

Vendor Threat Mitigation (VTM)

The objective of the VTM program is to identify and mitigate threats posed by vendors supporting operations with a focus on those operations outside the United States. VTM leverages all-source information and combatant commander guidance to identify vendors supporting U.S. adversaries. VTM processes also provide information to heads of contracting activity to support taking mitigating action on identified threats, to include restricting, terminating, or voiding award to such vendors.

Problem

- Department of Defense (DoD) must obtain services and supplies through commercial sources to project and sustain military power globally during both steady-state and operations.
- The use of commercial sources can introduce immediate risk to the force, operational objectives, and long-term national security outcomes. Risks include:
 - Use of U.S. contract dollars to fund the enemy.
 - Communication to the enemy of operationally critical information.
 - Exploitation of U.S. technology to surpass or undermine U.S. prowess.
 - Delivery of compromised goods and services.
 - Physical or virtual access to U.S. enclaves, enabling harmful acts.
- Organizations have no common capability for sharing vendor threat information.

Current Status

- The Federal Acquisition Regulation allows DoD to debar or exclude a company from participation in DoD acquisition processes for poor past performance or criminal activity.
- DoD commanders can use force protection authorities to restrict an individual from physically accessing installations.
- The FY15 NDAA § 841–843 granted commanders authority to assess vendor ties to the adversary and heads of contracting activity authority to restrict award and terminate or void post-award to them. Applicability of authorities is restricted to foreign vendors with awards greater than \$50,000 during contingency operations outside the U.S. involving active hostilities.

Next Steps

- Policy: A DoD Instruction on VTM is under development to define procedures and establish standards. A separate Instruction is under development to provide the Defense Intelligence Enterprise with guidance on intelligence support to VTM.
- Legislation: A legislative proposal to extend and expand authorities in sections 841-843 was submitted for consideration in the FY24 NDAA.
- Training: A Defense Acquisition University “Intro to VTM” has been developed. In addition, initial actions have been taken to integrate VTM into Universal Joint Tasks.
- Oversight: The VTM Executive Council met on 06 April 2023 and established the strategic direction for the VTM program and approved recommendations to pursue.

Goal

To reduce risks from procurement of goods and services in support of operations through a comprehensive VTM capability, which would encompass:

- A flexible and comprehensive framework for threat identification and assessment.
- A common lexicon for coordination across DoD and whole-of-government (WOG).
- DoD policy, joint force guidance, and a supporting implementation strategy.

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