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**HOW CSIS IDENTIFIES AND
ADDRESSES INTELLIGENCE PRIORITIES**

(SIRC STUDY 2009-01)

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1 INTRODUCTION

CSIS's central mandate is to collect and analyze security intelligence and report to, and advise, the government on threats to national security. In order to fulfill its mandate, the Service must be fully aware of the government's intelligence priorities and how to devise collection strategies to address them. The process of defining and prioritizing the government's intelligence requirements is therefore an essential first step in the Service's process of establishing intelligence priorities. How the Service carries out the defining and establishing of these priorities will impact its intelligence activities that follow.

The current threat environment has placed significant pressure on the Service to collect more intelligence on diverse issues in a timely fashion. As a consequence, the Service is currently reviewing its intelligence planning process.

As part of the Service's strategies to meet the growing demands for security intelligence, they must create planning processes/systems that effectively manage their collection resources in responding to the intelligence needs of government stakeholders. Consequently, the Service has initiated a multi year, reengineering process that will significantly alter how they engage government partners in defining their security intelligence needs and how they monitor collection activities to focus on targeting information most relevant to the Service and government stakeholders.

This review examines how the Service defined, prioritized and monitored their intelligence priorities as it fed into the 2007-2008 planning process, which is prior to the re-engineered planning process. Given that the Service's new planning process falls outside of the review period, the report examines the challenges of the previous planning process, while touching upon how the Service is addressing these challenges through their new systems. As such, the review provides a baseline study of the Service's new planning process, therein providing the foundation for future SIRC reviews.

2 OBJECTIVE AND SCOPE

The objective of this review is to better understand the processes undertaken by the Service to identify and address its intelligence priorities (Section 12 and Section 16). Of particular interest is how these priorities are communicated to the Branches and Regions. The review also examined how the Service developed collection strategies to address these priorities.

The review period was September 1, 2005 to August 31, 2007. However, as a result of numerous changes in how the Service defines its intelligence priorities and monitors collection requirements, information was gathered outside of this timeframe to gain further insight into these changes.

3 METHODOLOGY

SIRC's review of the Service's means of identifying and monitoring intelligence priorities began with a review of the literature, including academic publications and policy reports from intelligence agencies. In addition, SIRC examined:

- operational messages related to the annual planning process;
- relevant information entered into the
and
- Branch responses to a series of questions about how they identify, prioritize and monitor their intelligence priorities.

In addition, SIRC met with Service personnel from Intelligence Assessments Branch (IAB), Toronto Region (TR) and the Resource Planning Branch to gain insight into the processes they undertake to identify and monitor intelligence priorities.

4 INTELLIGENCE PRIORITIES PLANNING PROCESS, 2007-2008 ²

The intelligence analysis process allows the Service to define and prioritize what the government's intelligence needs are and the subsequent information needed to address them. The Service obtains high-level government direction through the Minister of Public Safety's list of National Intelligence Requirements.³ This document lists, in order of importance, security intelligence requirements.

The process of defining Section 12 and Section 16 requirements differs. Section 16 requirements are defined through detailed discussions with who must formally request that the Service collect information or intelligence to meet their needs. In contrast, the requirements for security intelligence needs (Section 12) are defined through the Service's annual planning and monitoring processes in conjunction with input from the government.

The following section details how these processes work, including some of the challenges the Service faced in completing them.

4.1 Defining Intelligence Priorities

The Service is mandated under Section 12 of the *CSIS Act* to investigate, collect, analyze and retain information and intelligence on security threats related to Canada. CSIS must inform and confer with the Minister of Public Safety determines the national intelligence requirements and how they should be prioritized.

² Intelligence priorities and requirements are used interchangeably throughout this document.

³ National Intelligence Requirements are generally released each year but there have been instances in which they were released for a two-year period, e.g., 2006-2008. Since 2008 they have been referred to as National Intelligence Priorities.

Each year, as part of their annual planning process, the Service re-evaluates the government's security intelligence priorities (SI, Section 12) by monitoring and reassessing the constantly changing threat environment. The Service provides an overall SI assessment to the Minister of Public Safety through the annual Director's Letter. This letter synthesizes the intelligence priorities observed from the previous year's regional and foreign collection activities. Collection activities within Canada and abroad are reviewed and analyzed throughout the year by the Operational Branches

Branches provide summaries of ongoing investigations and highlight their intelligence priorities through CSIS's corporate structure. This information is then integrated into the formulation of the Director's letter to the Minister of Public Safety.

Once the National Requirements have been received, then the Operational Branches start their annual planning processes.

In contrast to the Section 12 intelligence requirements process, the process for identifying Section 16 intelligence requirements is initiated solely from outside the Service. Under Section 16 of the *CSIS Act* the Service can assist the Ministers of DND and DFAIT "in the collection of information or intelligence relating to the capabilities, intentions or activities of any foreign state or group of foreign states," or anyone other than a Canadian citizen, permanent resident or a Canadian corporation. The Service receives requests from DFAIT or DND, to collect information related to a country's political, economic or diplomatic interests or objectives.

4.2 Operational Branch Plans

CSIS's Operational Branches must translate these into annual plans that will detail the types of investigations to be carried out in the coming year. At the beginning of the annual planning process, Senior Branch Managers from

receive further Executive direction through the Deputy Director of Operations (DDO) Directional Statement. This statement "provide(s) general orientation to individual program plans" and will "provide guidance to the program managers in shaping collection priorities and preparing their annual plans."⁹ The content of these documents directs the annual planning process for each of the Operational Branches.

⁹ DDO Directional Statement 2008.

4.3 Planning for Unknown Events and Strategic Issues

Although each Operational Branch may start the year with a clear collection strategy, frequently these plans must be adjusted due to 'unknown unknowns' – an event or issue that was not on the Service's radar (e.g., kidnaping, evacuation of Canadians from Lebanon).

However, if this new threat becomes a long-term issue then the Service will need to determine how to reinvest resources (financial and human) to fulfil this priority for the upcoming planning cycle.¹²

The Minister of Public Safety directs the Service to be "informed of the political, social and economic environments from which threats to the security of Canada may emerge."¹³ Operational Branches are expected to monitor the threat environment, to the best of their ability, to assess any trends that may prove to be problematic. However, the overall scanning process is not formally documented nor is there a standardized system in place.

4.4 Challenges in the 2007-2008 Planning Process

SIRC noted several challenges related to the ways in which the Service's intelligence needs were defined and monitored for the 2007-2008 planning cycle. In particular, these included challenges associated with balancing resources between multiple

¹² SIRC Briefing with May 13, 2009.

¹³ Ministerial Directions National Intelligence Requirements 2006-2008, p. 5.

planning documents, lack of direction to focus collection activities and problems associated with engaging government stakeholders to define specific intelligence requirements. Each of these challenges is discussed below.

4.4.1 Competing Priorities - Multiple Planning Documents

The end result of the Service's intelligence planning process is that

SIRC found that, during the review period, the Service did not have a centralized planning document that integrated and prioritized all Branch intelligence requirements.

Without such a document, planning is problematic for Regions, particularly those with a significant case load. In these instances, Operational Branches may become frustrated if they believe their priorities are not being addressed by a Region.¹⁶ A centralized document that provides an integrated list of all Operational Branch priorities, clearly defined and approved by Headquarters (HQ), would help address these problems.

4.4.2 Lack of Direction -

¹⁵ SIRC Briefing with Toronto Region, May 21, 2009.

¹⁶ SIRC Briefing with Toronto Region, May 21, 2009.

Of these numerous pieces of information, some are instrumental to the fulfillment of the intelligence requirement, and should therefore be actively pursued.

The service goal is to provide the government with meaningful intelligence based on the priorities selected. Without a centralized planning document, clearly outlining what these priorities are, it is sometimes challenging for intelligence officers to maximize their opportunities to gather intelligence on other related priorities.

4.4.3 Engaging Government Stakeholders in Defining Specific Intelligence Priorities

The Service receives input on the security intelligence needs from government stakeholders through research papers and meetings which transpire throughout the year.¹⁹ However, during these exchanges the Service does not formally engage government stakeholders to specifically define their Section 12 (SI) needs, which are then subsequently and formally implemented into their annual planning process. IAB receives feedback from Service reports disseminated to government stakeholders, but

¹⁹

Responses to "SIRC Review of How CSIS Identifies and Addresses Intelligence Priorities," February 23, 2009.

these exchanges provide the Service with reactions to the information that has been already collected, and it is not formally integrated into the intelligence requirements process.

Further to this, the Service has initiated processes that will engage members of the broader security intelligence community at the outset of their planning process to enhance the Service's understanding of their specific security intelligence needs. These new processes are ongoing and are discussed in the following section.

5 REENGINEERING THE PLANNING PROCESS TO DEFINE AND MONITOR INTELLIGENCE PRIORITIES

The Service has initiated a multi year, reengineering planning process that will change how they engage government partners in establishing their SI needs and how they direct subsequent collection activities to address these needs. The development of this new system is ongoing, with an expected completion date of late 2010.

While the Service previously engaged government stakeholders to determine their general SI needs

the new planning process for defining SI needs involves greater dialogue with government stakeholders at the outset of the planning process. The Service will actively consult and engage government users to obtain a greater understanding of their specific needs. Furthermore, the new process will create a central planning document which will encapsulate all of the priorities listed from the Operational Branch planning documents. Finally, the Intelligence Assessments Branch (IAB) will be involved in directing collection activities to ensure that they are focused on the information that is most relevant to Branch analysts and government stakeholders.

SIRC is pleased that the Service is undertaking this reengineering process and believes that these changes will help address many of the challenges encountered in the 2007-2008 planning process.

5.1 Centre of CSIS's Intelligence Cycle - Intelligence Assessments Branch

The reengineering process places the Intelligence Assessments Branch (IAB) at the centre of CSIS's intelligence cycle process. IAB will take the lead role in the definition and specification of intelligence needs with government stakeholders and Branch analysts. Furthermore, IAB will help direct collection activities by encouraging an exchange of information between Branch analysts and Intelligence Officers (IO) to ensure that collection activities are better directed, thereby increasing the relevancy of information collected.

IAB will incorporate all of the stated intelligence needs into a centralized planning document. This central matrix document will inform Branches and Regions as to the priorities between and within Branch plans.

Furthermore, it will alleviate the challenges faced by Regions who previously were required to allocate their resources among the branch plans

5.1.1 Benefits of the New Process

The creation of a centralized planning document that merges all Branch intelligence priorities will ensure HQ and Regions are operating in a consistent manner and

allocating resources appropriately. Additionally, the enhanced direction of collection activities is seen as another benefit which will optimize the Service's resources. Further to this, the Service believes that including government stakeholders in a detailed and formalized dialogue to establish their SI needs, from the outset of the planning process, will increase the relevancy of the intelligence collected. To this end, the Service initiated a client outreach program to specifically engage clients on the feedback and future of intelligence requirements.

SIRC found that the Service has initiated steps to develop a more detailed intelligence requirements process. The process includes enhanced dialogue with government stakeholders and a means to better direct Service collection activities to meet the government's intelligence requirements.

SIRC noted that the enhanced dialogue with government stakeholders will provide an opportunity to better articulate the capabilities and limitations of the Service and thereby manage expectations.

6 CONCLUDING OBSERVATIONS

The purpose of this review was to examine how the Service defined and prioritized their intelligence needs as part of the 2007-2008 planning process, as well as whether the Service's collection strategies were addressing these needs. SIRC found that the Service encountered several challenges in these processes that impacted the overall effectiveness of its intelligence-related activities. **In particular, the Committee is concerned by the lack of focused and structured dialogue during the review period between the Service and their government stakeholders to determine the government's specific security intelligence needs.**

However, SIRC is pleased that the Service is undertaking a significant overhaul of its planning and monitoring systems by engaging members of the security intelligence community at the outset of the planning process and by increasing the direction of collection activities. This initiative will increase the relevancy of information collected ensuring that priorities are consistently addressed across the Service.

The effectiveness of the Services's new intelligence requirements consultative process is dependent on government partners understanding the Service's capabilities and limitations and becoming actively engaged in articulating their needs. As SIRC's review revealed, however, dealing with government stakeholders is challenging work. Government stakeholders may be unfamiliar with the intelligence gathering process, meaning that the Service will need to inform and educate them on this new process. As such, the Committee encourages the Service to ensure that government stakeholders fully understand the new intelligence planning process to help ensure the initiatives success.

SUMMARY OF FINDINGS

- SIRC found that, during the review period, the Service did not have a centralized planning document that integrated and prioritized all Branch intelligence requirements.
- SIRC found that the Service has initiated steps to develop a more detailed intelligence requirements process. The process includes enhanced dialogue with government stakeholders and a means to better direct Service collection activities to meet the government's intelligence requirements.

ACRONYMS

CSEC	Communications Security Establishment Canada
DDO	Deputy Director of Operations
DFAIT	Foreign Affairs and International Trade Canada
DND	Department of National Defence
FI	Foreign Intelligence
HQ	Headquarters
IAB	Intelligence Assessments Branch
IO	Intelligence Officer
PCO	Privy Council Office
SI	Security Intelligence
TR	Toronto Region
WMD	Weapons of Mass Destruction