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THE WHITE HOUSE

WASHINGTON

September 16, 1994

## PRESIDENTIAL DECISION DIRECTIVE/NSC - 29

MEMORANDUM FOR THE VICE PRESIDENT

THE SECRETARY OF STATE THE SECRETARY OF THE TREASURY THE SECRETARY OF DEFENSE THE ATTORNEY GENERAL THE SECRETARY OF COMMERCE THE SECRETARY OF TRANSPORTATION THE SECRETARY OF ENERGY DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET CHIEF OF STAFF TO THE PRESIDENT ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS DIRECTOR OF CENTRAL INTELLIGENCE CHAIRMAN, THE JOINT CHIEFS OF STAFF DIRECTOR, ARMS CONTROL AND DISARMAMENT AGENCY DIRECTOR, FEDERAL BUREAU OF INVESTIGATION DIRECTOR, FEDERAL EMERGENCY MANAGEMENT AGENCY ADMINISTRATOR OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION CHAIRMAN, NUCLEAR REGULATORY COMMISSION DIRECTOR, OFFICE OF PERSONNEL MANAGEMENT DIRECTOR, INFORMATION SECURITY OVERSIGHT OFFICE

SUBJECT: Security Policy Coordination

The end of the Cold War has dramatically changed the threats that defined the security policies and procedures for protecting our government's information, facilities and people. While some threats have been reduced, others have remained relatively stable or have increased. Our understanding of the range of issues that affect our national security continues to evolve. Economic issues are of increasing concern and are competing with traditional political and military issues for resources and attention. Technologies, from those used to create weapons of mass destruction to those that interconnect our computers, are evolving and proliferating. With this greater diversity of threats, there is wide recognition that the security policies, practices and procedures developed during the Cold War must be reexamined and changed. We require a new security process based on sound threat analysis and risk management practices. A process which

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can adapt our security policies, practices and procedures as the economic, political and military challenges to our national interests continue to evolve.

The Director of Central Intelligence and Secretary of Defense's Joint Security Commission identified four principles which should guide the formulation, evaluation and oversight of our security policy:

- -- Our security policies and services must realistically match the threats we face and must be sufficiently flexible to facilitate change as the threats evolve.
- -- Our security policies and practices must be consistent and enable us to allocate scarce resources effectively.
  - Our security standards and procedures must result in the fair and equitable treatment of all Americans upon whom we rely to guard our nation's security.
- -- Our security policies, practices and procedures must provide the security we need at a price we can afford.

The National Security Act of 1947, as amended, specifies that it is the duty of the National Security Council (NSC) to consider policies on matters of common interest to the departments and agencies of the Government concerned with the national security and to make recommendations to the President in connection therewith. Consistent with the National Security Act of 1947, I direct the establishment of a new security policy structure, under the direction of the NSC, for the coordination, formulation, evaluation and oversight of security policy guided by the above principles.

Nothing in this directive amends or changes the authorities and responsibilities of the members of the Policy Board, including, Director of Central Intelligence (DCI), Secretary of Defense, Secretary of State, Secretary of Energy, Secretary of Commerce, Attorney General, Director of the FBI, Chairman of the Nuclear Regulatory Commission or Director of the Information Security Oversight Office as contained in the National Security Act of 1947, other existing laws or Executive Orders.

I direct the following:

National Security Policy Coordination

-- The Joint Security Executive Committee established by the Deputy Secretary of Defense and the Director of Central Intelligence is designated the Security Policy Board and directed to report to the President through the Assistant to the President for National Security Affairs. The existing national security countermeasures policy and coordination structure, the National Advisory Group for Security Countermeasures, is hereby abolished and its functions transferred to the Security Policy Board.

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The Security Policy Board will consist of the Director of Central Intelligence, the Deputy Secretary of Defense, Vice Chairman of the Joint Chiefs of Staff, the Deputy Secretary of State, the Under Secretary of Energy, the Deputy Secretary of Commerce, the Deputy Attorney General, one Deputy Secretary from another non-defense related agency and one representative from the Office of Management and Budget and the NSC staff. The additional non-defense agency representative will be rotated on an annual basis and selected by the non-defense agency members of the Security Policy Forum established below. Senior representatives of other Departments and Agencies will be invited members at such times as the Security Policy Board considers security issues germane to their responsibilities.

The Chairman of the Security Policy Board will be designated by the Assistant to the President for National Security Affairs on behalf of the President.

- The Security Policy Board will consider, coordinate and recommend for implementation to the President, through the Assistant to the President for National Security Affairs, policy directives for U.S. security policies, procedures and practices. The Security Policy Board will be the principal mechanism for reviewing and proposing to the NSC legislative initiatives and executive orders pertaining to U.S. security policy, procedures and practices that do not fall under the statutory jurisdiction of the Secretary of State. This Board will coordinate the development of interagency agreements and resolve conflicts that may arise over the terms and implementation of these agreements. In coordinating security policy, procedures and practices, the Policy Board will ensure that all U.S. Departments and Agencies affected by such decisions are allowed to comment on such proposals.
- Policy disputes that cannot be resolved by this Board will be forwarded to the Principals Committee of the National Security Council.
  - A Security Policy Advisory Board is established to serve as an independent and nongovernmental advisory body on U.S. security policy. Five members, including a Chairman, will be appointed by the President for terms of up to three years. The Chairman will report annually to the President through the Assistant to the President for National Security Affairs on implementation of the four policy principles identified above. The Security Policy Advisory Board will also provide a non-governmental and public interest perspective on security policy initiatives to the Security Policy Board and the intelligence community.

The Security Policy Forum established under the Joint Security Executive Committee is retained under the Security Policy Board to consider security policy issues raised by its members or any other means; develop security policy initiatives and obtain Department and Agency comments on these initiatives for the Policy Board; evaluate the effectiveness of security policies; monitor and guide the implementation of security policy to ensure

coherence and consistency; and oversee the application of security policies to ensure that they are equitable and consistent with national goals. Policy Forum membership will include one senior representative from the Office of Secretary of Defense, Joint Chiefs of Staff, each Military Department, including the U.S. Coast Guard, Defense Intelligence Agency, National Security Agency, Central Intelligence Agency, Commerce, Energy, Justice, State, Treasury, Transportation, Federal Bureau of Investigation, National Reconnaissance Office, Federal Emergency Management Agency, General Services Administration, Defense Information Systems Agency/National Communications System, Office of Personnel Management, Information Security Oversight Office, Nuclear Regulatory Commission, NASA, Office of Management and Budget and other agencies representatives as invited by the Security Policy Forum. The Chairman will be appointed by the Security Policy Board Chairman.

The Security Policy Board and Forum may establish interagency working groups as necessary to carry out their functions and ensure interagency input and coordination of security policy, procedures and practices.

The existing Department of State Overseas Security Policy Group is hereby designated as, and its functions transferred to, the Overseas Security Policy Board and directed to report to the President through the Assistant to the President for National Security Affairs. The Overseas Security Policy Board will be Chaired by the Director of the Diplomatic Security Service and its membership will consist of representatives from the Department of State, Agency for International Development, CIA, Defense Intelligence Agency, FBI, Commerce, Justice, Treasury, Transportation, National Security Agency, United States Information Agency, Peace Corps, Federal Aviation Administration, Foreign Agricultural Service and the DCI's Center for Security Evaluation, Office of Management and Budget, NASA and Arms Control and Disarmament Agency.

The Overseas Security Policy Board will consider, develop, coordinate and promote policies, standards and agreements on overseas security operations, programs and projects which affect all U.S. Government agencies under the authority of a chief of mission abroad.

- -- The National Counterintelligence Policy Board established by PDD-24, the Security Policy Board and the Overseas Security Policy Board will coordinate as necessary on policy issues that may be of mutual concern and each Board will implement procedures for such coordination. Conflicts between these Boards that cannot be resolved will be referred to the Principals Committee of the National Security Council. The Chairman of these Boards will meet at least on an annual basis to review policy coordination.
- The Security Policy Board, Forum and any interagency working groups established by these bodies will be supported by a Staff which will operate under the direction of the Security Policy Board. This Staff will also provide administrative and personnel support to the Security Policy Advisory Board which will operate independent of other Staff

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functions and personnel under the direction of the Chairman of this Advisory Board. Staff personnel will be provided or funded by the member agencies of the Security Policy Board.

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## Implementation

I hereby direct the Chairman of the Security Policy Board to convene the first meeting of this Board within 30 days of his or her appointment. The Chairman, with the assistance of all Security Policy Board member agencies, will fully implement this directive and forward a report on implementation to the Assistant to the President for National Security Affairs by December 1, 1994. The Security Policy Board will determine and report on the continued functioning or disposition of all security related groups formerly functioning under the NAG/SCM structure established under authority of its members. For those security entities established by Presidential Directive, the Security Policy Board will make recommendations as to their relationship to the Board and their continued functions under this new policy structure. The Security Policy Board will provide an annual report to the President through the Assistant to the President for National Security Affairs on the implementation of our security policy principles identified by this directive.

William J. Cinton

**VJC HANDWRITING**