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Committee for National Security Meeting Minutes, 04/28/00

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OFFICE OF THE DIRECTOR OF
DEFENSE RESEARCH AND ENGINEERING
3040 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-3040

August 30, 2000

MEMORANDUM FOR MEMBERS OF THE NATIONAL SCIENCE AND TECHNOLOGY
COUNCIL, COMMITTEE ON NATIONAL SECURITY

SUBJECT: Committee on National Security

The minutes of the Committee on National Security meeting held on April 28, 2000, at the Pentagon are attached for your information and action as appropriate.

The next meeting of the committee is scheduled for Tuesday, October 3, 2000, from 1430 to 1600 (2:30 PM to 4:00 PM), in Room 3D1019, the Pentagon. The classification of the meeting will be Secret. We will coordinate with your office, if we do not have your clearance on file. A draft agenda and other read-ahead material will be distributed to you approximately one week prior to the meeting.

We look forward to your participation on October 3, 2000. If you have any questions, I can be reached at (703) 588-7418, fax (703) 588-7560, e-mail SLOTERLE@ACQ.OSD.MIL, or you can contact Ms. Betty Marcellino at (703) 588-7400.

Lewis E. Slotter, II
Executive Secretary
Committee on National Security

Attachment:
As stated

Copy to:
Dr. Delores Etter, Department of Defense
Ms. Cynthia Gonsalves, Department of Defense
Dr. Gerald Hane, Office of Science and Technology Policy
Dr. Charles Holland, Department of Defense
Dr. Anna Johnson-Winegar, Department of Defense
Dr. Terry Kelly, Office of Science and Technology Policy
Mr. Frank Kenlon, Department of Defense
Ms. Sallie Mullen, Department of State
Mr. Mark S. Swiecicki, Department of State
Mr. Alfred Volkman, Department of Defense



EXECUTIVE OFFICE OF THE PRESIDENT
NATIONAL SCIENCE AND TECHNOLOGY COUNCIL
WASHINGTON, D.C. 20502

NSTC COMMITTEE ON NATIONAL SECURITY

Minutes of the April 28, 2000, Meeting

The Committee on National Security (CNS) held its twenty-first meeting on April 28, 2000. The principals attending the meeting were:

Dr. Gerald Epstein, Co-Chair	Assistant Director for National Security, White House Office of Science & Technology Policy (OSTP)
Dr. Jacques Gansler, Co-Chair	Under Secretary of Defense (Acquisition, Technology, and Logistics)
Mr. William Reinsch	Under Secretary of Commerce for Export Administration
Ms. Kelly H. Carnes	Assistant Secretary of Commerce for Technology Policy
Ms Lynn Cline	Deputy Associate Administrator, National Aeronautics and Space Administration
Dr. Douglas Elmendorf	Deputy Assistant Secretary for Micro Economic Analysis, Department of the Treasury
Ms. Rose Gottemoeller	Acting Deputy Administrator for Defense Nuclear Nonproliferation, Department of Energy
RADM J. A. Kinghorn	Director, Office of Intelligence and Security, Department of Transportation
Dr. Robert Knouss	Director, Office of Emergency Planning, Department of Health and Human Services
Dr. Peter Zimmerman	Science Advisor to the Assistant Secretary, Arms Control Bureau, Department of State

The primary purpose of the meeting was to receive status reports and review the activities of the Critical Infrastructure Protection (CIP) R&D Interagency Working Group (IWG), the International Technology Transfer Issues and Policy (ITTIP) Interagency Working Group, and the Nonproliferation and Arms Control Technology Working Group (NPAC TWG). The meeting agenda is attached.

I. INTRODUCTION

Dr. Gerald Epstein, Assistant Director for National Security, OSTP, and CNS co-chair, opened the meeting. He asked the CNS principals for any comments on the

minutes of the last meeting. There were no comments or changes, and the minutes were approved.

II. CURRENT EFFORTS

A. Critical Infrastructure Protection R&D Interagency Working Group

Dr. Epstein introduced Dr. Steven Rinaldi, OSTP, who provided an update on the progress and activities of the CIP R&D IWG. Dr. Rinaldi stated that the President's FY2001 budget request included a 31% increase for CIP R&D of which \$81 million was for new programs (\$50 million for the new Institute for Information Infrastructure Protection (I3P), funded by the National Institute of Standards and Technology (NIST), and \$31 million for new programs in various agencies). The primary ongoing IWG efforts include:

- Developing the FY2002 CIP R&D agenda;
- Beginning intense coordination of the R&D agendas of four key technologies (infrastructure interdependencies, intrusion detection, public key infrastructures for advanced network technologies, and response/recovery/reconstitution technologies);
- Drafting and vetting an international CIP R&D cooperation policy; and
- Holding workshops with government, private sector, and academic experts to help refine the CIP R&D agenda.

The President's Committee of Advisors on Science and Technology (PCAST) proposed in December 1998 that the government establish a joint private-sector/government, nonprofit R&D Institute for Information Infrastructure Protection. As envisioned by PCAST, this Institute would perform research on crucial information security technologies that neither the government nor private sector were addressing, and would be flexible and nimble enough to keep up with the explosive growth of information technology. As currently envisioned, the Institute would have a small core staff, and most of its R&D would be done extramurally. The private sector has strongly supported PCAST's proposal. OSTP and NIST have jointly prepared a white paper on the organization and functions of the I3P for review by the PCAST Security Panel in May.

At the last CNS meeting, the principals directed the IWG to reexamine the issue of ensuring an adequate supply of CIP researchers and professors, particularly in information security technologies. The IWG found universal agreement in the private sector and academia that there is a serious shortage of research-oriented university programs and an inadequate number of graduate students to meet the growing demands of CIP R&D. The lack of qualified instructors is a major obstacle to maintaining a high level of activity in information security education. Industry is generally unable, or unwilling, to invest the time and resources to develop information security researchers

internally. DoD funds approximately 50% of all computer science work in universities; where appropriate, it might be possible to redirect funding into information security technologies and research. The IWG recommended that it determine what, if any, efforts are ongoing in the government to address this issue and provide policy recommendations for CNS consideration. There were no objections to the IWG recommendation.

B. International Technology Transfer Issues and Policy Interagency Working Group

Dr. Epstein introduced Dr. Gerald Hane, OSTP chair of the ITTIP IWG. Dr. Hane provided an update of IWG's activities.

The IWG is working on three case studies. The presentation focused primarily on one case—International Technology Transfer and the Federal Laboratories—that the IWG has studied in detail during the past two years. Dr. Hane reviewed the issues examined by the IWG, the guidance provided in the existing executive order (E.O. 12591, dated April 10, 1987), and the variability in current ITT practices. Based on its case study, the IWG recommended that an amendment to E.O. 12591 be developed that:

- Directs consideration of the impact of foreign participation in cooperative agreements on the competitiveness of U.S. industry;
- Clarifies agency roles in routine interagency consultations;
- Defines thresholds that would trigger interagency consultations to assess potential national security and economic competitiveness issues; and
- Defines a process for possible higher level review if urgent policy questions remain unresolved.

It was emphasized that this procedure would not compromise the authority of agencies to approve or disapprove technology transfer agreements (i.e. cooperative research and development agreements and exclusive licenses involving foreign entities). The consultations are not approval processes, but opportunities to bring more information into a discussion.

Under the interagency consultation process, an Interagency Working Group on Technology Transfer (chaired by DOC) would review technology transfer agreements that meet the threshold criteria. An NSTC Deputies Group would have the option to consider urgent policy questions that the working group could not resolve. These reviews would be conducted within the statutory time periods for processing technology transfer agreements.

Several principals noted reservations regarding the proposed amendments to E.O. 12591, with a particular concern regarding the recommendations regarding interagency

review. The principals agreed to review the E.O. amendments and provide comments to OSTP in two weeks. Dr. Epstein asked that the comments be sent to him so he can consolidate them for an early CNS meeting that would focus primarily upon the amendments, if such a meeting was deemed appropriate and necessary.

In its Rocket Motor Casing Manufacturing case study, the principal issues of concern were noted as the following

- Timelines associated with the decisions in the case;
- Availability of comparable foreign technology;
- Transparency of the appeals process; and
- The degree of interagency consultations.

The draft report was circulated to the CNS principals for review. It was noted that the treatment of communications satellite export controls by State Department makes an attempt to address each of these issues and may be a reference for dealing with comparable situations in the future. The outstanding question is whether CNS principals feel that they should urge the State Department to implement the review of these issues in other cases in which the technologies under question have substantial international civilian, commercial markets.

In its Coproduction of M109 Howitzer case study, the IWG found different interpretations of policy and questions of oversight of the activity. As with the rocket motor case study, the IWG examined whether the CNS should review contentious issues in future international technology transfer cases given that there is currently no established interagency review process.

Mr. Reinsch stated that a draft memorandum of understanding (MOU) that would establish a formal international agreement coordination process between DoD, Commerce, and State had recently been distributed for comment. The principals agreed that their respective staffs would review the proposed document.

In a related manner, Dr. Epstein informed CNS that the Commerce Department has asked the National Security Council to conduct an interagency process to clarify issues associated with "deemed exports" of technical data -- the communication within the United States of export-controlled technical data to foreign nationals. Dr. Epstein asked CNS Principals to provide OSTP with the names of the agency points of contact that could participate in the interagency group on export control of technical data and foreign scientific communications issues.

C. Nonproliferation and Arms Control Technology Working Group

Dr. Epstein introduced Ms. Sallie Mullen (Department of State). Ms. Mullen provided an update of the activities of the NPAC TWG. The annual report is behind

schedule and is now expected to be finished by the third week of May. She indicated that DOS had created a key verification assets fund for technology preservation and development in support of arms control and nonproliferation treaties. DOS had requesting mid-year FY2000 funds to support three projects:

- Technology Assessment Group for CTBT;
- Chemical Weapons Convention "Second Laboratory;" and
- Rocket motor monitoring.

III. OTHER BUSINESS

Dr. Peter Zimmerman described the Precision Isotope Counting Experimental Setup (PIsCES), a project to develop an ultra-low-background facility for applied isotopic measurements. A laboratory currently exists at Gran Sasso, Italy, and the U.S. Naval Research Laboratory (NRL) has proposed to build a similar facility in the United States in a deep underground coal mine. Dr. Zimmerman asked the CNS to task the NPAC TWG to investigate the feasibility and utility of the NRL proposal. Ms. Mullen accepted the tasking.

IV. ACTION ITEMS

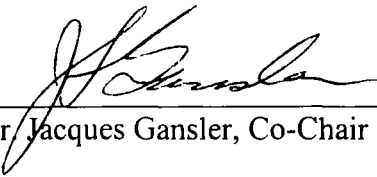
There action items from the meeting are as follows:

- The CIP R&D IWG will continue to examine the problem of insufficient numbers of qualified CIP research personnel; determine what, if any, efforts are ongoing in the government to address this issue; and provide policy recommendations to CNS principals for their consideration.
- The CNS principals will provide their comments on the proposed amendments to E.O. 12591 to Dr. Epstein within two weeks of receipt.
- The CNS principals will provide their points of contact for the interagency group on export control of technical data to Dr. Epstein.
- DoD, Commerce, State, and other interested agencies will review the draft MOU for a formal international agreement coordination process.
- The NPAC TWG will evaluate the NRL proposal for the PIsCES.

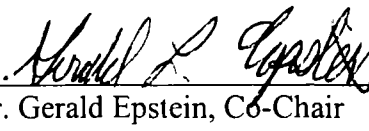
V. CLOSING REMARKS

The principals agreed to hold the next CNS meeting as soon as the amendments to E.O. 12591 are available.

Dr. Epstein adjourned the meeting.

 8/9/00

Dr. Jacques Gansler, Co-Chair (date)

 7/10/2000

Dr. Gerald Epstein, Co-Chair (date)

Attachment:
Meeting Agenda

Agenda for the Meeting of the
National Science and Technology Council
COMMITTEE ON NATIONAL SECURITY
April 28, 2000
1530-1700 (3:30 p.m. – 5:00 p.m.)
Pentagon, Room 3D1019

I. INTRODUCTION

II. STATUS OF CURRENT EFFORTS

- Critical Infrastructure Protection R&D- Overview of Technical Plans & Status of Institute for Information Infrastructure Protection (I3P)
- International Technology Transfer Issues & Policy- Status of Executive Order
- Non-Proliferation & Arms Control Technology- Status of Annual Report
- Action Item Report on Working Group Coordination

III. OTHER BUSINESS

- Department of State Proposed New Business
 - Assessment of Low Level Radioactivity Monitoring Technology

IV. CLOSING REMARKS

- Set next meeting date and agenda priorities