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GSA Climate Change Risk Management Plan: 2022 Progress Report

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Agency Climate Adaptation Webpage	https://www.gsa.gov/governmentwide-initiatives/climate-action-and-sustainability

SECTION 1: Updates on Priority Actions

1. Priority Action Progress Summary

Priority Action Progress

Action	Current Status	Estimated Date of Completion	Brief Description of Progress
Integrate Environmental Justice (EJ) Factors	In Progress	On-going	In FY 2022, GSA's Office of Civil Rights (OCR) reconvened an interdisciplinary Environmental Justice Working Group (EJWG) to develop GSA's next five-year EJ strategy and begin work on EJ priorities, as discussed in section 2, paragraph 5, of this report.
Requirements Planning and Management with GSA Customers	In Progress	On-going	GSA completed climate literacy training with the Public Buildings Service's (PBS) Office of Portfolio Management and Customer Engagement and the Federal Acquisition Service's (FAS) Office of Customer and Stakeholder Engagement.
Obtain Localized Data to Evaluate Flooding Risk to GSA Buildings	Not Started	Unknown	This action was dependent upon FY 2022 funding from the Climate and Resilience Special Emphasis Program, which GSA did not receive. GSA resubmitted the funding request and it is a part of the President's FY 2023 Budget.
Identify, Assess, and Manage the Financial Risks of Climate Change	In Progress	FY 2026, Q4	GSA is drafting climate-related financial risk disclosures for its 2022 Agency Financial Report. The agency is also exploring the integration of climate risk data into internal accounting processes.
Update the Building	In Progress	FY 2024, Q1	GSA requested funding for BAT updates in the FY 2023 IT Enhancement budget. Depending upon the timing and amount of

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Assessment Tool (BAT)			FY 2023 appropriations GSA receives, climate impact reporting enhancements could be ready for the FY 2025 BAT surveys.

2. Priority Action Progress Examples

EJWG Deliverables

GSA's EJWG reconvened in February 2022. The EJWG identified three priority deliverables that will be completed in FY 2022. The three deliverables are: 1) A policy assessment tool to facilitate the EJWG's review of GSA's policies through an EJ lens, including climate adaptation and maladaptation, beginning in FY 2022; 2) An EJ stakeholder engagement toolkit that GSA's public-facing programs will use to ensure meaningful engagement with GSA's stakeholders; and 3) A five-year EJ strategy document to advance EJ throughout GSA's programs and activities.

Climate Information for Customer Engagement

In August 2021, GSA initiated climate literacy training sessions with the offices[1][2] principally responsible for implementing its Climate Change Risk Management Plan (Plan), including the PBS Office of Portfolio Management and Customer Engagement and the FAS Office of Customer and Stakeholder Engagement. These offices are the primary points of contact with GSA's customers for facilities and acquisitions. More than 375 GSA staff members attended the training for these two offices. The sessions included an introduction to climate adaptation and risk management terminology and provided either tailored content or talking points that the offices could use to support customer agencies in meeting their climate adaptation goals. In response to customer requests, GSA also developed and published a Geographic Information System (GIS) application accessible to customer agencies that shows current natural and climate hazards for GSA's inventory to help agencies self-identify risks associated with their lease spaces.

Climate Ready Supplies and Services

The FAS Federal Acquisition Council (FAC) reviews major[3] external-facing acquisition vehicles to ensure successful cost effective procurement outcomes. Acquisitions for the top five[4][5] priority goods and services are reviewed by the FAC to assess the need for climate risk management requirements. To date, climate risk requirements have been incorporated into three solicitations[6][7] with an approximate combined spend of more than $400 million. Contractors are required to submit a climate risk management plan as a post-award deliverable and provide an overview of actions taken to adapt to the identified climate risks. These requirements are intended to encourage industry to adapt to a changing

[1]

[2]) Office of the Chief Financial Officer; 2) Office of Customer and Stakeholder Engagement; 3) PBS Office of Portfolio Management and Customer Engagement; 4) Office of Civil Rights; 5) Office of Administrative Services; 6) OGP Office of Acquisition Policy, Integrity and Workforce; and 7) OGP Office of Asset Management and Transportation Policy.

[3] For the purposes of assessing climate risk in acquisitions, a major acquisition is defined as one with an estimated value of $100 million or greater, inclusive of all options.

[4]

[5]) Telecommunications, 2) motor vehicles and fleet, 3) professional services, 4) IT hardware, and 5) IT services.

[6]

[7]) US Department of Defense Logistics Operations Solutions Support within Central Command Indefinite Delivery/Indefinite Quantity; 2) Fourth Party Logistics US Army/Air Force Blanket Purchase Agreement; and 3) Polaris Governmentwide Acquisition Contracts.

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climate, provide FAS with a better understanding of the climate-related risks associated with its goods and services, allow FAS to improve its climate-related requirements over time, and share best practices with other federal agencies. In addition, GSA announced the creation of the GSA Acquisition Policy Federal Advisory Committee, which will advise the agency on using acquisition tools and authorities to target high priority challenges, such as addressing climate risks and sustainability considerations within federal acquisition.

Climate-related Financial Risk Disclosures

GSA is preparing climate-related financial disclosures related to organizational governance, strategy, risk management, and budget outlays for its 2022 Agency Financial Report. To improve the quality of these disclosures, GSA discussed with the Federal Accounting Standards Advisory Board (FASAB) its Climaterelated Financial Reporting project. In addition, climate risk was integrated into long-term real property, acquisition, and digital government goals and objectives in GSA's 2022-2026 Strategic Plan, supporting the reduction of future climate-related financial risks.

BAT & Climate Impact Data

The BAT serves as a strategic planning tool for assessing and analyzing the reinvestment requirements of GSA's federally owned real property portfolio, including identifying liabilities for repair and alterations projects and consolidating and prioritizing building deficiencies through survey inspections. A BAT survey is performed on each qualified asset every two years and involves GSA staff answering more than 600 questions on the asset. PBS requested funding to update the BAT system architecture to include the collection of climate indicators and monitoring in the survey, and depending on the timing and funding for FY 2023, these enhancements could be ready for the FY 2025 building surveys. In the interim, GSA trained more than 70 PBS staff members on how they can use existing BAT fields to identify, quantify, and prioritize climate impacts on the condition of buildings in GSA's portfolio and updated internal agency guidance with this information.

SECTION 2: UPDATES ON OTHER INITIAL PLAN TOPICS

1. Climate-Risk Reduction

GSA serves in a central role for federal sites and facilities and product and service supply chains, and its methodology for assessing operating risk to climate-related hazards focuses on these responsibilities. GSA identified the most significant climate risks to its operations through its 2015 climate vulnerability assessment. This assessment informed Section 2, GSA Vulnerabilities and Actions to Address, of GSA's Plan, which outlines the agency's top five vulnerabilities and planned actions to reduce them. Building on this work, FAS and PBS are updating the decision diagrams found in Appendix B of the Plan to identify key nodes where climate risk considerations should be made within capital projects and the acquisition life cycle. These diagrams will be completed by the end of FY 2022 and will serve as a structured process map for assessing operating risk to climate-related hazards for high value assets, projects and acquisitions.

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While the process diagrams will help to support climate risk management at the agency, significant barriers remain. For federal sites and facilities, funding is inadequate to conduct the detailed site assessments necessary to identify the most at risk assets. For example, one of GSA's priority actions in its Plan is to obtain localized data to evaluate flooding risk to buildings under GSA's jurisdiction, custody and control. This action needs funding to conduct the site-specific technical assessments that are necessary to characterize the flood risk, costs, and time to implement risk management measures. Although GSA requested this funding for FY 2022, it did not receive it. The agency resubmitted the funding request, and it is a part of the President's FY 2023 Budget. In the absence of funding for these assessments, GSA trained PBS staff to use existing BAT fields to identify, quantify, and prioritize climate impacts on the condition of buildings in GSA's portfolio, and climate adaptation subject matter experts reviewed capital projects and developed climate risk profiles for each project, as necessary. For the product and service supply chains managed by GSA, the size and complexity of the federal supply chain makes managing climate change risks challenging. To address this challenge, FAS is prioritizing its efforts on addressing climate change risks in acquisitions with an estimated value at or above $100 million. It is also focusing on managing climate risks in its top five critical offerings: telecommunications, motor vehicles and fleet, professional services, IT hardware, and IT Services. Finally, FAS invited its top 183 Multiple Award Schedule contractors to voluntarily disclose their climate risks to CDP (formerly the Carbon Disclosure Project) in FY 2022.

It should be noted that GSA's customer agencies are also responsible for assessing climate change risks for their own sites and facilities, as well as supply chains for products and services they acquire through GSA. GSA cannot solely take climate risk actions for a specific customer site or facility without the customer's approval and access to the necessary funding and resources. Similarly, climate risks for products and services will vary depending on customer requirements and the geographic and time scales of the customer's task or delivery order.

GSA is in the process of preparing climate-related financial disclosures on organizational governance, strategy, risk management, and budget outlays for its 2022 Agency Financial Report. To improve the quality of these disclosures, GSA discussed with FASAB its Climate-related Financial Reporting project. In addition, climate risk was integrated into long-term real property, acquisition, and digital government goals and objectives in GSA's 2022-2026 Strategic Plan, supporting the reduction of future climaterelated financial risks. Over the next year, GSA plans to advance its climate-related financial risk disclosures.

While GSA is moving forward with climate-related financial risk reporting, additional guidance is needed for the federal financial management community to appropriately assess and address this growing risk. A standardized method and guidance are needed for the Federal Government to assess fiscal risk exposure due to climate change, as well as to allow for consistent and comparable disclosures.

2. Climate Vulnerability Assessments

GSA completed a climate vulnerability assessment for the agency in 2015, following the release of the Third National Climate Assessment (NCA). The findings of GSA's climate vulnerability assessment have been incorporated into a variety of decision-making activities and helped to prioritize the content for

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GSA's *Response to Climate Change through Climate Adaptation and Climate Risk Management* policy statement. The policy statement was issued concurrently with the agency's Plan.

The climate vulnerability assessment is used in the decision-making processes for capital projects and major acquisitions. Some examples of how the assessment has been used in decision-making processes at GSA include: development of the climate vulnerability and actions sections in GSA's Plan; identification of the top five supplies and services the agency purchases that are the most critical and vulnerable to climate change; development of climate risk profiles for capital projects, such as the land ports of entry (LPOEs); and identification of climate risks in planned major acquisitions. GSA is currently exploring the development of an updated climate vulnerability assessment, depending on the availability of funding and resources.

Land Ports of Entry Modernization

GSA constructs and maintains LPOEs along the Nation's borders for U.S. Customs and Border Protection (CBP). Through the Bipartisan Infrastructure Law, GSA is modernizing LPOEs along the Canadian and Mexican borders. The law includes $3.4 billion for GSA to undertake 26 major construction and modernization projects at LPOEs. To keep these ports operating efficiently and effectively for years to come, GSA used forward-looking climate information to develop profiles that assess climate risks at each site. The profiles are used by the project's licensed design professionals to develop robust, adaptive strategies for the intended service life of the asset. The project approval, funding, and implementation will take place over multiple years, and the final decision to integrate the advised climate solutions is dependent upon CBP's risk tolerance and budget constraints.

3. Climate Literacy

GSA prioritized the seven offices[8] that are principally responsible for implementing its Plan to receive tailored climate literacy training in FY 2022. Training for these offices began in August 2021 and was completed in March 2022. The tailored trainings provided an overview on climate terminology, including EJ and maladaptation, content specific to each office's mission describing their role in executing climate risk management activities for the agency, and opportunities to support their internal and external federal customer(s) with their climate adaptation goals. Climate literacy training was also provided to employees that are engaged in GSA's Building Sustainability Network, the FAS Climate Adaptation and Sustainability Working Group, GSA's Facility Standards for the Public Buildings Service (PBS-P100) training program, and GSA's BAT training. In total, GSA delivered tailored climate literacy training to more than 1,200 employees between August 2021 and March 2022. As a next step, GSA's Office of Human Resources Management is working with the seven priority offices to develop climate adaptation knowledge gap assessments and plans to address any gaps. This action will continue into FY 2023.

Beyond the training sessions, agency climate adaptation subject matter experts provided "on the job" support for several initiatives: climate risk profiles were developed for use by the LPOE projects' licensed design professionals to develop robust, adaptive strategies for the intended service life of the asset; support was provided to GSA's Office of the Chief Financial Officer (OCFO) to develop climate-related

[8] Refer to footnote 1

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financial risk disclosures for the agency's 2022 financial report; and agency climate experts now screen acquisitions valued at $100 million or more for climate risks and develop climate risk management requirements for the acquisitions, as appropriate.

GSA also took significant steps to provide climate literacy materials through its Sustainable Facilities Tool (SFTool). A new climate page was launched on SFTool.gov that decodes climate science's unique vocabulary and serves as a primer for building personnel new to the topic of climate change or looking for additional resources. The page provides information on the difference between climate adaptation and emissions mitigation, climate terms and tools, climate risk management, adaptation and resilience planning examples, and climate-related supply chain risk management. SFTool is a public-facing website and can be accessed by anyone looking to learn more about climate adaptation.

4. Tribal Engagement

Section 106 of the National Historic Preservation Act requires Tribal consultation in all steps of the process when a federal agency project or effort may affect historic properties that are either located on Tribal lands, or when any Native American tribe or Native Hawaiian organization attaches religious or cultural significance to the historic property, regardless of the property's location. GSA's historic preservation practitioners regularly conduct public and Tribal consultation for projects that may potentially affect properties of historic, architectural, archeological, sacred, or traditional cultural significance.

In accordance with GSA policy *ADM 1020.3 Procedures for Historic Properties*, this work is overseen by GSA's Federal Preservation Officer and implemented by regional preservation personnel. Section 106 Tribal consultation is required not only for projects that may impact current Tribal lands but also those that may impact ancestral lands from which tribes have been displaced, which constitutes most of GSA's consultations. To address this requirement, GSA updated the profiles for the LPOEs to ensure Tribal engagement and Indigenous Traditional Ecological Knowledge (ITEK) are considered in each project, as appropriate, and to avoid maladaptation.

Ongoing opportunities exist to incorporate Tribal knowledge, such as ITEK, to better inform and shape GSA's policies and processes. In FY 2023, the agency will investigate additional opportunities to integrate Tribal engagement and ITEK into GSA's climate adaptation actions, such as major acquisitions and capital projects.

5. Environmental Justice

GSA is committed to the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the work that we do to ensure no disadvantaged communities are subjected to disproportionate, adverse impacts as a result of GSA's actions or policies. In FY 2022, GSA focused its efforts on reconvening its EJWG (described under the Priority Action Progress Examples section, above), publishing GSA's new five-year EJ strategy, building EJ literacy within the agency, developing and launching a policy assessment tool, and analyzing the extent to which disadvantaged communities and those with EJ concerns benefit from GSA's federal financial assistance programs.

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Beyond the EJWG, OCR is developing an EJ literacy program and communications plan to train GSA's workforce, build capacity, and develop or update agency-wide training programs to include EJ. The first EJ training will be available to GSA employees in the third quarter of FY 2022. As noted above in section 2, paragraph 3, *Climate Literacy*, GSA's climate literacy training also included an overview on EJ and maladaptation considerations for projects at GSA. The Office of Portfolio Management & Customer Engagement, in collaboration with the Office of Design and Construction's Center for Urban Planning, also provided dedicated EJ literacy training to more than 200 PBS employees in October 2021.

In collaboration with GSA's Urban Development/Good Neighbor Program and the U.S. Environmental Protection Agency, OCR is developing GIS data and mapping tools to identify communities that are benefiting from the Federal Surplus Personal Property Donation Program (Donation Program) that GSA administers throughout 56 States and territories. The insights gained from this mapping project will inform OCR's future outreach and engagements to ensure disadvantaged communities throughout the country have a fair and equitable opportunity to participate in the Donation Program. The GIS tools will be completed by the end of FY 2022. Building on these foundational projects, a more intentional approach will be taken in FY 2023 to further integrate EJ into climate adaptation initiatives at the agency.

6. Partnerships

Since October 2021, GSA has continued, established or expanded several external climate adaptation partnerships. GSA would welcome the opportunity to join additional federal climate adaptation-focused communities of practice to advance the technical rigor, aptitude and engagement of this work across the government.

FASAB

GSA's OCFO and Office of Federal High-Performance Green Buildings met with FASAB to discuss its Climate-Related Financial Reporting project and the integration of climate-related matters in agency financial statements and accounting processes. GSA OCFO and FASAB will continue to explore this newly established partnership.

U.S. Global Change Research Program (USGCRP)

GSA participates in USGCRP's Federal Adaptation and Resilience Group, which fosters interagency collaboration to increase resilience to climate variability and change. Climate adaptation and risk subject matter experts from GSA also serve as authors for USGCRP's NCA.

Interagency Climate Adaptation Working Groups

GSA participates in the Federal Climate Adaptation Plan Network, which brings together agencies to discuss best practices and challenges in developing and implementing their climate adaptation plans. GSA has been asked by the White House Council on Environmental Quality to share best practices during these meetings.

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Climate Adaptation-related Interagency Working Groups

GSA attends and supports the White House Flood Resilience Interagency Working Group and its Science Sub-group, which is focused on the Federal Flood Risk Management Standard. As part of these meetings, GSA submitted a draft Floodplain Management Policy in 2021 that is currently under White House review. GSA also participates in the White House Extreme Heat Interagency Working Group.

Professional Technical Societies

GSA continues to engage with professional technical societies to advance the use of forward-looking climate information by licensed design professionals. These societies develop industry standards and professional guidance that affect GSA and its customers, such as the American Institute of Architects, the American Society of Heating and Air Conditioning Engineers, and the American Society of Civil Engineers.

SECTION 3: NEW TOPICS FROM E.O. 14057

1. Policy Review

In response to Executive Orders 13990, 14008, and 14057, GSA reviewed existing policies to determine how to best address climate change through federal procurement. The agency updated the General Services Acquisition Manual (GSAM) Acquisition Plans section to require contracting officers to explore climate adaptation strategies during acquisition planning and document them within the acquisition plan (GSAM 507.103(c) and GSAM 507.105(a)(1)). A subsequent Acquisition Letter, *MV-21-10 Promoting Innovation in Sustainability through Contracts*, was issued as a call for acquisition innovation in the area of climate change. One potential innovation for GSA's acquisition professionals to deploy is to review the climate vulnerabilities identified in GSA's Plan, analyze potential climate-related supply chain risks and opportunities for a procurement, incorporate a performance requirement for industry to provide climate risk management information that will benefit both parties and stimulate mutual learning, and provide clear documentation instructions to assess ideas and outcomes. This strategy is currently being piloted in some of GSA's contracts. The Office of Government-wide Policy's (OGP's) Acquisition Policy Division is collecting data to determine the effectiveness of the pilots and if this process could be incorporated into a formal policy in the future.

2. Climate Scenario Analysis

GSA uses climate projections and other data in decision-making for capital projects in PBS and in FAS acquisitions with a value of $100 million or more. The NCA is the primary climate data and information source for the agency, along with the Green Data Oasis, Climate Explorer, State Climate Summaries, and Climate Data Processing Tool.

GSA would benefit from additional data and information, such as vertical datum to assess flooding risk and statistically downscaled climate projections for Alaska, Hawaii and Puerto Rico. Additionally, GSA would benefit from guidance for the federal financial community on assessing and managing climaterelated financial risk and tools to support supply chain-related climate risk and the scenario analysis process to inform decision-making and future planning.

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GSA incorporates climate information into decision-making within PBS, FAS, and OGP, and the agency is building the capacity for the incorporation of climate information into decision-making for OCFO and OCR. PBS and FAS are updating decision diagrams to identify and describe key nodes in the capital projects and acquisition process where climate information should be considered and documented. GSA also developed a governance structure for implementing GSA's Plan, which can be found in Appendix B of the Plan.