 9074 in the acquirer facility and uses system integrator development infrastructure and the
 9075 acquirer operational infrastructure;
- 9076 • System Security Engineer/Systems Engineer responsible for ensuring that information
 9077 system security concerns are properly identified and addressed throughout the SDLC; and
- 9078 • The end user of cyber systems/components/services.

9079

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.

9083

9084

9085

9086 RISK APPETITE AND TOLERANCE

9087 **TASK 1-3:** Identify the levels of risk appetite and tolerance across the enterprise.

9088

9089 **Supplemental Guidance**

9090

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).

9120

9121

9122

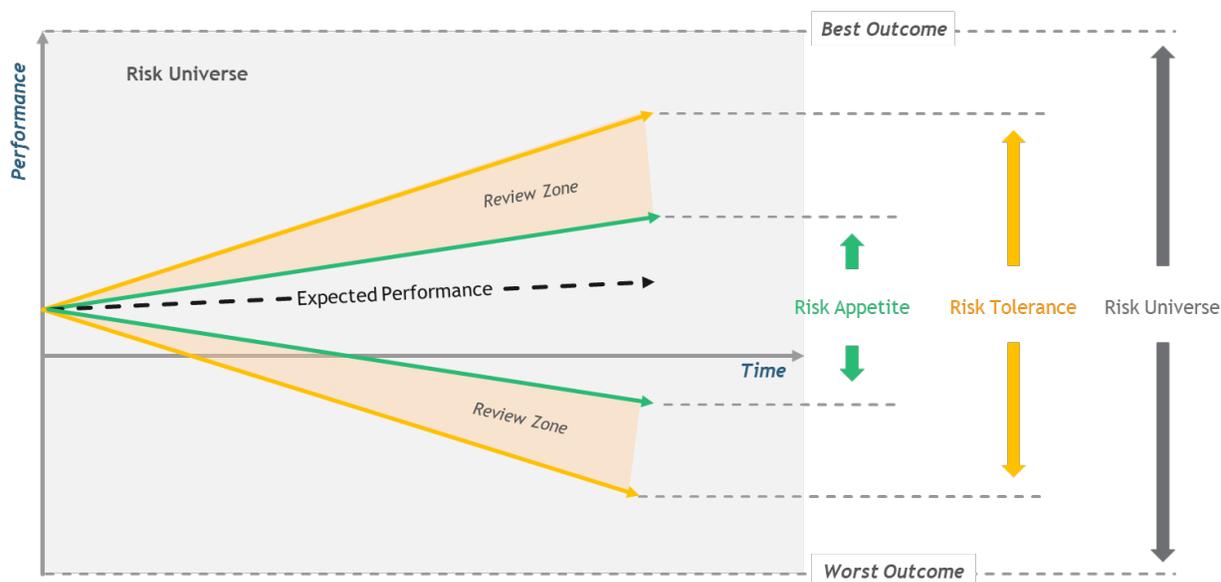


Fig. G-4: Risk Appetite & Risk Tolerance

9123
9124

9125 Together risk appetite and risk tolerance provide the expectations and acceptable boundaries for
 9126 performance against the organization’s strategic objectives. Figure G-4 illustrates how risk
 9127 appetite and risk tolerance may be used as guidelines for the organization’s operational decision
 9128 makers. Risk tolerance may be set with boundaries that exceed risk appetite to provide a degree
 9129 of flexibility needed to achieve the organization’s strategic objectives. However, operational
 9130 decision makers should strive to remain within risk appetite during normal conditions and exceed
 9131 the boundaries only as absolutely necessary (e.g., to capitalize on significant opportunities, avoid
 9132 highly adverse conditions). Observed periods of performance in the *Review Zone* which lies
 9133 outside of risk appetite boundaries should trigger a review of operational decisions as well as
 9134 defined risk appetite and risk tolerance thresholds. The review is critical to ensuring that the
 9135 organizations appetite for risk remains appropriate and applicable given the organization’s
 9136 internal and external operating conditions. For example, an organization operating during a
 9137 global pandemic may find it necessary to take on additional levels of cyber risk exposure via
 9138 alternate suppliers as they aim to circumvent supply shortages. Figure G-5 below provides an
 9139 illustrative risk appetite and risk tolerance review process

9140
9141

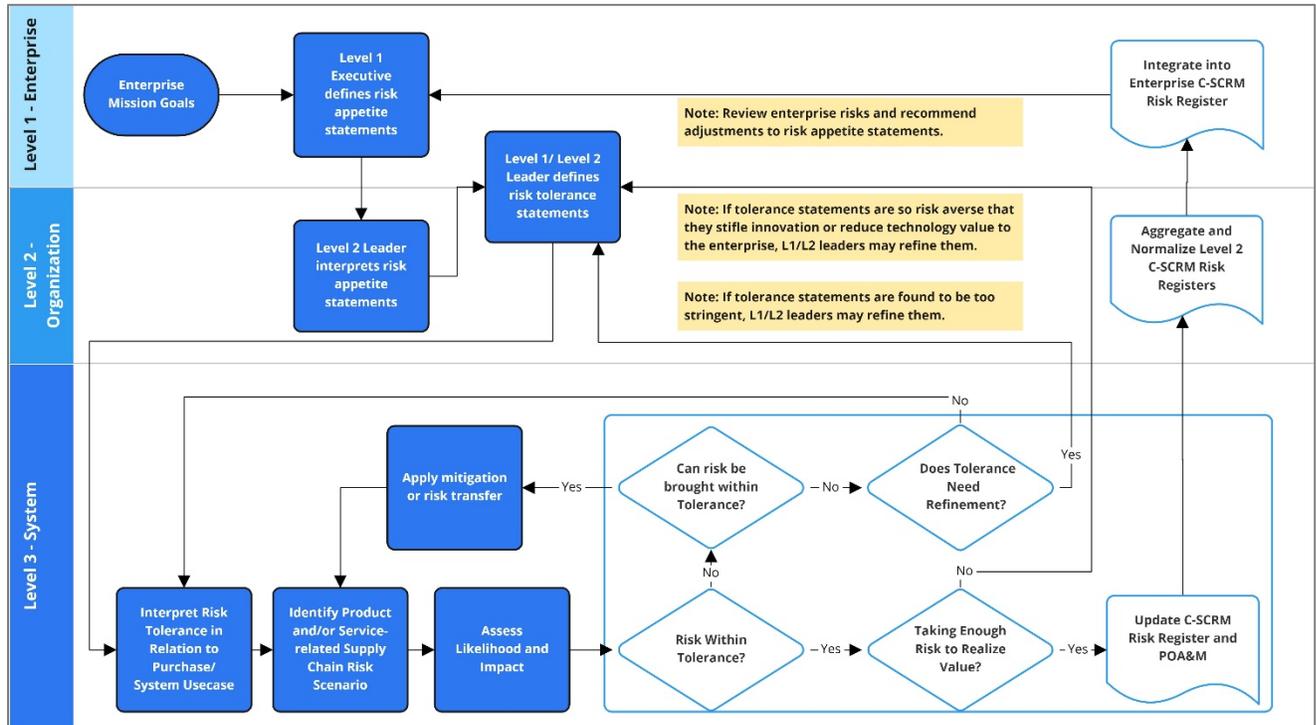


Fig. G-5: Risk Appetite & Risk Tolerance Review Process

9142
9143

9144 In some cases, organization leaders may find it necessary to rebalance guidance to as to avoid
 9145 excess risk aversion behavior (i.e., performance below appetite) by decision makers or rein in
 9146 decision makers so as to avoid excess risk seeking behavior (i.e., performance above appetite).
 9147

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**

Enterprise Constraints	Supply Chain Constraints
<ul style="list-style-type: none"> • Low appetite for risk with respect to market objectives and require 24/7 uptime. 	<ul style="list-style-type: none"> • Low tolerance (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%.
<ul style="list-style-type: none"> • Low appetite for risk with respect to production objectives which require >99% on-time delivery of products to customers with national security missions. 	<ul style="list-style-type: none"> • Near-zero tolerance (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.
<ul style="list-style-type: none"> • Low appetite for risk related to national security objectives which require 99% effectiveness of security processes 	<ul style="list-style-type: none"> • Low tolerance (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.
<ul style="list-style-type: none"> • Moderate appetite for risk related to operational objectives of non-mission critical areas which require 99.5% availability 	<ul style="list-style-type: none"> • Moderate tolerance (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%.

9152

9153 To ensure leadership has the appropriate information when making risk-based decisions,
9154 enterprises should establish measures (e.g., Key Performance Indicators (KPIs), Key Risk
9155 Indicators (KRIs)) to measure performance against defined risk appetite and risk tolerance
9156 thresholds. Identification of corresponding data sources for measurement should play a key role
9157 in the enterprise’s defined processes for setting and refining risk appetite and tolerance
9158 thresholds. Risk appetite and risk tolerance should be treated as dynamic thresholds by the
9159 enterprise. This requires periodic update and revision based on internal (e.g., new leadership,
9160 strategy) and external (e.g., market, environmental) changes which impact the enterprise.

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.⁵⁴
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

⁵⁴ 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 1. Integrated into existing agency documentation;
- 9197 2. A separate set of documents addressing C-SCRM; or
- 9198 3. A mix of separate and integrated documents based on agency needs and operations.

9200 The following information should be provided as an output of the risk framing step, regardless of
9201 how the outputs are documented:

- 9202 • C-SCRM Policy;
- 9203 • Criticality including prioritized mission and business processes and [FIPS 199] impact;
- 9204 • Supply chain cybersecurity risk assessment methodology and guidance;
- 9205 • Cybersecurity supply chain risk response guidance;
- 9206 • Cybersecurity supply chain risk monitoring guidance;
- 9207 • C-SCRM mission/business requirements;
- 9208 • Revised mission/business processes and enterprise architecture with C-SCRM
- 9209 considerations integrated;
- 9210 • Operational-level C-SCRM requirements; and
- 9211 • Acquisition security guidance/requirements.

9212 Outputs from the risk framing step are enabling pre-requisites to effectively manage
9213 cybersecurity risk in the supply chain and serve as inputs to the risk assessment, risk response,
9214 and risk monitoring steps.

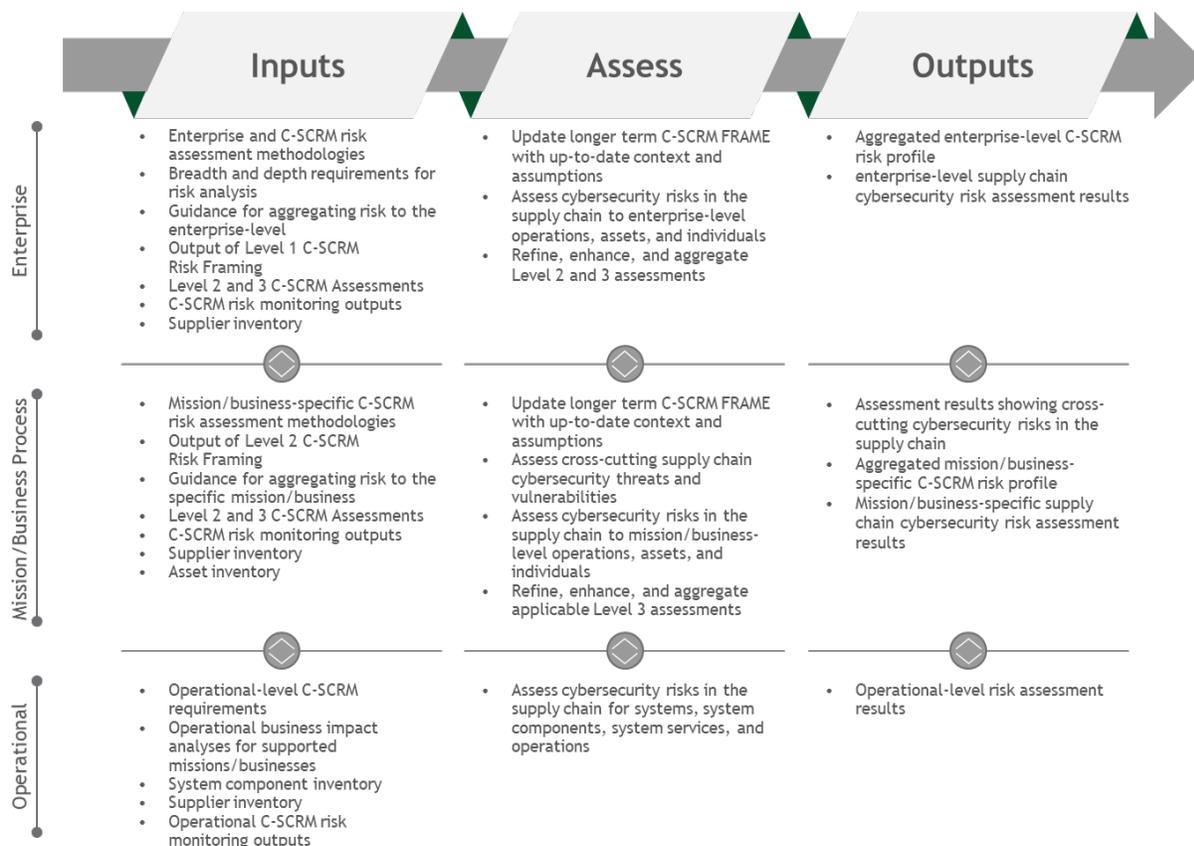
9215 **Assess**

9216 **Inputs and Preconditions**

9217 Assess is the step where assumptions, established methodologies and collected data is used to
9218 conduct a risk assessment. Numerous inputs (including criticality, risk appetite and tolerance,
9219 threats, and vulnerability analysis results; stakeholder knowledge; and policy, constraints, and
9220 requirements) are combined and analyzed to gauge the likelihood and impact of a supply chain
9221 cybersecurity compromise. Assess step activities are used to update the enterprises long-term
9222 risk-framing assumptions to account for near-term variations and changes.

9223 A supply chain cybersecurity risk assessments should be integrated into the overall enterprise
9224 risk assessment process. C-SCRM risk assessment results should be used and aggregated as
9225 appropriate to communicate potential or actual cybersecurity risk in the supply chain relevant to
9226 each risk management framework level. Figure D-4 depicts the Assess Step with its inputs and
9227 outputs along the three levels.

9235



9236
9237

Fig. G-6: C-SCRM in the Assess Step⁵⁵

9238 Criticality, vulnerability, and threat analyses are essential to the supply chain risk assessment
 9239 process. The order of activities begins with updating the criticality analysis to ensure the
 9240 assessment is scoped to minimally include relevant critical mission and business processes and to
 9241 understand the relevance and impact of supply chain elements on these mission and business
 9242 processes. As depicted in Figure G-5, vulnerability and threat analyses can then be performed, in
 9243 any order, but should be performed iteratively to ensure that all applicable threats and
 9244 vulnerabilities have been identified to understand which vulnerabilities may be more susceptible
 9245 to exploitation by certain threats, and, if and as applicable, to associate identified vulnerabilities
 9246 and threats to one or more mission and business processes or supply chain elements. Once viable
 9247 threats and potential or actual vulnerabilities are assessed, this information will be used to
 9248 evaluate the likelihood of exploitability—a key step to understanding impact. This is a synthesis
 9249 point for criticality analysis, vulnerability analysis, and threat analysis and helps to further clarify
 9250 and contextualize impact to support an informed and justifiable risk decision.

9251
9252

⁵⁵ 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;⁵⁶
- 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.

⁵⁶ 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.

9294

9295 Because more information will be available in the Assess step, enterprises can narrow the scope
9296 and increase the granularity of a criticality analysis. When identifying critical processes and
9297 associated systems/components and assigning them criticality levels, consider the following:

9298

- 9299 • Functional breakdown is an effective method of identifying processes, associated critical
9300 components, and supporting defensive functions;
- 9301 • Dependency analysis is used to identify the processes on which critical processes depend
9302 (e.g., defensive functions such as digital signatures used in software patch acceptance)
9303 which become critical processes themselves;
- 9304 • Identification of all access points to identify and limit unmediated access to critical
9305 function/components (e.g., least-privilege implementation);
- 9306 • Value chain analysis to understand inputs, process actors, outputs and customers of
9307 services and products; and
- 9308 • Malicious alteration or other types of supply chain compromise can happen throughout
9309 the SDLC.

9310

9311 The resulting list of critical processes and supply chain dependencies is used to guide and inform
9312 the vulnerability analysis and threat analysis in determining the initial C-SCRM risk as depicted
9313 in Figure D-4. Supply chain countermeasures and mitigations can then be selected and
9314 implemented to reduce risk to acceptable levels.

9315

9316 Criticality analysis is performed iteratively and may be performed at any point in the SDLC and
9317 concurrently by level. The first iteration is likely to identify critical processes and
9318 systems/components that have a direct impact on mission and business processes. Successive
9319 iterations will include information from the criticality analysis, threat analysis, vulnerability
9320 analysis, and mitigation strategies defined at each of the other levels. Each iteration will refine
9321 the criticality analysis outcomes and result in the addition of defensive functions. Several
9322 iterations are likely required to establish and maintain the criticality analysis results. Enterprises
9323 should document or record the results of their criticality analysis and review and update this
9324 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
9330 environments in which the systems operate.

9331

9332 **Supplemental Guidance**

9333

9334 In addition to threat and vulnerability identification, as described in [NIST SP 800-39] and
9335 [NIST SP 800-30 Rev. 1], enterprises should conduct supply chain cybersecurity threat analysis
9336 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.⁵⁷ 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;
- Incident data collected post-cybersecurity supply chain-related compromise;
- Observation of tactics, techniques, and procedures used in specific attacks, whether
9362 observed or collected using audit mechanisms; and
- Natural and man-made disasters before, during, and after occurrence.

9364
9365
9366 *Vulnerability Analysis*

9367
9368 For C-SCRM, a vulnerability is a weakness in an information system, system security
9369 procedures, internal controls, or implementation that could be exploited or triggered by a threat
9370 source [FIPS 200], [NIST SP 800-34 Rev. 1], [NIST SP 800-53 Rev 4], [NIST SP 800-53A Rev.
9371 4], [NIST SP 800-115].

9372
9373 A vulnerability analysis is an iterative process that informs risk assessment and countermeasure
9374 selection. The vulnerability analysis works alongside the threat analysis to help inform the
9375 impact analysis and to help scope and prioritize vulnerabilities to be mitigated.

9376
9377 Vulnerability analysis in the Assess Step should use the approaches defined during the Frame
9378 Step to update and refine assumptions about supply chain cybersecurity vulnerabilities.
9379 Vulnerability analysis should begin by identifying vulnerabilities that are applicable to critical
9380 mission and business processes and systems/system components identified by the criticality

⁵⁷ Please note that threat characterization of suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers may be benign.

9381 analysis. An investigation of vulnerabilities may indicate the need to raise or at least reconsider
 9382 the criticality levels of processes and components identified in earlier criticality analyses. Later
 9383 iterations of the vulnerability analysis may also identify additional threats, or opportunities for
 9384 threats, not considered in earlier threat assessments.

9385
 9386 Table G-8 provides examples of applicable supply chain cybersecurity vulnerabilities that can be
 9387 observed within the three levels.

9388 **Table G-8: Examples of Supply Chain Cybersecurity Vulnerabilities Mapped to the**
 9389 **Enterprise Levels**
 9390

Level	Agency Constraints	Supply Chain Constraints
Level 1 – Enterprise	1) Deficiencies or weaknesses in enterprise governance structures or processes such as a lack of C-SCRM Plan 2) Weaknesses in the supply chain itself (e.g., vulnerable entities, over-reliance on certain entities)	1) Provide guidance on how to consider dependencies on external enterprises as vulnerabilities. 2) Seek out alternate sources of new technology including building in-house, leveraging trustworthy shared services/common solutions.
Level 2 – Mission/ Business	1) No operational process is in place for detecting counterfeits 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 3) Susceptibility to adverse issues from innovative technology supply sources (e.g., technology owned or managed by third parties is buggy)	1) Develop a program for detecting tainted or counterfeit products and allocate appropriate budgets for putting in resources and training. 2) Allocate budget for acceptance testing – technical screening of components entering SDLC.
Level 3 – Operation	1) Discrepancy in system functions not meeting requirements, resulting in substantial impact to performance	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.

9391
 9392

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

- 9422 • The likelihood that one or more elements within the supply chain itself is compromised.
9423 This may impact, for example, the availability of quality components or increase the risk
9424 of intellectual property theft; and
- 9425 • The likelihood of the system or component within the supply chain being compromised,
9426 for example, by malicious code inserted into a system or an electric storm damaging a
9427 component.

9428

9429 In some cases, these two views may overlap or be indistinguishable, but both may have an
9430 impact on the agency’s ability to perform its mission.

9431

9432 Likelihood determination should consider:

9433

- 9434 • Threat assumptions that articulate the types of threats the system or the component may
9435 be subject to, such as cybersecurity threats, natural disasters, or physical security threats
- 9436 • Actual supply chain threat information such as adversaries’ capabilities, tools, intentions,
9437 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
9447 Factors for consideration include the ease or difficulty of successfully attacking through a
9448 vulnerability and the ability to detect the method employed to introduce or trigger a
9449 vulnerability. The objective is to assess the net effect of the vulnerability, which will be
9450 combined with threat information to determine the likelihood of successful attacks within a
9451 defined time frame as part of the risk assessment process. The likelihood can be based on threat
9452 assumptions or actual threat data, such as previous breaches of the supply chain, specific
9453 adversary capability, historical breach trends, or frequency of breaches. The enterprise may use
9454 empirical data and statistical analysis to determine specific probabilities of breach occurrence,
9455 depending on the type of data available and accessible within the enterprise.

9456
9457 *Impact*

9458
9459 Enterprises should begin impact analysis using methodologies and potential impact assumptions
9460 defined during the Frame step, determining the impact of a compromise and the impact of
9461 mitigating said compromise. Enterprises need to identify the various adverse impacts of
9462 compromise, including: (i) the characteristics of the threat sources that could initiate the events;
9463 (ii) identified vulnerabilities; and (iii) the enterprise susceptibility to such events based on
9464 planned or implemented countermeasures. Impact analysis is an iterative process performed
9465 initially when a compromise occurs, when mitigation approach is decided to evaluate the impact
9466 of change, and finally, in the ever-changing SDLC, when the situation/context of the system or
9467 environment changes.

9468
9469 Enterprises should use the result of impact analysis to define an acceptable level of cybersecurity
9470 risk in the supply chain for a given system. Impact is derived from criticality, threat, and
9471 vulnerability analysis results, and should be based on the magnitude of effect on enterprise
9472 operations, enterprise assets, individuals, other enterprises, or the Nation (including the national
9473 security interests of the United States) of a loss of confidentiality, integrity, or availability of
9474 information or an information system [NIST SP 800-53 Rev. 5]. Impact is likely to be a
9475 qualitative measure requiring analytic judgment. Executive/decision-makers use impact as an
9476 input into the risk-based decisions whether to accept, avoid, mitigate, or share the resulting risks
9477 and the consequences of such decisions.

9478
9479 Enterprises should document the overall results of assessments of cybersecurity risk in the
9480 supply chain in risk assessment reports.⁵⁸ Supply chain cybersecurity risk assessment reports

⁵⁸ See [NIST SP 800-30 Rev. 1 Appendix K] for a description of risk assessment reports.

9481 should cover risks in all three enterprise levels as applicable. Based on the enterprise structure
9482 and size, multiple assessment reports on cybersecurity risk in the supply chain may be required.
9483 Agencies are encouraged to develop individual reports at Level 1. For Level 2, agencies should
9484 integrate cybersecurity risk in the supply chain into the respective mission-level Business Impact
9485 Assessments (BIA) and may want to develop separate mission-level assessment reports on
9486 cybersecurity risk in the supply chain. For Level 3, agencies may want to integrate cybersecurity
9487 risk in the supply chain into the respective Risk Response Framework. Risk Response
9488 Frameworks at all three levels should be interconnected, reference each other when appropriate,
9489 integrate with the C-SCRM Plans, and comprise part of authorization packages.

9490

9491 *Aggregation*

9492

9493 Enterprises and enterprises may use risk aggregation to roll up several discrete or lower-level
9494 risks into a more general or higher-level risk [NIST SP 800-30 Rev. 1]. This is especially
9495 important for C-SCRM as enterprises and enterprises strive to understand their exposure to the
9496 supply chain at operational-levels as well as at the relationship level (i.e., Level 1). Ultimately,
9497 enterprises may wish to aggregate and normalize their C-SCRM risk assessment results with
9498 other enterprise risk assessments to develop an understanding of total risk exposure across risk
9499 types (e.g., financial, operational, legal/regulatory). This aggregation may occur to an enterprise
9500 level in cases where the enterprise consists of multiple lower-level enterprises. Each subordinate
9501 enterprise would roll up and normalize the enterprise-level risks into a single enterprise risk
9502 register. Risk aggregation may also occur from Level 2 mission and business process level
9503 registers into a single Level 1 enterprise-level risk register. To ease this process, enterprises
9504 should maximize inheritance of common frameworks and lexicons from higher-order risk
9505 processes (e.g., enterprise risk management).

9506

9507 When dealing with discrete risks (i.e., non-overlapping), enterprises can more easily develop a
9508 holistic understanding of aggregate Level 1 and 2 risk exposures. In many cases, however,
9509 enterprises will find that risk assessments completed at lower levels contain overlapping
9510 estimates for likelihood and/or impact magnitude. In these cases, the sum of the pieces (i.e., risk
9511 exposure ratings at lower levels) are greater than the whole (i.e., aggregate risk exposure of the
9512 enterprise). To overcome these challenges, enterprises can employ a variety of techniques.
9513 Enterprises may elect to use visualizations or heat maps to demonstrate the likelihood and impact
9514 of risks relative to one another. When presenting aggregate risk as a number, enterprises should
9515 ensure that assessments of risk produce discrete outputs by adopting mutually exclusive and
9516 collectively exhaustive (MECE) frameworks. MECE frameworks guide analysis of inputs (e.g.,
9517 threats, vulnerabilities, impacts) and allow the enterprise to minimize overlapping assumptions
9518 and estimates. Instead of summing together risks from lower levels, enterprises may elect to
9519 perform a new holistic assessment at an upper level leveraging the combined assessment results
9520 from lower levels. Doing so can help enterprises avoid double counting of risk resulting in
9521 overestimation of their aggregate risk exposure. Enterprises should apply discretion in
9522 aggregating risks so as to avoid risk aggregations that are difficult to explain (e.g., combining
9523 highly differentiated scenarios into a single number).

9524

9525 Quantitative methods offer distinct advantages for risk aggregation. Through the use of
9526 probabilistic techniques (e.g., Monte Carlo methods, Bayesian analysis), enterprises can combine

9527 similar risks into a single, easily understood figure (e.g., dollars) in a mathematically defensible
9528 manner. Mutually exclusive and collectively exhaustive frameworks remain an important
9529 requirement for quantitative methods.

9530

9531

9532 **Outputs and Post Conditions**

9533 This step results in:

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- 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.

9546 **Respond**

9547

9548 **Inputs and Preconditions**

9549

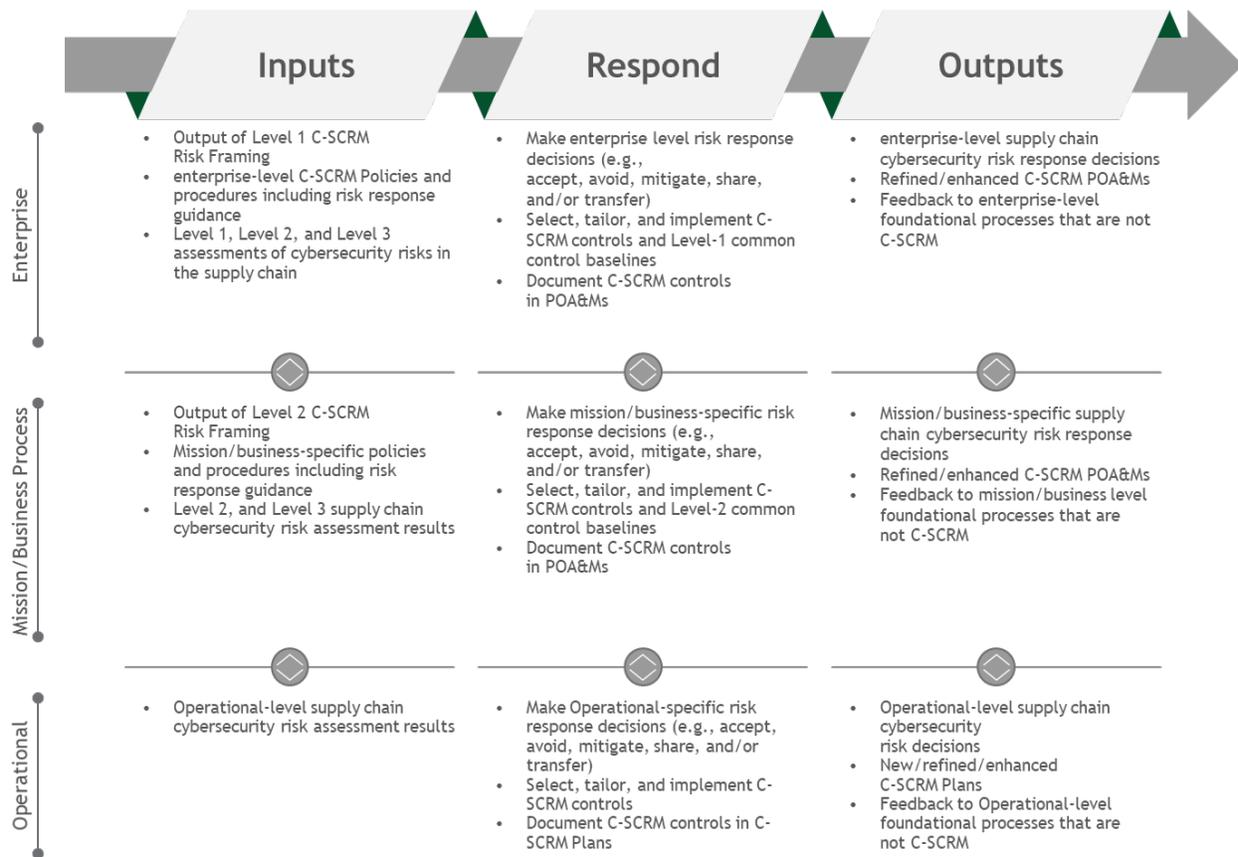
9550 Respond is the step in which the individuals conducting risk assessment will communicate the
9551 assessment results, proposed mitigation/controls options, and the corresponding acceptable level
9552 of risk for each proposed option to the decision makers. This information should be presented in
9553 a manner appropriate to inform and guide risk-based decisions. This will allow decision makers
9554 to finalize appropriate risk response based on the set of options and taking into account the
9555 corresponding risk factors of choosing the various options. Sometimes an appropriate response is
9556 to do nothing and to monitor the adversary's activities and behavior to better understand the
9557 tactics and to attribute the activities.

9558

9559 Cybersecurity supply chain risk response should be integrated into the overall enterprise risk
9560 response. Figure G-6 depicts the Respond Step with its inputs and outputs along the three
9561 enterprise levels.

9562

9563



9564

9565

Fig. G-7: C-SCRM in the Respond Step⁵⁹

9566

9567 **Activities**

9568 **RISK RESPONSE IDENTIFICATION**

9569

9570 **TASK 3-1:** Identify alternative courses of action to respond to risk determined during the risk
9571 assessment.

9572

9573 Enterprise’s risk response strategies will be informed by risk management strategies developed
9574 for the enterprise (i.e., Level 1) and mission/business process (i.e., Level 2). Risk response
9575 strategies will include general courses of action the enterprise may take as part of its risk
9576 response efforts (e.g., accept, avoid, mitigate, transfer or share). As part of mitigation efforts,
9577 enterprises should select C-SCRM controls and tailor these controls based on the risk
9578 determination. C-SCRM controls should be selected for all three levels, as appropriate per
9579 findings of the risk assessments for each of the levels.

9580

9581 Many of the C-SCRM controls included in this document may be part of an IT security plan and
9582 should be incorporated as requirements in agreements made with third party providers. These
9583 controls are included because they apply to C-SCRM.

⁵⁹ 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.

9631

9632 RISK RESPONSE DECISION

9633

9634 **TASK 3-3:** Decide on the appropriate course of action for responding to risk.

9635

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.⁶⁰ 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-

⁶⁰ 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.

9675
9676 C-SCRM Plans should:

- 9677
- 9678 • Summarize the environment as determined in Frame such as applicable policies,
9679 processes, and procedures based on enterprise and mission requirements currently
9680 implemented in the enterprise;
 - 9681 • State the role responsible for the plan such as Risk Executive, Chief Financial Officer
9682 (CFO), Chief Information Officer (CIO), Program Manager, or System Owner;
 - 9683 • Identify key contributors such as CFO, Chief Operations Officer (COO),
9684 Acquisition/Contracting, Procurement, C-SCRM PMO, System Engineer, System
9685 Security Engineer, Developer/Maintenance Engineer, Operations Manager, or System
9686 Architect;
 - 9687 • Provide the applicable (per level) set of risk mitigation measures and controls resulting
9688 from the Evaluation of Alternatives (in Respond);
 - 9689 • Provide tailoring decisions for selected controls including the rationale for the decision;
 - 9690 • Describe feedback processes among the levels to ensure that cybersecurity supply chain
9691 interdependencies are addressed;
 - 9692 • Describe monitoring and enforcement activities (including auditing if appropriate)
9693 applicable to the scope of each specific C-SCRM Plan;
 - 9694 • If appropriate, state qualitative or quantitative measures to support implementation of the
9695 C-SCRM Plan and assess effectiveness of this implementation;⁶¹
 - 9696 • Define frequency for deciding whether the plan needs to be reviewed and revised;
 - 9697 • Include criteria that would trigger revision, for example, life cycle milestones, gate
9698 reviews, or significant contracting activities; and
 - 9699 • Include suppliers, developers, system integrators, external system service providers, and
9700 other ICT/OT-related service providers C-SCRM Plans if made available as part of
9701 agreements.
- 9702

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.

⁶¹ 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

Level	Controls	Examples
Level 1	Provides enterprise common controls baseline to Levels 2 and 3	<ul style="list-style-type: none"> • Minimum sets of controls applicable to all suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers. • Enterprise-level controls applied to processing and storing suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers information. • Cybersecurity supply chain training and awareness for acquirer staff at the enterprise-level.
Level 2	<ul style="list-style-type: none"> • Inherits common controls from Level 1 • Provides mission and business process level common controls baseline to Level 3 Provides feedback to Level 1 about what is working and what needs to be changed	<ul style="list-style-type: none"> • 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. • Program-level refinement of Identity and Access Management controls to address C-SCRM concerns. • Program-specific supply chain training and awareness.
Level 3	<ul style="list-style-type: none"> • Inherits common controls from Levels 1 and 2 • Provides system-specific controls for Level 3 Provides feedback to Level 2 and Level 1 about what is working and what needs to be changed	<ul style="list-style-type: none"> • Minimum sets of controls applicable to service providers or specific hardware and software for the individual system. • Appropriately rigorous acceptance criteria for change management for systems that support supply chain, e.g., as testing or integrated development environments. • System-specific cybersecurity supply chain training and awareness. • Intersections with the SDLC.

9715

Appendix C provides an example C-SCRM Plan template with the sections and types of information enterprises should include in their C-SCRM Planning activities.

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RISK RESPONSE IMPLEMENTATION

9720

TASK 3-4: Implement the course of action selected to respond to risk.

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Enterprises should implement the C-SCRM Plan in a manner that integrates the C-SCRM controls into the overall agency risk management processes.

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Outputs and Post Conditions

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.

For general risk types, this step results in:

- 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.

Monitor

INPUTS AND PRECONDITIONS

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.

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.

Enterprises should integrate C-SCRM into existing continuous monitoring programs.⁶² 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.

⁶² 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>.

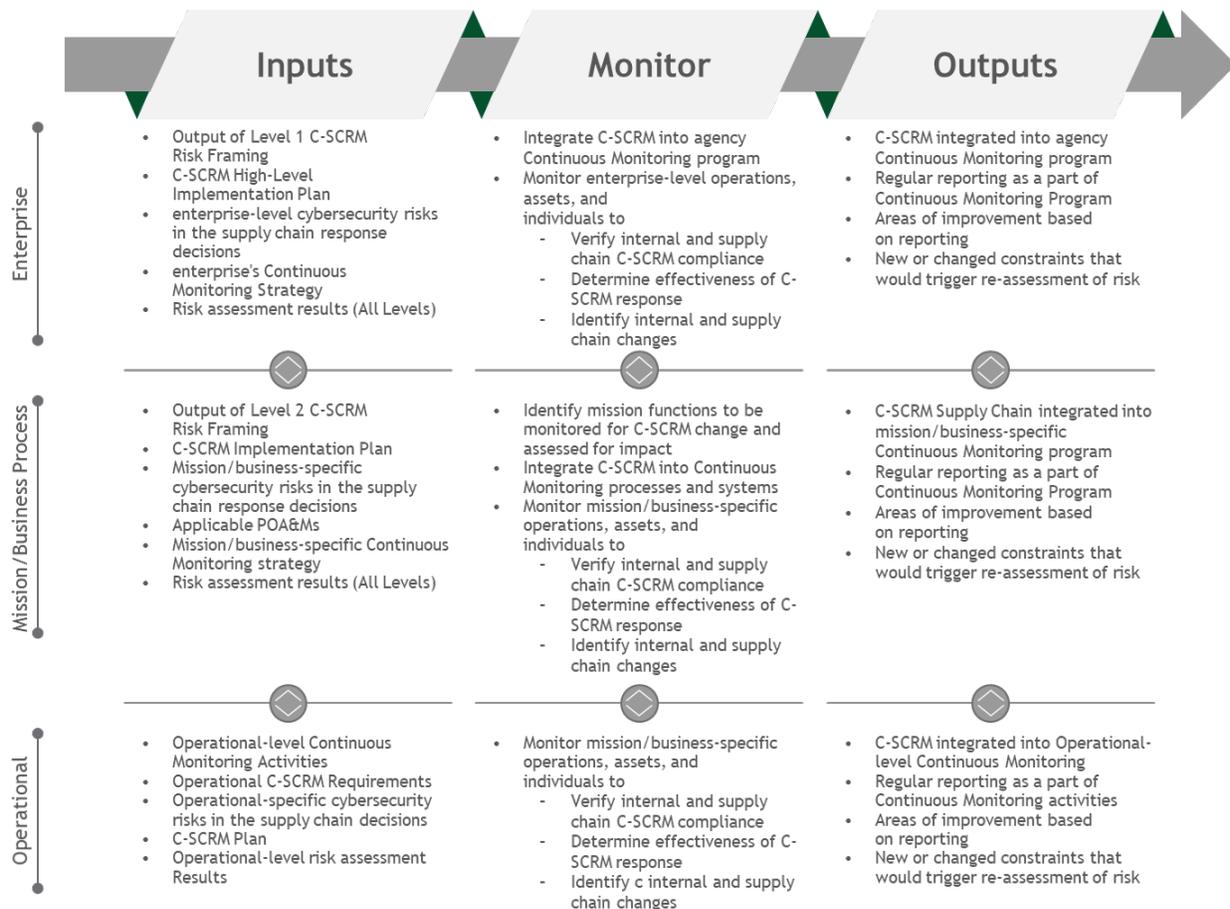


Fig. G-8: C-SCRM in the Monitor Step⁶³

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9763

9764

9765 **Activities**

9766 **RISK MONITORING STRATEGY**

9767 **TASK 4-1:** Develop a risk monitoring strategy for the enterprise that includes the purpose, type, and frequency of monitoring activities.

9769

9770 **Supplemental Guidance**

9771

9772 Enterprises should integrate C-SCRM considerations into their overall risk monitoring strategy.

9773 Monitoring cybersecurity risk in the supply chain may require access to information that

9774 agencies may not have traditionally collected. Some of the information will require needing to be

9775 gathered from outside the agency, such as from open sources or suppliers and integrators. The

9776 strategy should, among other things, include the data to be collected, state the specific measures

9777 compiled from the data (e.g., number of contractual compliance violations by the vendor),

9778 identify existing or include assumptions about required tools needed to collect the data, identify

9779 how the data will be protected, and define reporting formats for the data. Potential data sources

9780 may include:

⁶³ More detailed information on the Risk Management Process can be found in Appendix C

- 9781
- 9782
- 9783
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- Agency vulnerability management and incident management activities;
 - Agency manual reviews;
 - Interagency information sharing;
 - Information sharing between the agency and suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers;
 - Supplier information sharing; and
 - Contractual reviews of suppliers, developers, system integrators, external system service providers, and other ICT/OT-related service providers.

9790

9791 Enterprises should ensure the appropriate protection of supplier data if that data is collected and

9792 stored by the agency. Agencies may also require additional data collection and analysis tools to

9793 appropriately evaluate the data to achieve the objective of monitoring applicable cybersecurity

9794 risk in the supply chain.

9795

9796 **RISK MONITORING**

9797

9798 **TASK 4-2:** Monitor enterprise information systems and environments of operation on an

9799 ongoing basis to verify compliance, determine effectiveness of risk response measures, and

9800 identify changes.

9801

9802 According to [NIST SP 800-39], enterprises should monitor compliance, effectiveness, and

9803 change. Monitoring compliance within the context of C-SCRM involves monitoring an

9804 enterprise's processes and supplied products and services for compliance with the established

9805 security and C-SCRM requirements. Monitoring effectiveness involves monitoring the resulting

9806 risks to determine whether the established security and C-SCRM requirements produce the

9807 intended results. Monitoring change involves monitoring the environment for any changes that

9808 would signal changing requirements and mitigations/controls to maintain an acceptable level of

9809 cybersecurity risk in the supply chain.

9810

9811 To monitor for changes, enterprises should establish regular intervals at which they review and

9812 reassess suppliers as well as the products and services they provide. The reassessment intervals

9813 should be determined as needed and appropriate for the enterprise. Enterprises also need to

9814 identify and document a set of off-cycle triggers that would signal an alteration to the state of

9815 cybersecurity risk in the supply chain arising from a supplier relationship. While the categories

9816 of triggers will likely include changes to constraints, identified in Table D-6 (during the Frame

9817 Step), such as policy, mission, change to the threat environment, enterprise architecture, SDLC,

9818 or requirements, the specific triggers within those categories may be substantially different for

9819 different enterprises.

9820

9821 An example of a cybersecurity supply chain change is two key vetted suppliers⁶⁴ announcing

9822 their departure from a specific market, therefore creating a supply shortage for specific

⁶⁴ 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.

9823 components. This would trigger the need to evaluate whether reducing the number of suppliers
9824 could create vulnerabilities in component availability and integrity. In this scenario, potential
9825 deficit of components may result simply from insufficient supply of components, because fewer
9826 components are available. If none of the remaining suppliers are vetted, this deficit may result in
9827 uncertain integrity of the remaining components. If the enterprise policy directs use of vetted
9828 components, this event may result in the enterprise's inability to fulfill its mission needs. Supply
9829 Chain Change may also arise as a result of a company experiencing a change in ownership. A
9830 change in ownership could have significant implications especially in cases where the change
9831 involves a transfer of ownership to foreign nationals of a country different from that of the
9832 original owners.

9833
9834 In addition to regularly updating existing risks assessments at all levels of the enterprise with the
9835 results of the ongoing monitoring, the enterprise should determine the triggers of a reassessment.
9836 Some of these triggers may include availability of resources, changes to cybersecurity risk in the
9837 supply chain, natural disasters, or mission collapse.

9838
9839 In order for monitoring to be effective, the state of cybersecurity supply chain risk management
9840 needs to be communicated to decision-makers across the enterprise in the form of C-SCRM
9841 reporting. Reporting should be tailored to meet the specific needs of its intended audience. For
9842 example, reporting to Level 1 decision-makers may summarize the C-SCRM implementation
9843 coverage, efficiency, effectiveness, and overall levels of exposure to cybersecurity risk in the
9844 supply chain at aggregate levels across the enterprise. Where applicable and appropriate for the
9845 audience, reporting may focus on specific areas in Levels 2 and 3 requiring executive leadership
9846 attention. To aid in tailoring reporting, reporting requirements should be defined in collaboration
9847 with the intended audience and updated periodically to ensure reporting is efficient and effective.

9848 9849 **Outputs and Post Conditions**

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9851 Enterprises should integrate the cybersecurity supply chain outputs of the Monitor Step into the
9852 C-SCRM Plan. This plan will provide inputs into iterative implementations of the Frame, Assess,
9853 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. Authorization also applies to common controls inherited by agency information systems.	[NIST SP 800-53 Rev. 5]
Authorization Boundary	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	<p>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.</p>	
Provenance	<p>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.</p>	[NIST SP 800-53 Rev. 5]
Risk	<p>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.</p>	[NIST SP 800-39]
Residual Risk	<p>Portion of risk remaining after controls/countermeasures have been applied.</p>	[NIST SP 800-16] (adapted)
Risk Appetite	<p>The types and amount of risk, on a broad level, it is willing to accept in its pursuit of value.</p>	[NISTIR 8286]
Risk Framing	<p>The set of assumptions, constraints, risk tolerances, and priorities/trade-offs that shape an organization’s approach for managing risk.</p>	[NIST SP 800-39]
Risk Management	<p>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.</p>	[NIST SP 800-53 Rev. 5]
Risk Mitigation	<p>Prioritizing, evaluating, and implementing the appropriate risk-reducing controls/countermeasures recommended from the risk management process.</p>	[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]
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.	[NIST SP 800-53 Rev. 5] (adapted)
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

9864 **APPENDIX J: REFERENCES**9865 **RELATIONSHIP TO OTHER PROGRAMS AND PUBLICATIONS**

9866
9867 The revision to NIST SP 800-161 builds upon concepts described in a number of NIST and other
9868 publications to facilitate integration with the agencies' existing enterprise-wide activities, as well
9869 as a series of legislative developments following its initial release. These resources are
9870 complementary and help enterprises build risk-based information security programs to protect
9871 their operations and assets against a range of diverse and increasingly sophisticated threats. This
9872 publication will be revised to remain consistent with the NIST SP 800-53 security controls
9873 catalog using an iterative process as the C-SCRM discipline continues to mature.
9874

9875 **NIST Publications**

9876
9877 [NIST SP 800-161 Rev. 1] leverages the latest versions of the publications and programs that
9878 guided its initial development, as well as new publications following its initial release:
9879

- 9880 • NIST Cybersecurity Framework (CSF) Version 1.1;
- 9881 • FIPS 199, *Standards for Security Categorization of Federal Information and Information*
9882 *Systems*, to conduct criticality analysis to scoping C-SCRM activities to high-impact
9883 components or systems [FIPS 199];
- 9884 • NIST SP 800-30, Revision 1, *Guide for Conducting Risk Assessments*, to integrate
9885 ICT/OT SCRM into the risk assessment process [NIST SP 800-30 Rev. 1];
- 9886 • NIST SP 800-37, Revision 2, *Risk Management Framework for Information Systems and*
9887 *Organizations: A System Life Cycle Approach for Security and Privacy* [NIST SP 800-37
9888 Rev. 2];
- 9889 • NIST SP 800-39, *Managing Information Security Risk: Organization, Mission, and*
9890 *Information System View*, to integrate ICT/OT SCRM into the risk management levels
9891 and risk management process [NIST SP 800-39];
- 9892 • NIST SP 800-53 Revision 5, *Security and Privacy Controls for Information Systems and*
9893 *Organizations*, to provide information security controls for enhancing and tailoring to C-
9894 SCRM context [NIST SP 800-53 Rev. 5];
- 9895 • NIST SP 800-53B Revision 5, *Control Baselines for Information Systems and*
9896 *Organizations*, to codify control baselines and C-SCRM supplementary guidance and
9897 [NIST SP 800-53B Rev. 5];
- 9898 • NIST SP 800-150, *Guide to Cyber Threat Information Sharing*, to provide guidelines for
9899 establishing and participating in cyber threat information relationships [NIST SP 800-
9900 150];
- 9901 • NIST SP 800-160 Vol. 1, *Systems Security Engineering* [NIST SP 800-160 Vol. 1] and
9902 NIST SP 800-160 Vol. 2, *Developing Cyber Resilient Systems: A Systems Security*
9903 *Engineering Approach* [NIST SP 800-160 Vol. 2] for specific guidance on the security
9904 engineering aspects of C-SCRM;
- 9905 • NIST SP 800-181 Revision 1, *National Initiative for Cybersecurity Education (NICE)*
9906 *Cybersecurity Workforce Framework*, as a means of forming a common lexicon on C-
9907 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:

- 9925 • Office of Management and Budget (OMB) Circular A-123, *Management's Responsibility*
- 9926 *for Internal Control*
- 9927 • Office of Management and Budget (OMB) Circular A-130, *Managing Information as a*
- 9928 *Strategic Resource*
- 9929 • The Federal Acquisition Supply Chain Security Act (FASCA), *Title II of the*
- 9930 *Strengthening and Enhancing Cyber-capabilities by Utilizing Risk Exposure Technology*
- 9931 *Act (SECURE) Technology Act of 2018*
- 9932 • Public Law 115–232 § 889, *Prohibition on Contracting Certain Telecommunications and*
- 9933 *Video Surveillance Services or Equipment*
- 9934 • Federal Register, Vol. 84, No. 156, *Prohibition on Contracting for Certain*
- 9935 *Telecommunications and Video Surveillance Services or Equipment*, August 13, 2019
- 9936 • FAR Part 4, Subpart 4.20, *Prohibition on Contracting for Hardware, Software, and*
- 9937 *Services Developed or Provided by Kaspersky Lab*
- 9938 • (GAO), *Challenges and Policy Considerations Regarding Offshoring and Foreign*
- 9939 *Investment Risks*, September 2019
- 9940 • Executive Order 14028, *Improving the Nation's Cybersecurity*, May 12, 2021

9941 **Other U.S. Government Reports**

9942 [NIST SP 800-161 Rev. 1] is also informed by additional government reports:

- 9943 • Government Accountability Office (GAO) Report, *Information Technology: Federal*
- 9944 *Agencies Need to Take Urgent Action to Manage Supply Chain Risks*, December 2020,
- 9945 GAO-21-171 [GAO]
- 9946 • Department of Defense and Department of Homeland Security Software Assurance
- 9947 Acquisition Working Group, *Software Assurance in Acquisition: Mitigating Risks to the*
- 9948 *Enterprise* [SwA]

- 9949 • National Defense Industrial Association (NDIA), *Engineering for System Assurance*
9950 [NDIA]
9951

9952 **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™*
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

9974 **Guidance for Cloud Service Providers**

9975
9976 The *external system service providers* discussed in this publication include *cloud service*
9977 *providers*. This publication does not replace guidance provided with respect to federal agency
9978 assessment of cloud service providers' security. When applying this publication to cloud service
9979 providers, federal agencies should first use Federal Risk and Authorization Program (FedRAMP)
9980 cloud services security guidelines and then apply [NIST SP 800-161 Rev. 1] for those processes
9981 and controls that are not addressed by FedRAMP.⁶⁵
9982

9983 **METHODOLOGY FOR BUILDING C-SCRM GUIDANCE USING SP 800-39, SP 800-37** 9984 **REVISION 2, AND NIST SP 800-53 REVISION 5**

9985
9986 This publication applies the multileveled risk management approach of [NIST SP 800-39] by
9987 providing C-SCRM guidance at the enterprise, mission, and operational levels. It also introduces
9988 a navigational system for [SP 800-37 Rev. 2] allowing users to focus on relevant sections of this
9989 publication more easily. Finally, it contains an enhanced overlay of specific C-SCRM controls,
9990 building on [NIST SP 800-53 Rev. 5].
9991

⁶⁵ 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.

9992 The guidance/controls contained in this publication are built on existing multidisciplinary
9993 practices and are intended to increase the ability of enterprises to strategically and operationally
9994 manage the associated cybersecurity risk in the supply chain over the entire life cycle of systems,
9995 products, and services. It should be noted that this publication gives enterprises the flexibility to
9996 either develop stand-alone documentation (e.g., policies, assessment and authorization [A&A]
9997 plan, and C-SCRM plan) for C-SCRM or to integrate it into existing agency documentation.
9998

9999 For individual systems, this guidance is recommended for use with information systems at all
10000 impact categories, according to [FIPS 199]. The agencies may choose to prioritize applying this
10001 guidance to systems at a higher-impact level or to specific system components. Finally, [NIST
10002 SP 800-161 Rev. 1] describes the development and implementation of C-SCRM Strategies and
10003 Implementation Plans for development at the enterprise and mission/business level of an
10004 enterprise and a C-SCRM system plan at the operational level of an enterprise. A C-SCRM plan
10005 at the operational level is informed by the supply chain cybersecurity risk assessments and
10006 should contain C-SCRM controls tailored to specific agency mission/business needs, operational
10007 environments, and/or implementing technologies.
10008

10009 **Integration into Risk Management Process**

10010
10011 The processes in this publication should be integrated into agencies' existing SDLCs and
10012 enterprise environments at all levels of risk management processes and hierarchy (enterprise,
10013 mission, system) as described in [NIST SP 800-39]. Section 2 provides an overview of the [NIST
10014 SP 800-39] risk management hierarchy and approach and identifies C-SCRM activities in the
10015 risk management process. Appendix C builds on Section 2 of [NIST SP 800-39], providing
10016 descriptions and explanations of ICT/OT SCRM activities. The structure of Appendix C mirrors
10017 [NIST SP 800-39].
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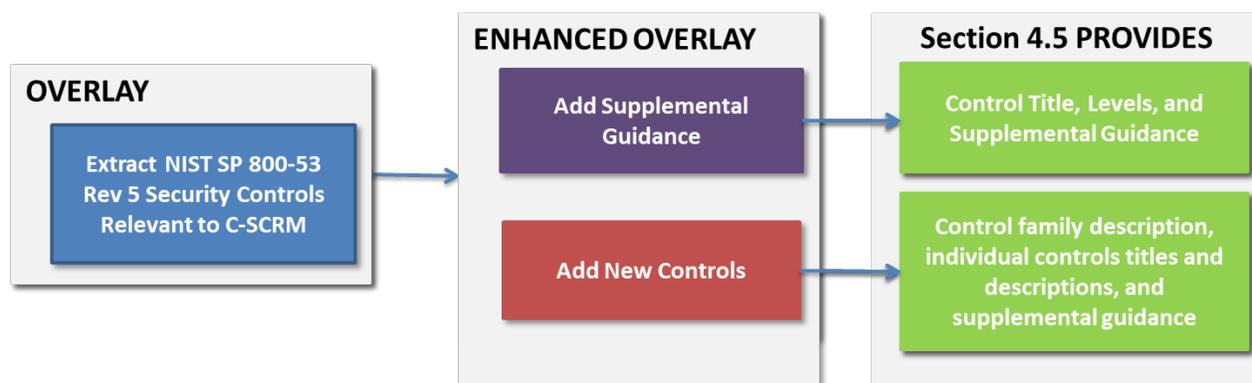
10019 **Implementing C-SCRM in the Context of SP 800-37 Revision 2**

10020
10021 C-SCRM activities described in this publication are closely related to the Risk Management
10022 Framework described in [NIST SP 800-37, Rev. 2]. Specifically, C-SCRM processes conducted
10023 at the operational level should closely mirror and/or serve as inputs to those steps completed as
10024 part of the [NIST SP 800-37, Rev 2]. C-SCRM activities completed at Levels 1 and 2 should
10025 provide inputs (e.g., risk assessment results) to the operational level, RMF-type processes where
10026 possible and applicable. Section 2 and Appendix C describe in further detail the linkages
10027 between C-SCRM and [NIST SP 800-37, Rev. 2].
10028

10029 **Enhanced C-SCRM Overlay**

10030
10031 This publication contains an enhanced overlay of [NIST SP 800-53 Rev. 5]. Appendix A
10032 identifies, refines, and expands C-SCRM-related controls from [NIST SP 800-53 Rev. 5], adds
10033 new controls that address specific C-SCRM concerns, and offers C-SCRM-specific supplemental
10034 guidance where appropriate. Figure 1-4 illustrates the process used to create the enhanced
10035 overlay. The individual controls and enhancements from [NIST SP 800-53 Rev. 5] that were
10036 relevant to C-SCRM were extracted. These controls were analyzed to determine how they apply
10037 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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