



# Defense Acquisition Trends 2023

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Naval Postgraduate School Acquisition Research Symposium  
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**CSIS**

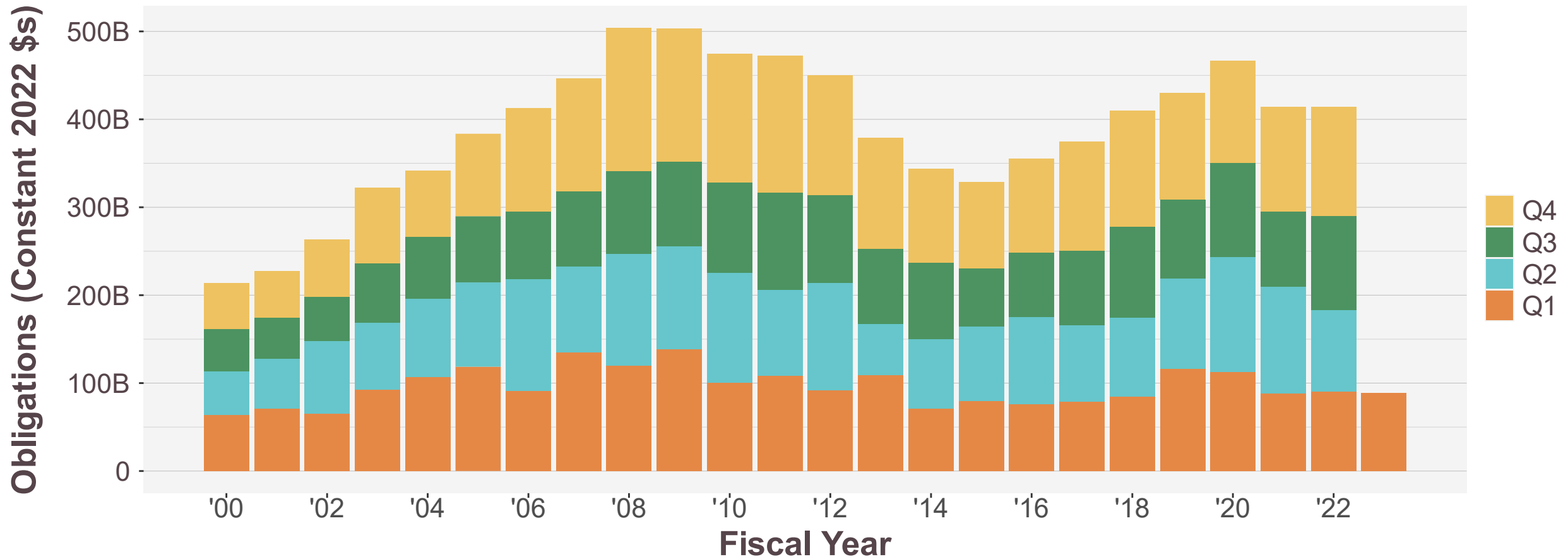
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Photo by [USAF Staff Sgt. Marco A. Gomez](#)

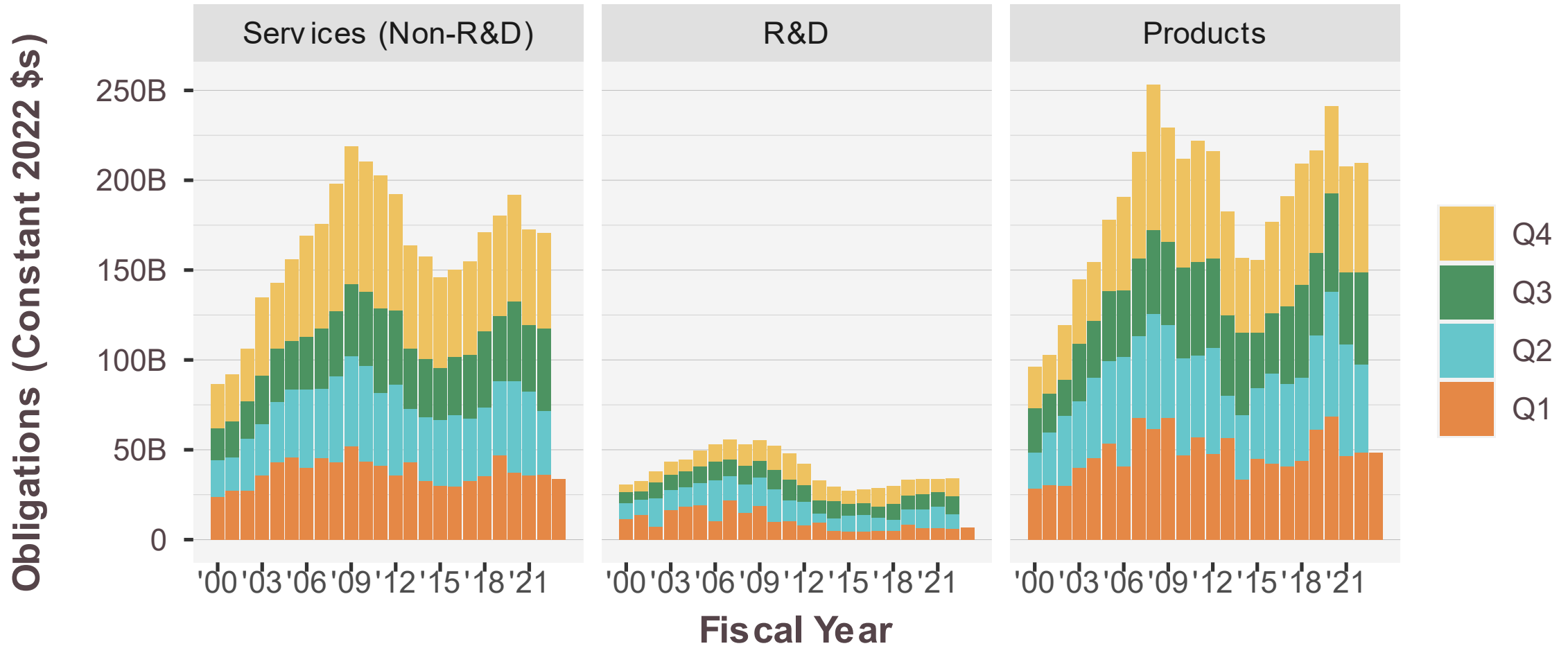
# In aggregate DOD contract obligations have kept pace with inflation in FY2022

## DOD Contract Obligations, 2000-2023Q1



Source: FPDS and CSIS analysis.

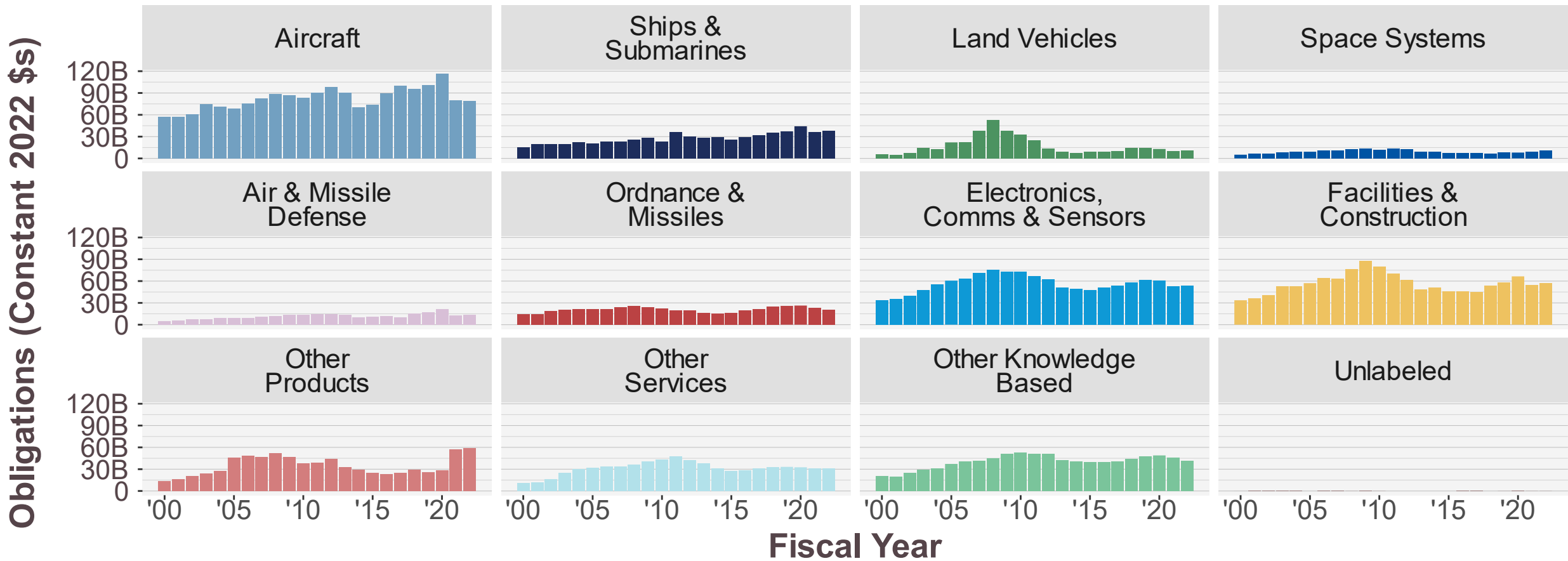
# Ongoing slight shift away from services in division between products, services, and R&D



Source: FPDS and CSIS analysis.

# Enormous effort of transfers to Ukraine focused on drawdowns not contracts

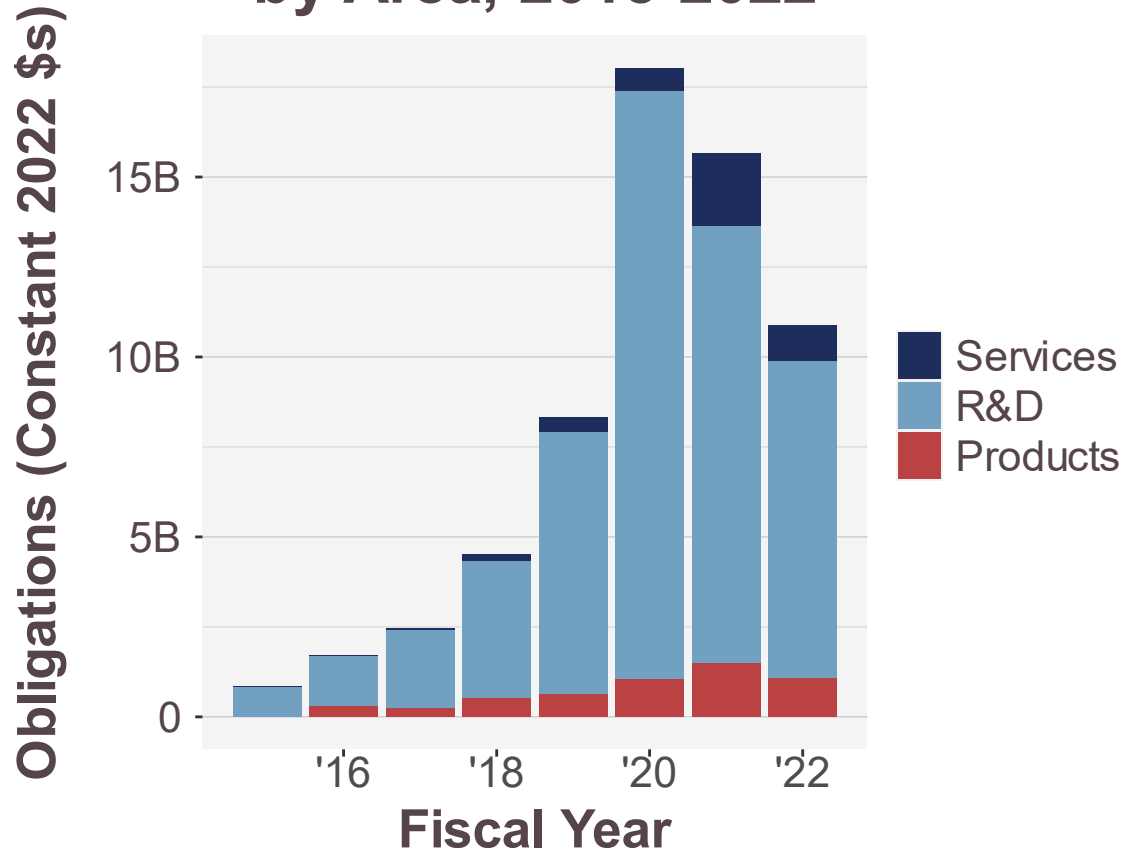
## DOD Contract Obligations by Platform Portfolio, 2000-2022



Source: FPDS and CSIS analysis.

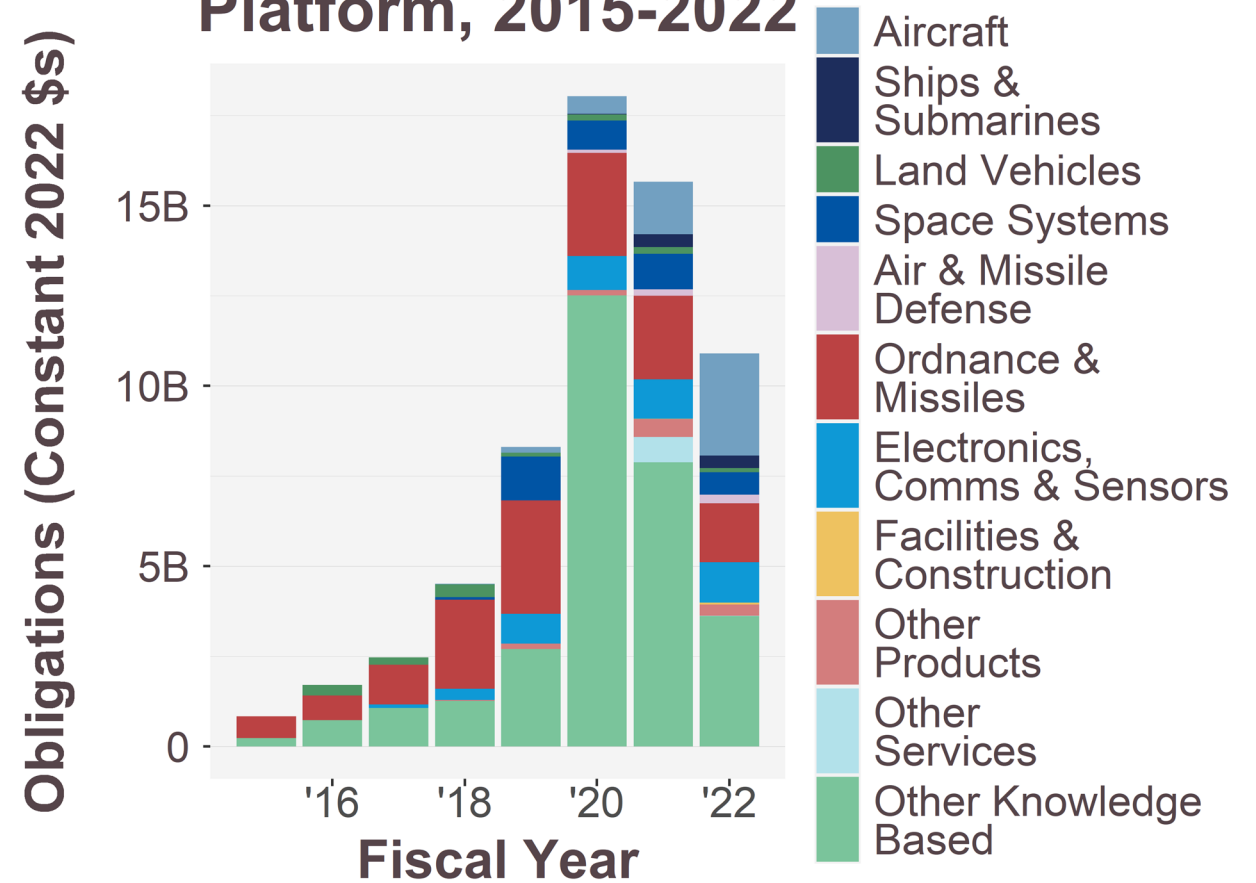
# OTAs spiked as part of speedy COVID-19 response which has now largely transitioned to contracting

## DOD OTAs Obligations by Area, 2015-2022



Source: FPDS; CSIS analysis.

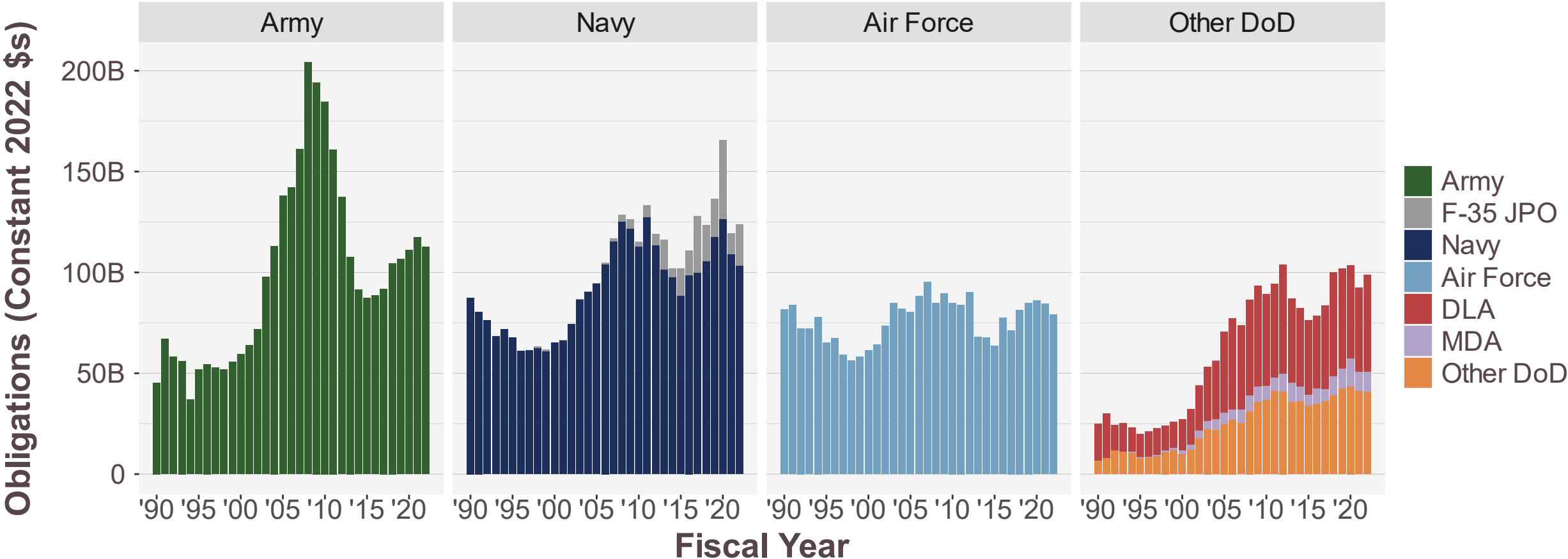
## DOD OTAs Obligations by Platform, 2015-2022



Source: FPDS; CSIS analysis.

# Substantial Army spending on COVID19 response complicates apparent stability in across services

## DOD Contract Obligations by Component, 1990-2022

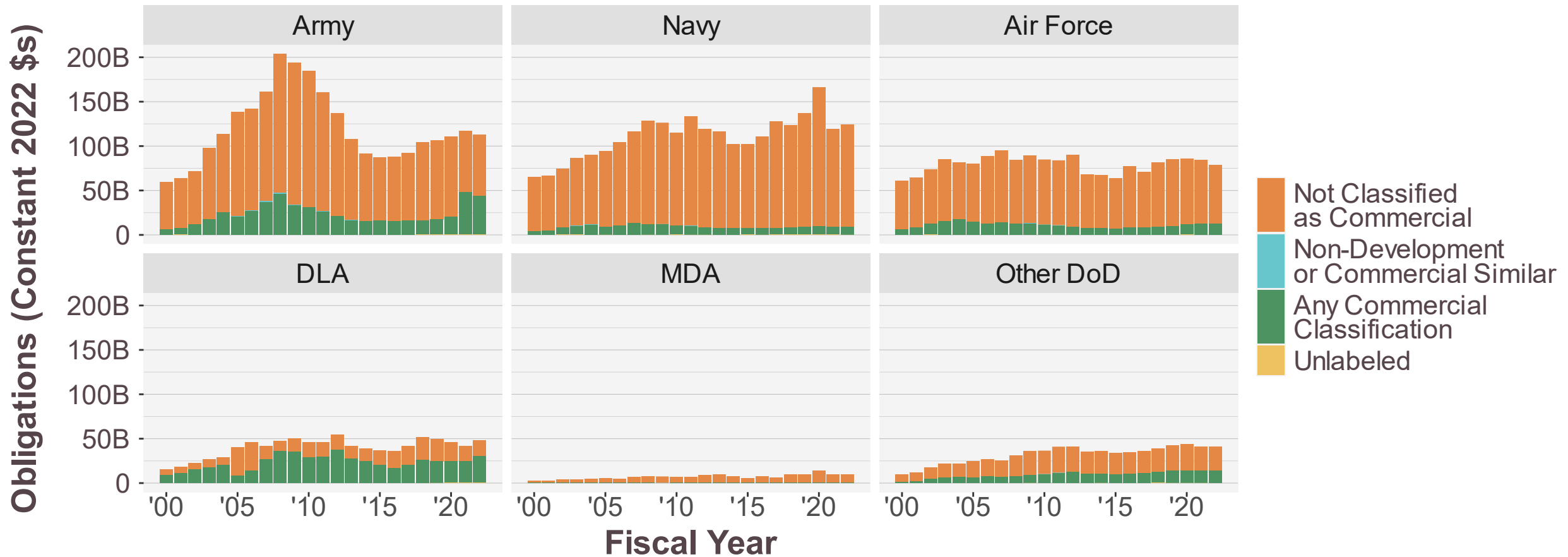


Source: FPDS and CSIS analysis.



# Army is responsible for a jump in commercial contracting use, part of COVID19 response

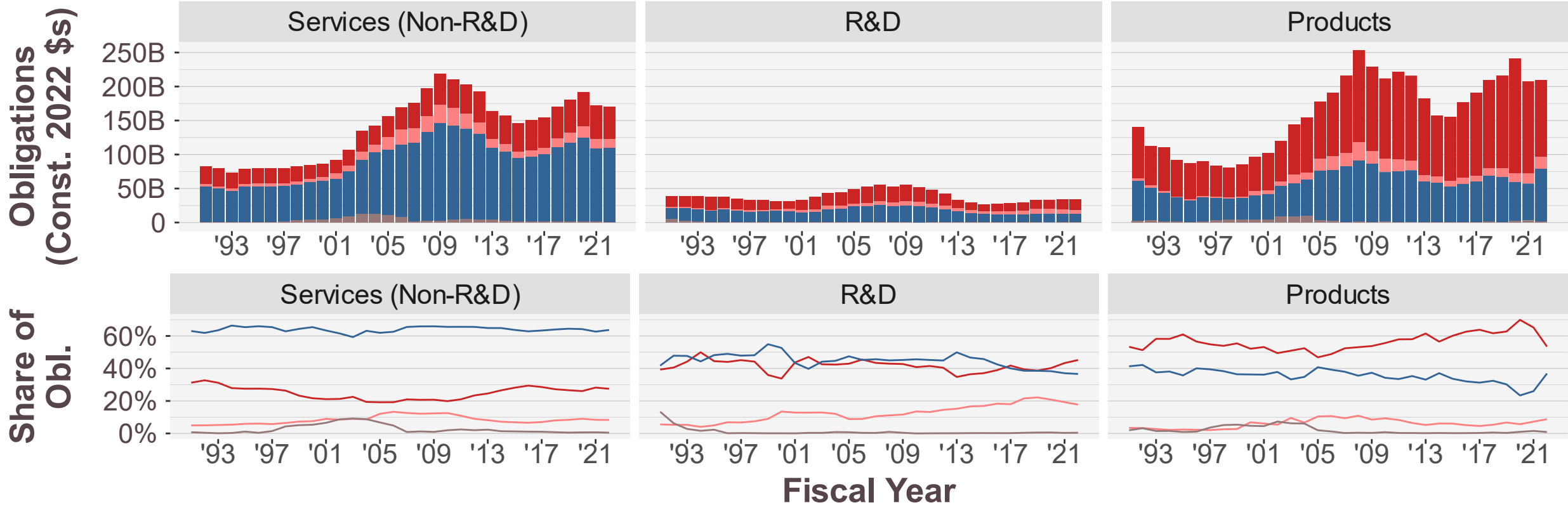
## DOD Contract Obligations by Commercial Categorization, 2000-2022



Source: FPDS; CSIS analysis.

# 48 percent of obligations competed with 2+ offers in FY2022 driven by commercial contracting shift

## DOD Contract Obligations by Commercial Categorization, 2000-2022



— No Comp. — 1 Offer — 2+ Offers — Unlabeled

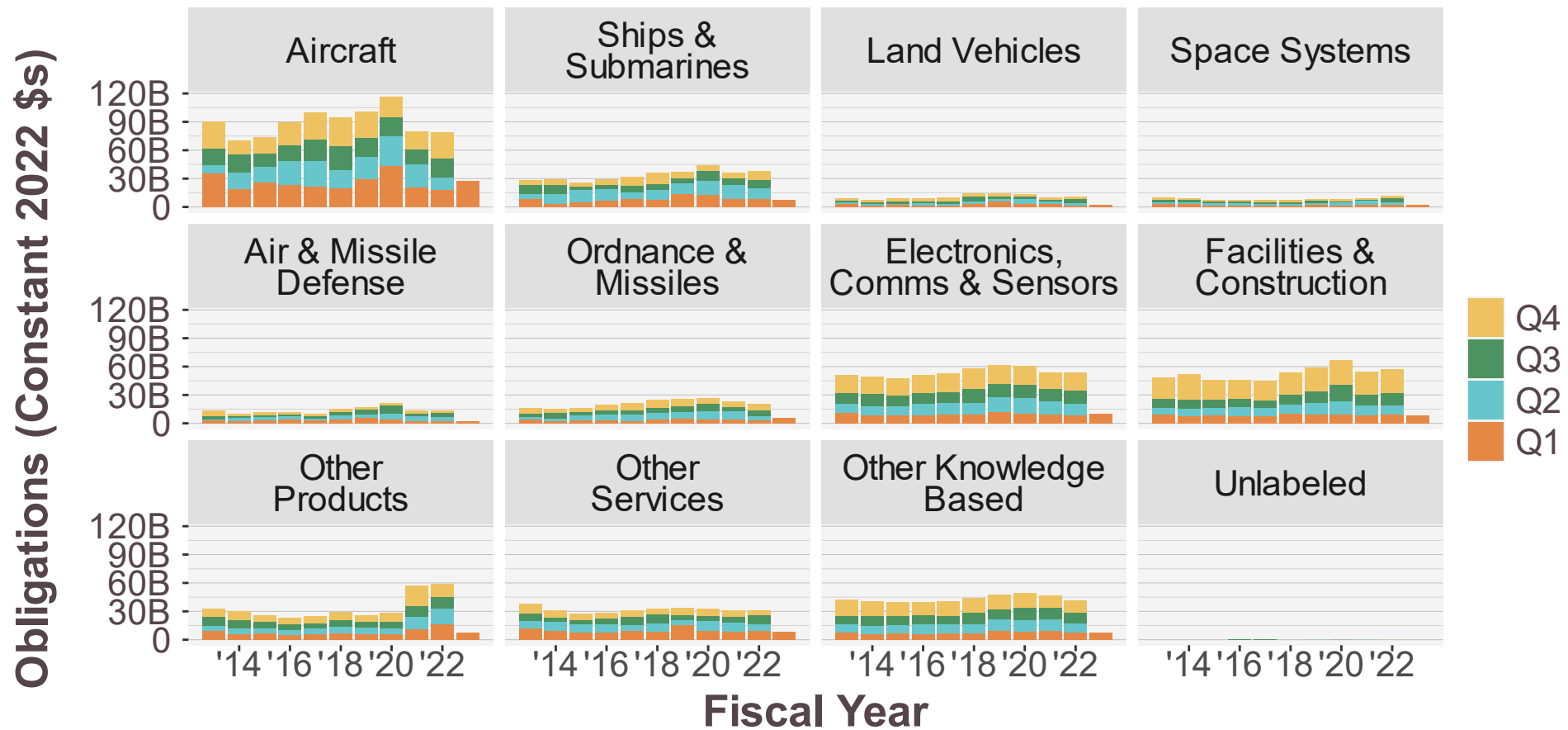
Source: FPDS; CSIS analysis.



# The 1<sup>st</sup> quarter of FY2023 suggests that the obligation demand signal responding to the war in Ukraine has at last arrived

## DOD Contract Obligations by Platform Portfolio, 2013-2023Q1

- Ordnance & Missiles up 54%
- Aircraft obligations are up 52%
- Land vehicles and electronics comms & sensors also up, all other categories in have lower Q1.
- Timing of large lumpy contracts shapes these results.

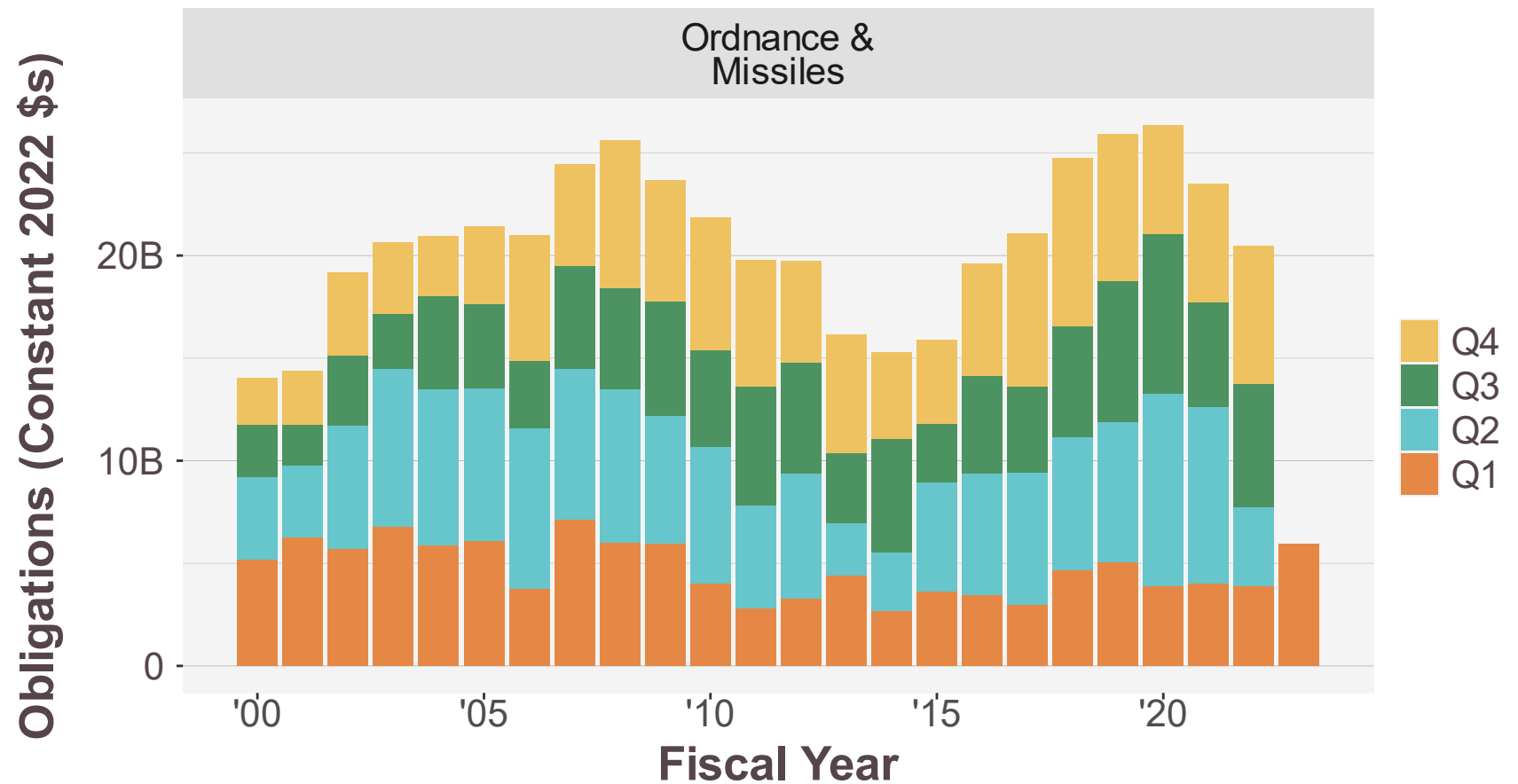


Source: FPDS and CSIS analysis.

# Ordnance & Missile spending slowly picking up speed, and using non-contract channels

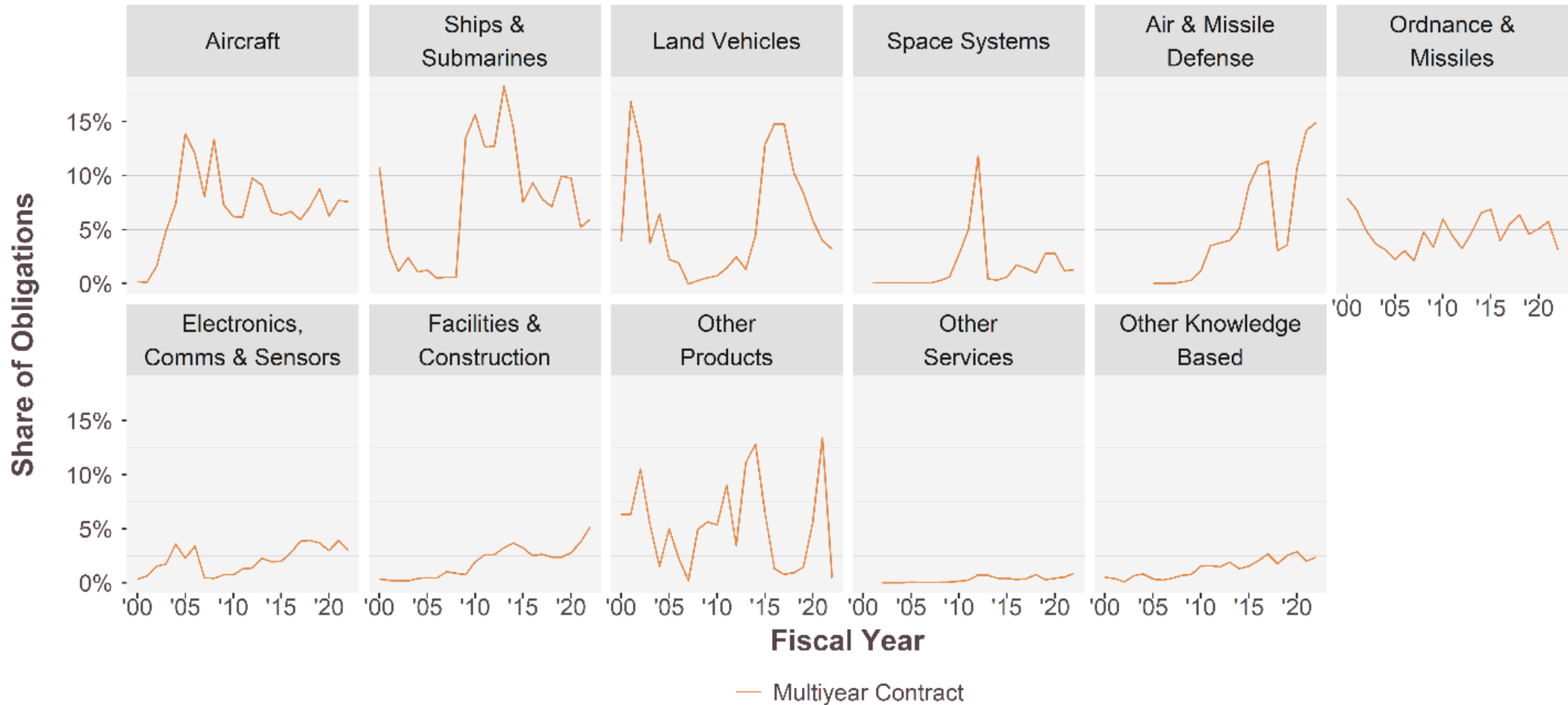
- [\\$20.7 billion](#) in defense article and service across 36 drawdowns from 8/2021 to 4/2023
- DPA Title III not included in FPDS reporting
- [Investments in organic munitions](#) base includes some contracting in Nov. 2022
- In April 2023 [\\$4.8B award for GMLRs through FY26](#)

## Ordnance & Missile Contract Obligations, 2000-2023Q1



Source: FPDS; CSIS analysis.

# Multi-year contracting has grown sees for Air & Missile Defense, but not *yet* for Ordnance & Missiles



Other products / services / R&D not shown. When the multiyear column is empty, transactions are treated as not multiyear.

Source: FPDS and CSIS analysis