

GAO Highlights

Highlights of [GAO-24-106959](#), a report to the Committee on Armed Services, House of Representatives

Why GAO Did This Study

The Strategic and Critical Materials Stock Piling Act established the National Defense Stockpile to hold materials essential to defense and civilian needs. One such material is titanium, which is a strong, light-weight metal that helps prevent corrosion in weapon systems.

A House report includes a provision for GAO to assess DOD efforts to stockpile strategic and critical materials. This report examines the extent to which DOD (1) established processes for identifying requirements and managing the stockpile, (2) reported to Congress on changes and risks to the stockpile, and (3) is reliant on foreign and single domestic sources of supply.

GAO analyzed DOD's process for developing stockpile requirements, its three most recent biennial stockpile reports (fiscal years 2019 through 2023), and other related documents. GAO also interviewed officials from several entities such as the Defense Logistics Agency, as well as the Institute for Defense Analyses.

What GAO Recommends

GAO is making six recommendations, including that DOD identify: roles and responsibilities for providing data needed to model DOD's requirements for all critical materials and report all shortfalls, the risks associated with unmodeled materials, and the status of previous stockpiling recommendations.

DOD concurred with all six of these recommendations.

View [GAO-24-106959](#). For more information, contact W. William Russell at (202) 512-4841 or RussellW@gao.gov.

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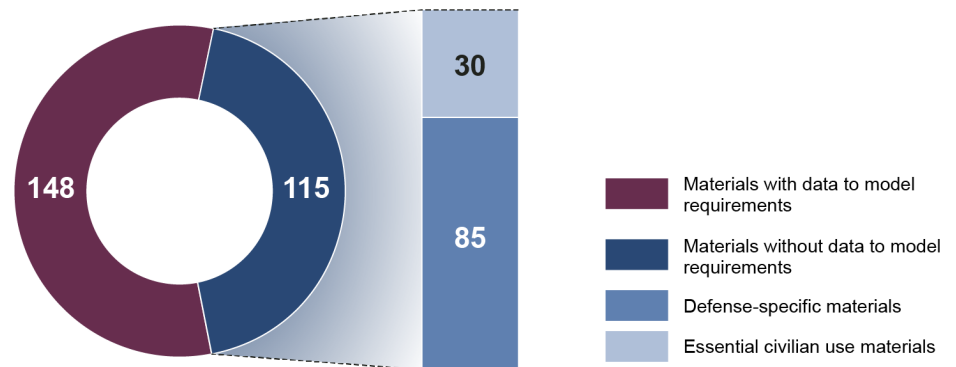
NATIONAL DEFENSE STOCKPILE

Actions Needed to Improve DOD's Efforts to Prepare for Emergencies

What GAO Found

The Department of Defense (DOD) maintains the National Defense Stockpile to store materials that are strategic and critical to defense and essential civilian needs in times of national emergency. DOD has processes for identifying material requirements and managing the stockpile, but some aspects are not fully defined. For example, DOD does not require relevant entities, such as program offices, to provide the necessary data to model requirements for over 40 percent of its strategic and critical materials. Without data to model more requirements, DOD risks not having stock of its highest priority materials.

Data Available to Model DOD's Strategic and Critical Material Requirements, Fiscal Year 2023



Source: GAO analysis of Department of Defense (DOD) information. | GAO-24-106959

DOD's biennial stockpile reports to Congress included details on stockpile inventory and material shortfalls, but did not include information on all risks and prior actions taken to address them. DOD's reports indicate that from fiscal years 2019 to 2023, DOD primarily stockpiled the same 50 types of materials, but the number of materials in shortfall increased by 167 percent, from 37 to 99. The reports included some information about risks, such as the type of products affected, and recommended actions to address the shortfall. However, in the fiscal year 2023 report, DOD either did not have or chose not to include all information needed for congressional and DOD decision-making, such as

- a list of all materials in shortfall, rather than just those deemed priorities,
- the risk associated with materials it could not model, such as affected weapon systems, or
- the status of DOD efforts to implement recommendations from its prior reports.

Over 90 percent of the materials DOD identified in shortfall in fiscal year 2023 had either zero or one domestic supplier. In addition to stockpiling, DOD is mitigating some of the risks of relying on foreign or a single domestic source of supply by recycling materials from no-longer-used equipment, qualifying new domestic sources, and funding research and development projects to identify new ways to process critical materials. Even with these efforts, DOD estimates it will need \$18.5 billion to address all shortfalls identified in fiscal year 2023.