

SUPPORTING STATEMENT

Paperwork Reduction Act Information Collection 3090-XXXX: CDP Supply Chain Climate Change Information Request

Part A

JUSTIFICATION

1. Explain the circumstances that make the collection of information necessary.

The CDP Supply Chain Climate Change Information Request is an electronic questionnaire designed to collect information that is widely used by large commercial and governmental organizations to understand, assess, and mitigate potentially disruptive and costly supply chain risks. The questionnaire is administered by CDP North America, Inc., a 501(c)(3) nonprofit organization (“CDP”). CDP administers the questionnaire annually on behalf of over 750 institutional investors, 110 major corporations, and several large governmental purchasing organizations in addition to the U.S. General Services Administration (GSA). In accordance with 31 U.S. Code § 3512(c)(1)(b), GSA will use the information collected via this questionnaire to inform and develop purchasing policies and contract requirements necessary to safeguard Federal assets against waste, loss, and misappropriation resulting from unmitigated exposure to supply chain energy market and environmental risks.

This collection request is for GSA to direct CDP to survey specific recipients using CDP’s standard questionnaire. CDP, not GSA, is solely responsible for authoring and administering the questionnaire. GSA is not requesting (and does not have the ability as part of CDP’s process) to revise the questionnaire, including to revise questions or to include or exclude specific questions. GSA-requested recipients will be notified both by CDP and directly by GSA that GSA is a sponsor of the collection and will use the information.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

In accordance with 31 U.S. Code § 3512(c)(1)(b), GSA uses information collected via this questionnaire to inform and develop purchasing policies and contract requirements necessary to safeguard Federal assets against waste, loss, and misappropriation resulting from unmitigated supply chain risks. For example, GSA has used CDP information in recent years to perform critical market research in connection with multi-billion-dollar strategic contracting efforts. In one case, GSA determined that data center facilities used by potential network infrastructure providers could be at risk due to flooding, extreme heat, or lack of available cooling water sources, placing Federal client operations at risk. GSA used information from the CDP survey to research potential contractors’ existing risk mitigation practices and to design appropriate contract requirements to ensure that contractors assess and mitigate these risks. In another case, GSA determined that energy savings practices available to potential information technology service providers could significantly lower their overhead costs and that this would likely reduce contract costs for GSA and other Federal agencies. GSA again used CDP information to research current contractor practices

and to design appropriate contract requirements to encourage contractors to reduce these costs. In these previous cases, GSA used information that was collected by CDP not on GSA's behalf, so that no Paperwork Reduction Act information collection was required. This information collection request will allow GSA to request that CDP survey additional contractors on GSA's behalf, allowing GSA to increase protection against waste, loss, and misappropriation of Federal assets by using the additional CDP survey responses to inform additional market research and requirements development activities similar to those described above.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Means of collection: This collection is to be conducted by CDP North America, Inc., a 501(c)(3) nonprofit organization ("CDP") which has sole control over the means of collection. CDP uses an electronic collection instrument (Web-based survey form) exclusively for collection of this information.

Publication: CDP allows survey respondents allow respondents to choose whether they would like their responses to be publicly available. For respondents who elect a public response, both CDP and GSA will make their responses available to the public over the Internet. For respondents who elect a private response, CDP will provide the response to GSA for internal use only and neither CDP nor GSA will publish the response, online or otherwise. CDP allows respondents the private response option in order to increase overall response rate, because some respondents — especially those who are new to responding to the survey, and/or are concerned that relatively underdeveloped business practices may damage their reputation if publicly disclosed — may be uncomfortable with a public response, but are willing to provide a private response to selected information users such as GSA. In these cases, CDP's approach is to encourage private responses over no response, in order to afford respondents a lower-stakes environment in which to further develop their business processes and practices. CDP and GSA encourage public responses to the extent possible, while clearly communicating that all responses (public or private) are strictly voluntary.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in item 2 above.

Response to and use of CDP's questionnaire is standard commercial practice for large segments of the U.S. and global economies. Users of CDP data include over 750 institutional investors, representing over \$87 trillion in assets, and over 110 large purchasing organizations, with combined procurement spend of over \$3.2 trillion annually. On behalf of these 850-plus data users, CDP already administers this questionnaire to a total of over 11,000 respondents annually, using a process in which data users annually "nominate" to CDP the organizations in whose responses they are interested. CDP then issues a single questionnaire to each respondent that is nominated by any data user, and supplies that respondent's response back to all data users who requested it. This methodology is explicitly designed to reduce duplicative requests by centralizing survey administration such that requests by multiple parties for similar information do not result in recipients being asked to complete duplicative or partially overlapping questionnaires.

Because most CDP respondents have business relationships with multiple CDP data users, both respondents and data users typically report that use of this methodology significantly reduces the burden (“survey fatigue”) of investment and supply chain risk mitigation activities compared to the most common alternative commercial practice: use of separate survey instruments, requesting overlapping but differently formatted responses, administered to each respondent by each data user with whom the respondent has a business relationship.

In the past, GSA has purchased existing responses from CDP without itself nominating respondents, in order to avoid triggering the PRA. This collection will allow GSA to nominate to CDP additional respondents who may not be nominated by another data user, and thus would not otherwise be surveyed. GSA is proposing to ask CDP to survey these additional respondents (including companies with only, or chiefly, Federal agency clients, who would thus not be nominated to CDP by private-sector clients) in order to increase protection against waste, loss, and misappropriation of Federal assets, in accordance with 31 U.S. Code § 3512(c)(1)(b).

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

GSA anticipates nominating up to 250 respondents to CDP for the survey. Based on historical CDP response rates and GSA’s intended recipients, GSA anticipates that fewer than 10 of these nominations will be small businesses. CDP provides small businesses with the opportunity to respond to a simplified version of the questionnaire. See above under question (4) for aspects of the methodology which reduce burden on all respondents.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing the burden.

Not conducting the collection would deprive GSA of information regarding potentially serious and costly risks to its supply chain and Federal agency missions, reducing GSA’s ability to protect against waste, loss, and misappropriation of Federal assets in accordance with 31 U.S. Code § 3512(c)(1)(b). Conducting the collection less than once per year would have the same effect. In addition, conducting the collection less than once per year would increase GSA’s costs per collection because discounts provided by CDP for regular annual participation would not be available.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

None of the special circumstances noted in the instructions to this question is applicable.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB.

A notice was published in the *Federal Register* at 83 FR 32298 on July 12, 2018. No comments were received.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

No payment or gift will be provided to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

CDP provides respondents the option to provide a “private” response and assures them that any response so designated will be provided by CDP only to selected paying data users who specifically request that respondent’s response. GSA is contractually bound by CDP’s standard terms to maintain the confidentiality of these “private” responses. Most respondents choose to make their responses public, in which case no assurance of confidentiality is provided.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

This collection contains no applicable questions.

12 & 13. Provide estimates of the hour burden of the collection of information.

GSA expects to nominate up to 250 large and medium-sized businesses per year for voluntary response to the CDP survey. Estimates of response time vary greatly depending on whether each requested respondent (a) elects not to respond; (b) responds, but would have responded to CDP regardless of GSA’s nomination (see methodology description in (4) above); or (c) responds to CDP because of GSA’s nomination.

- (a) Nominated respondents who elect not to respond. These nominated respondents will take no action in response to the collection effort and thus will spend zero time on their responses. Based on historical CDP response rates and GSA’s intended recipients, GSA estimates that 120 out of 250 annual nominated respondents will be in this category.
 - Hour burden for this category: 120 non-responses; time per respondent 0; total time 0.
- (b) Respondents who would have responded to CDP regardless of GSA’s nomination (see methodology description in (4) above). These respondents will complete some or all of the collection instrument, but would have done so regardless of GSA’s nomination. In addition, some of these respondents will answer a small number of additional questions (requiring a small fraction of their overall response time to CDP) based on GSA’s nomination. In addition, all of these respondents will need to complete one additional question in order to direct CDP to share their responses with GSA. Based on historical CDP response rates and GSA’s intended

recipients, GSA estimates that 120 out of 250 nominated respondents will be in this category.

- Hour burden for this category: 120 responses; average time per respondent 5 minutes; total burden 10 hours.

(c) Respondents who respond to CDP because of GSA’s nomination. These respondents will need to invest significant time drafting their responses and gathering facts, including the time for searching existing data sources such as utility bills, analyzing and maintaining the data needed, and completing and reviewing the collection instrument. Based on historical CDP response rates and GSA’s intended recipients, GSA estimates that 10 out of 250 potential annual respondents will be in this category. Based on discussions with several dozen previous respondents to CDP’s questionnaire, time burden for this collection is estimated to average 120 hours per response.

- Hour burden for this category: 10 responses; average time per respondent 120 hours; total burden 1200 hours.

Total annual response burden is thus estimated as follows:

Response category	Respondents	Time per Respondent	Total
(a) Nominated respondents who elect not to respond	120	0 minutes	0 hours
(b) Respondents who would have responded to CDP regardless of GSA’s nomination	120	5 minutes	10 hours
(c) Respondents who respond to CDP because of GSA’s nomination	10	120 hours	1200 hours
Total Time for all respondents:			1210 hours

The estimated annualized cost to the public is \$40,220. (Using the above reference, 1210 total response hours x \$33.24, based on a GS 11, step 5 hourly pay rate of \$33.24 per hour = \$40,220). The estimated cost per response is \$309. (Using the above reference, \$40,220 divided by 130 total responses completed = \$309).

This collection is not expected to require any capital or start-up costs incurred by recipients. This collection is not expected to require operation and maintenance or purchase of services, other than labor costs directly related to information gathering and preparation of the response (hour burden shown above).

14. Provide estimates of annualized costs to the Federal Government.

Annual costs to the Federal Government will be \$47,000 which is the contractual cost of data collection services to be provided by CDP.

15. Explain the reasons for any program changes or adjustments reported on the burden worksheet.

This is a new information collection.

16. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

Collection of information is anticipated to begin in May, 2019 and to continue on a standard annual cycle. Each annual survey is expected to close in September, and GSA will receive collected data from CDP in October. Responses designated as “public” will be published on GSA’s Web site by the end of the calendar year. No complex analytical techniques are planned.

17. If you are seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

This exemption is requested based on the high cost and complexity of modifying an electronic application which is run by a third party (CDP) in their normal course of business and was not developed specifically for the purpose of conducting this information collection on behalf of GSA. As described above, this information collection request is for GSA to direct CDP to add additional recipients to an existing survey conducted annually by CDP on behalf of over 850 existing data users and with over 11,000 existing recipients. Due to the large number of data users and inherent features of its methodology as designed to minimize cost and burden for all data users and recipients, CDP does not customarily provide individual data users such as GSA the opportunity to customize its collection instrument.

18. Explain each exception to the topics of the certification statement identified in Certification for Paperwork Reduction Act Submissions.

Not applicable.

PART B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

If your collection does not employ statistical methods, state that and delete the following five questions from the format – UNLESS your proposed information collection is a survey. OMB recently clarified that Part B must be completed for all survey requests, whether or not statistical analysis will be applied. In addition to statistical analysis, Part B addresses the description of the target group of respondents, the sampling plan, and plans to maximize response rates and address nonresponse. When item 17 of the OMB 83-I is checked "Yes", the following documentation must be provided to the extent that it applies to the methods proposed.

1. Describe (including a numerical estimate) the potential respondent universe and any sampling or other respondent selection methods to be used. Data on the number of entities (e.g., establishments, State and local government units, households, or persons) in the universe covered by the collection and in the

corresponding sample are to be provided in tabular form for the universe as a whole and for each of the strata in the proposed sample. Indicate expected response rates for the collection as a whole. If the collection had been conducted previously, include the actual response rate achieved during the last collection.

The potential respondent universe includes approximately 250 major contractors to the Federal government. Collection will be voluntary. Based on response rates achieved by CDP during past collection efforts (see methodology descriptions in part A), GSA anticipates that 130 responses will be received for a total response rate of 52%.

2. Describe the procedures for the collection of information, including:

This collection will not use statistical sampling methods. As described in part A, GSA will use information from individual responses for the purposes of market research into the risk mitigation practices of individual respondents. Based on the nature of the information gathered, GSA does not believe it is appropriate or practicable to use statistical methods to infer characteristics of non-respondents based on responses received, and will not attempt to do so.

3. Describe methods to maximize response rates and to deal with issues of nonresponse. The accuracy and reliability of information collected must be shown to be adequate for intended uses. For collections based on sampling, a special justification must be provided for any collection that will not yield "reliable" data that can be generalized to the universe studied.

Because statistical methods will not be used, methods to encourage responses are not relevant to statistical characteristics of the respondent universe. Because each individual response is useful to GSA's market research on risk mitigation practices of individual companies, GSA will use a pre-notification letter (email) prior to the actual collection attempt and follow-up emails approximately monthly during the collection period to encourage responses. Follow-up notices will be limited to those who have not yet responded. GSA's selection of CDP to collect this information is also a means of encouraging response rate, as CDP's methodology and instrument are already well-known and well-regarded by the respondent universe and many respondents have already responded to CDP's information collections (not on behalf of GSA) in multiple prior years.

4. Describe any tests of procedures or methods to be undertaken. Testing is encouraged as an effective means of refining collections of information to minimize burden and improve utility. Tests must be approved if they call for answers to identical questions from 10 or more respondents. A proposed test or set of test may be submitted for approval separately or in combination with the main collection of information.

No testing will be undertaken.

5. Provide the name and telephone number of individuals consulted on statistical aspects of the design and the name of the agency unit, contractors, grantees, or other person(s) who will actually collect or analyze the information for the agency.

Statistical methods will not be used.