

Defense Counterintelligence and Security Agency (DCSA)







Industrial Security

Section 847 of the FY20 National Defense Authorization Act

Section 847 of the FY20 NDAA requires that DoD to improve the assessment and mitigation of risks related to Foreign Ownership, Control, or Influence (FOCI) of contractors and subcontractors of the DoD with existing or prospective contracts in excess of \$5 million, except in certain cases.

Covered contractors or subcontractors will be required to disclose to DCSA information regarding beneficial ownership and FOCI. Estimates indicate this provision may add additional security requirements to mitigate risks posed by foreign interests for up to \$200 billion worth of acquisitions that currently do not require FOCI vetting.

DCSA estimates the implementation of Section 847 will increase capability of DCSA and greatly enhance the protection of the defense industrial base and national security. FOCI mitigation at the pre-award level improves risk assessment and mitigation processes to prevent unauthorized foreign access to sensitive and secret information."

Existing FOCI scope	Estimated 847 Scope
 Cleared NISP companies annual workload: 2,000 cases	 DoD cleared and uncleared companies annual workload: 41,000 cases
 Contingent upon contractual requirement 120 day goal (not in statute)	 Pre-contract award vetting 25 working day requirement

Key initiatives:

- Support OUSD(A&S) responsibilities to draft and submit the Section 847 DFARS clause into rulemaking by providing subject matter expertise in entity vetting.
- Recruit and train civilian and contractor personnel to address new mission requirements and provide customer service to industry and government stakeholders now and during Section 847 execution
- Replicating and optimizing the NISP entity vetting program which includes more specific guidance for industry and government stakeholders about the materials to submit and more feedback capabilities from government stakeholders.
- Finalize new Section 847 Lifecycle, including process optimization activities and stakeholder sessions to determine product requirements.

Learn more about Section 847 of the FY20 National Defense Authorization Act

<https://dcsa.mil/Industrial-Security>

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