

General Services Administration
CDP Supply Chain Climate Change Information Request
3090-0319
Justification – Part A Supporting Statement

Overview of Information Collection:

This request will allow the General Services Administration (GSA) to collect information regarding the environmental impacts, risks, and internal risk mitigation strategies of approximately 1,000 of the largest Federal contracting companies, generally companies that have received approximately \$50 million or more annually in Federal contract obligations. GSA will use the information collected for market research purposes to understand the environmental impacts of Federal procurement, and to understand and mitigate potential risks to Federal contract activities, including potential risks to the economy and efficiency of Federal procurement, such as risks to cost, timely delivery, and availability of contracted products and services due to acute and chronic physical impacts of climate change. This is a request for an extension to an existing information collection. A form is being used, and a copy of the form accompanies this statement. No changes are requested to the existing collection other than an extension of time.

1. Need & Method for the Information Collection.

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 and environmental impacts. 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 700 institutional investors, 300 major corporations, and several large governmental purchasing organizations in addition to the U.S. General Services Administration (GSA). CDP’s most recent annual survey was directed to over 40,000 companies, with over 23,000 electing to respond.

Under the previously approved information collection request, GSA has directed CDP since 2017 to include several hundred major Federal contractors annually among its potential survey respondents. In accordance with 31 U.S. Code § 3512(c)(1)(B), GSA uses the information received from these companies via CDP to inform and develop purchasing policies and contract requirements necessary to safeguard Federal assets against waste, loss, and misappropriation resulting from unmitigated exposure to physical, market, regulatory, legal, and other types of risks in Federal supply chains. GSA also uses the information in accordance with Executive Orders 13990, 14008, and 14030, and 14057 to inform development of policies and programs to reduce similar risks and environmental impacts associated with federal procurement activities.

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. Use of the Information.

In accordance with 31 U.S. Code § 3512(c)(1)(B), GSA uses the information received from these companies via CDP to inform and develop purchasing policies and contract requirements necessary to safeguard Federal assets against waste, loss, and misappropriation resulting from unmitigated exposure to physical, market, regulatory, legal, and other types of risks in Federal supply chains. GSA also uses the information in accordance with Executive Orders 13990, 14008, and 14030, and 14057 to inform development of policies and programs to reduce similar risks and environmental impacts associated with federal procurement activities. 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. In another case, GSA used information from the CDP survey to research potential contractors' existing risk mitigation and greenhouse gas reduction practices and to design appropriate contract requirements to ensure that contractors assess and mitigate these risks and reduce greenhouse gases associated with their federal contract activities. 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. GSA uses the information received via this collection to verify contract compliance under these existing programs, as well as to research new development of other similar policies and programs.

3. Use 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 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 by Federal employees 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. Non-duplication.

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 700 institutional investors, representing over \$135 trillion in assets, and over 300 large purchasing organizations, with combined procurement spend of over \$6.4 trillion annually. On behalf of these 1000-plus data users, CDP already administers this questionnaire to a total of over 40,000 companies 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 was explicitly designed to reduce duplication 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.

Prior to requesting and receiving clearance for this information collection in 2018, GSA purchased existing responses from CDP without itself nominating respondents, in order to avoid triggering the PRA. This collection allows 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), and in order to reduce climate risks and greenhouse gas emissions associated with federal procurement activities, in accordance with Executive Orders 13990, 14008, 14030, and 14057. GSA continually monitors the market for existing sources of similar information which could be used or modified for these purposes and has not identified feasible alternatives with lower burden.

5. Burden on Small Business.

GSA anticipates nominating up to 1000 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. Less Frequent Collection.

Risks of climate change are not unique to the Federal government, but as the world's largest procurement organization, the Federal procurement system plays important direct

and leadership roles in managing global climate-related financial risks. The Intergovernmental Panel on Climate Change has estimated \$69 trillion in global financial losses by 2100 from a 2-degree warming scenario if these risks are not properly managed. Not conducting this collection would thus 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), and reducing its ability to reduce climate risks and greenhouse gas emissions associated with federal procurement activities in compliance with Executive Orders 13990, 14008, 14030, and 14057. Conducting the collection less than once per year would have the same effects. 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, and because GSA's per-collection administrative costs and time associated with procuring, preparing, and analyzing the survey would be greater.

7. Paperwork Reduction Act Guidelines.

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

8. Consultation and Public Comments.

A 60-day notice was published in the *Federal Register* at 89 FR 59100 on July 22, 2024. Two comments were received.

Comment: One commenter supported GSA's use of the CDP Supply Chain Questionnaire, and further suggested sharing aggregate information from the surveys with federal agencies working on climate change issues; linking GSA's efforts with other federal and non-federal efforts to bolster supply chain resilience; and considering administering the survey on a voluntary basis to large federal grantees such as state agencies that receive considerable federal funding.

Response: GSA appreciates this commenter's support. GSA already shares aggregate information from this survey with other federal agencies and collaborates with other federal and non-federal efforts to bolster supply chain resilience and expects to continue to do so. GSA does not administer significant grants, and notes that CDP Supply Chain questionnaires were developed for use by private sector respondents and are not commonly used by public sector respondents, which would increase the potential burdens and decrease the utility of information collected from this type of respondents.

Comment: One commenter asserted that climate change does not exist and requested that GSA "reimburse the taxpayer for this hoax."

Response: The existence and impacts of climate change, including risks to the economy and efficiency of federal procurement and supply chains, are well supported by the Fifth National Climate Assessment ("NCA5," <https://nca2023.globalchange.gov>), the US Government's preeminent report on climate change impacts, risks, and responses. The NCA5 was mandated by Congress in the Global Change Research Act of 1990 and authored by the U.S. Global Change Research Program, a collaboration between at least fifteen U.S. Federal agencies. The NCA5 was based on a comprehensive review and

assessment of information sources determined to meet the standards and documentation required under the Information Quality Act and the Foundations for Evidence-Based Policymaking Act of 2018, including peer-reviewed literature, other literature, Indigenous Knowledge, other expert and local knowledge, and climate data processed and prepared for authors by NOAA’s Technical Support Unit. NCA5 was thoroughly reviewed by Federal Government experts, external experts, and the public multiple times throughout the report development process. An expert external review was performed by an ad hoc committee of the National Academies of Sciences, Engineering, and Medicine. Even if climate change were a “hoax,” GSA lacks authorities or mechanisms for general reimbursements to taxpayers.

A 30-day notice published in the *Federal Register* at 89 FR 84141 on October 21, 2024.

9. Gifts or Payment.

No payment or gift will be provided to respondents.

10. Privacy & Confidentiality.

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 to maintain the confidentiality of these “private” responses. For the efficiency of government administration and to support other Federal agencies that may use the information for the same purposes as GSA, GSA has negotiated an agreement with CDP that GSA may share “private” responses with Federal employees of all “principal” agencies as that term is defined by EO 14057. Most respondents choose to make their responses public, in which case no assurance of confidentiality is provided.

11. Sensitive Questions.

This collection contains no applicable questions.

12 & 13. Burden Estimate.

Total annual response burden is thus estimated as follows:

Response category	Respondents	Time per Respondent	Total
(a) Nominated respondents who elect not to respond	680	0 minutes	0 hours
(b) Respondents who would have responded to CDP regardless of GSA’s nomination	250	5 minutes	21 hours
(c) Respondents who respond to CDP because of GSA’s nomination	70	120 hours	8400 hours

Total Time for all respondents:	8421 hours
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The estimated annualized cost to the public is \$571,454. (Using the above reference, 8421 total response hours x \$67.46, based on a GS 11, step 5 hourly pay rate of \$33.73 per hour plus addition of a 100% benefits factor = \$254,056). The estimated cost per response is \$1,786. (Using the above reference, \$571,454 divided by 320 total responses completed = \$1,786).

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).

GSA expects to nominate up to 1000 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 680 out of 1000 annual nominated respondents will be in this category.
 - Hour burden for this category: 680 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 250 out of 1000 nominated respondents will be in this category.
 - Hour burden for this category: 250 responses; average time per respondent 5 minutes; total burden 20.8 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 70 out of 1000 potential annual respondents will be in this category. Based on discussions with several dozen previous respondents to CDP's questionnaire, as well as public input received in response to a related information collection request notice (see [82 FR 3794](#)), time burden for

this collection is estimated to average 120 hours per response.

- Hour burden for this category: 30 responses; average time per respondent 120 hours; total burden 8400 hours.

14. Estimated cost to the Government.

Annual costs to the Federal Government will be \$200,000 which is the contractual cost of data collection services to be provided by CDP.

15. Reasons for changes.

In order to better achieve the purposes described above, GSA intends to expand this program from 500 to 1000 maximum annual recipients, which will increase the number of elected respondents to 320—up from the previously approved 250. The burden worksheet has been updated to reflect this increase. Estimates of response rates per category have been updated based on GSA’s latest data from the existing collection, and cost burden has been adjusted due to increases in the GS equivalent pay rate.

16. Publicizing Results.

Collection of information is anticipated to begin in May, 2025 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. Summaries of responses designated as “public” will be published on GSA’s Web site by the end of each calendar year. No complex analytical techniques are planned. GSA has published summaries of information received in previous years here: <https://d2d.gsa.gov/report/gsa-federal-contractor-climate-risk-management-scorecard>

17. OMB Not to Display Approval.

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 1000 existing data users and with over 40,000 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. Exceptions to "Certification for Paperwork Reduction Submissions."

Not applicable.