



THE SECRETARY OF STATE
WASHINGTON

FEB 6 - 2018

The Honorable
Edward R. Royce, Chairman
Committee on Foreign Affairs
House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

Cyberspace policy affects almost every aspect of modern American life and it is a critical foreign policy imperative. With increasing incidents of disruptive global cyber attacks, including some sponsored by nation states, and the emergence of the digital economy dependent on internet connectivity, U.S. international leadership in this area will be important in the years to come. The Department of State must be organized to lead diplomatic efforts related to all aspects of cyberspace.

Over the last several months, we have engaged employees within relevant Department of State offices, invited the input of our partners across the federal interagency, and met with leading cyber experts and practitioners outside of the government to ensure that the Department's structure and policies would be well-informed and prepared for future technology challenges. The enclosed proposal will cohesively unify the Office of the Coordinator for Cyber Issues and the Bureau of Economic Affairs' Office of International Communications and Information Policy.

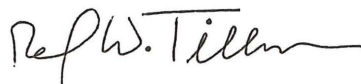
The combination of these offices in a new Bureau for Cyberspace and the Digital Economy will align existing resources under a single Department of State official to formulate and coordinate a strategic approach necessary to address current and emerging cyber security and digital economic challenges. The proposal will elevate the stature of the Department official leading cyberspace policy to one that is confirmed by the U.S. Senate – an Assistant Secretary – to lead high-level diplomatic engagements around the world.

The Assistant Secretary will report to the Under Secretary for Economic Growth, Energy, and the Environment. This placement in the Department's structure will ensure close coordination with the other bureaus that report to the Under Secretary and focus on functional policy issues while closely coordinating with the private sector. It will also give the Department the most effective platform from which to engage relevant global stakeholders.

The Department recognizes the keen interest of Members of Congress in cyberspace diplomacy and welcomes your input on, and support for, this proposal. As the Department proceeds with planning for this proposal, we will provide the requisite advance congressional notification of related reprogrammings consistent with applicable provisions of the State Department Basic

Authorities Act of 1956 and the annual Department of State, Foreign Operations, and Related Programs Appropriations Act. Please let my staff or me know if you would like to discuss this proposal.

Sincerely,

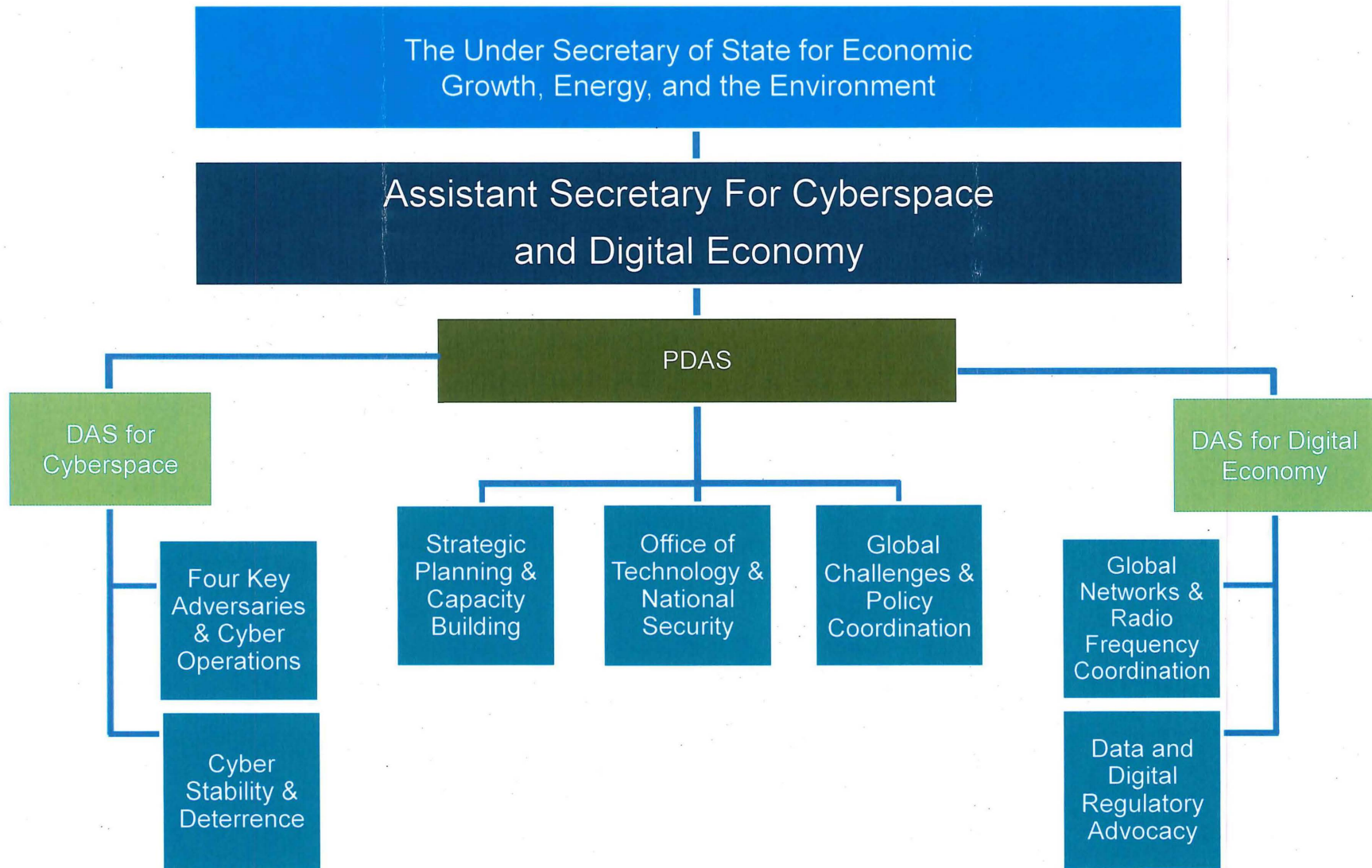
A handwritten signature in black ink, appearing to read "Rex W. Tillerson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Rex W. Tillerson

Enclosure:

As stated.

Cyberspace and Digital Economy Proposal



Primary Lines of Effort:

- **Establish a global deterrence framework** in which participating States make a political commitment to work together to impose consequences on States that engage in malicious cyber activities, based on participating States' shared understanding of what constitutes responsible State behavior in cyberspace.
- **Develop and execute key adversary specific strategies** to impose costs and alter calculus of decision-makers
- **Advise and coordinate external responses to national-security-level cyber incidents**
- **Promote adoption of national processes and programs that enable foreign territorial cyber, threat detection, prevention, and response**
- **Build foreign capacity to protect the global network** thereby enabling like-minded participation in deterrence framework
- **Maintain open and interoperable character of the Internet** with multi-stakeholder governance, instead of centralized government control

Primary Lines of Effort (continued):

- **Promote an international regulatory environment** for technology investments and the Internet that benefits U.S. economic and national security interests
- **Promote cross-border flow of data** and combat international initiatives which seek to impose restrictive localization or privacy requirements on U.S. businesses.
- **Protect the integrity of U.S. and international telecommunications infrastructure** from foreign-based threats. Serve as the USG interagency coordinator for international engagement. (Note: DHS and DoD lead on domestic-based threats.)
- **Secure radio frequency spectrum** for U.S. businesses and national security needs
- **Facilitate the exercise of human rights, including freedom of speech and religion,** through the Internet
- **Build capacity of U.S. diplomatic officials** to engage on these issues

Efficiencies:

- Strategic planning sets priorities for international engagements
- Cohesively unifies cyber security and digital economic policy development and implementation under a single chain of command
- Experts are shared, where possible, between cyber security and digital policy
- Cyber and digital economy efforts coordinated with regional bureau strategic plans
- CT continues primary lead on combatting terrorists' use of the Internet
- DRL has primary responsibility for implementing Internet freedom programming
- Coordination with INL on capacity building
- Deploy FSOs as expanded workforce for routine engagements