28 December 2000

Mr. Ted Widmer
National Security Council
Old Executive Office Building
Room 216
Washington, D.C. 20500

Dear Mr. Widmer:

With regard to our phone conversation last week about the first tranche of documents from CIA in support of the Administration History Project, please find enclosed copies of the DCI's unclassified Annual Report to Congress for the years 1993, 1994, 1996-1999. Mr. Levit was unable to locate the 1995 Report to Congress in an unclassified form.

If you require additional information or wish to discuss the matter further, please contact me at (703) 482-0312, or the DCI's Chief of Staff, John Brennan, at (703) 482-7744.

Sincerely,

Deborah J. Yoder
Executive Assistant to the
Executive Director

Enclosure

Director of
Central
Intelligence

Annual Report
1993
The Director of Central Intelligence

Introduction

This Annual Report to the Congress describes intelligence activities in 1993 and is the first to be submitted in accordance with a recent amendment of the National Security Act of 1947. As the amendment requires, the report is unclassified. Consequently, it provides only a partial sense of the contributions that intelligence has made in support of national objectives and priorities. A fuller public accounting would endanger sources that provide us with vital information and undermine methods that are critical for successful intelligence support of policymakers and military leaders.

The call for the report comes at a time when the Intelligence Community is continuing to adapt its resources to new challenges facing the nation's security. In making adjustments and dealing with those challenges, we are working to meet three fundamental criteria for intelligence:

- Relevance, by providing effective support to meet the diversified and global information needs of decisionmakers.
- Flexibility, by adapting to an ever changing international environment and new technologies.
- Efficiency, by redirecting resources, eliminating redundant capabilities, and reinventing internal processes.

As agencies and organizations act on these criteria, every dollar spent on intelligence will continue to be rooted in the needs of the policymakers and military commanders who rely on our information and assessments.

To ensure the most effective intelligence support for national security objectives, we have redoubled our efforts to tie intelligence personnel and assets closely to decisionmakers. Today, for example, intelligence officers and analysts are providing assessments to negotiators tackling critical issues in areas such as weapons proliferation and world trade, are supporting military commanders for operations abroad, and are working with FBI officials on countering international terrorism.

In addition, the Community is pressing on with changes in its organization and its operations, particularly the collection activities that make up its most expensive element—restructuring and consolidating them in an architecture that is smaller and more sharply focused on key needs. We are also streamlining and undertaking systematic reductions in personnel. By the end of this decade we shall be operating with 21 percent fewer civilian personnel and nearly 25 percent fewer military personnel than we had in 1990. These reductions, which cut right to the bone, go well beyond the goals set by Presidential Executive Orders and the National Performance Review (NPR) of September 1993.

Intelligence—Framework and Focus

Intelligence is a vital element in every substantial international activity of the United States Government. The information advantage supplied by good intelligence gives the US a critically important edge in managing its strategic national interests. For intelligence organizations, this means warning policymakers and military leaders of immediate crises—such as could occur in North Korea. It also means giving these officials advance knowledge of long-term dangers—including, for example, threats posed by countries that covet chemical, biological, or nuclear weapons. It means safeguarding public security by countering threats from terrorists and drug traffickers. It means supporting economic security by uncovering foreign efforts at bribery and other schemes to tilt the playing field of international trade. And it means multiplying the effectiveness of US military forces deployed for operational or humanitarian purposes.

Renewing the Intelligence Framework
In the last several years, the Intelligence Community has dealt with change. Functional and structural shifts and reorganizations have marked the Community's effort to accommodate the new circumstances of international politics, economics, and strife—and to do so from a sound management and resource perspective. This is a process that will continue, but much has already been done.

A framework for Community organization has emerged, which gives managers of individual disciplines (signals intelligence, human intelligence, and so forth) responsibilities across the entire Community. This framework is intended to help focus the resources and efforts of all agencies, so that intelligence capabilities are coordinated, prudently managed, tailored to present needs, and poised to meet future challenges. Significant reorganizations within all major intelligence agencies have been made with an eye both to greater Community-wide cooperation and to increased internal efficiencies.

Similarly, the Community has moved to revitalize its relationships with consumers and ensure a sharply focused understanding of their needs. At the national level, for example, in order to cope with a world where old paradigms no longer apply, we have made a concerted effort to broaden the Community's analytical perspective. New emphasis has been placed on external views and distinguished analysts from academia and elsewhere have been brought into the Community.

The Community has also pressed on with reassessments of its collection needs, based on an understanding of what issues matter most to its consumers. Much effort has been spent over the past year on long-term plans for collection. Implementing those plans and the results of the reassessments will take time, given the nature and complexity of the collection apparatus and the lead times necessary to consolidate existing programs. The result, though, will be a collection architecture that is smaller and better integrated than today, and more clearly based on consumers' needs.

Understanding and Meeting Consumers' Needs
Those needs will be better understood and represented as a result of implementing the National Intelligence Needs Process. Conceived last year and developed with broad consumer and Intelligence Community input over the last several months, this process is intended to give consumers a clearer voice in prioritizing the Community's work. It is also intended to improve the Community's responsiveness to needs as they change, and to guide the efficient allocation of intelligence collection and analytic resources—for both near and long-term planning.

The Needs Process consists of two components:

* Tiers. As a basis for intelligence planning, consumers, acting through the National Security Council (NSC), will set priorities by placing

Additionally, the opening of closed societies and the general information explosion worldwide have led to far more open access to information. Coupled with the shift in policy interests, this development has raised the need to rethink collection strategies and resource allocations. The Community is being challenged to manage its mix of open and classified sources, and especially to task classified sources only after ensuring that adequate information is not openly available.

The Intelligence Community possesses—and will retain—a unique capability to discover and assess the facts, whether on military forces, narcotics movements, gray arms transfers, critical technology advances, or any of a host of other issues. Policy and military planning depend fundamentally on the accurate understanding of foreign capabilities that this kind of analysis produces. The nature of emerging high-priority issues, though, is also leading to added emphasis on the intentions of foreign decisionmakers. These questions—including, for example, decisions like Saddam Hussein faced in the Gulf War on the use of chemical weapons—are difficult to address and have added to the complexity of the intelligence task. But accurate discovery or assessment of intentions can provide a critical edge. By focusing on foreign plans to create threatening new capabilities, for example, intelligence can provide decisionmakers more lead-time to thwart emerging dangers to US interests.

By any measure, the Defense Community will remain the largest intelligence consumer. Moreover, the Gulf War set new standards for intelligence support to tactical military forces, standards that the Intelligence Community will be expected to surpass in its future support for operational activities. When US military forces are committed abroad, the Intelligence Community will be expected to bring national and tactical intelligence capabilities to bear in a coordinated fashion. One clear benefit of the decision to treat national and tactical intelligence spending as related parts of a whole has been a more effective and efficient approach to this task.

All these factors are contributing to continued changes in the way the Community functions, both internally and with respect to its customers. In making such changes, intelligence agencies are using as a benchmark the need to improve the effectiveness and quality of their work through greater integration and cooperation—this is a Community imperative. The aim of intelligence work, though, will remain the provision of timely and relevant knowledge and forewarning to policymakers and military leaders.

We also provided analytical road maps on how well the nations in the former Soviet Union and in Eastern and Central Europe are faring with their economic reform efforts. How these nations perform economically can determine how well they do politically and whether regional and global stability will be enhanced or threatened. In addition, we provided expertise in trade, finance, and energy to help the US thwart efforts by countries such as Iraq, Libya, and Serbia from circumventing United Nations sanctions.

In other support efforts, we assessed how some governments violate the rules of the game in international trade. Economic policy agencies relied on intelligence for details about unfair or questionable practices by foreign competitors—details which contributed significantly to a leveling of the playing field in international trade, allowing US companies to compete successfully for contracts worth hundreds of millions of dollars.

Counterterrorism

Terrorism has not abated: there were 427 international terrorism incidents worldwide last year, compared to 362 in 1992. The most dramatic event was the explosion in February beneath the World Trade Center Complex in New York. Throughout the year, the Community provided extensive support to the US effort to preempt such acts. When terrorist acts did occur, the Community supported efforts to identify and bring perpetrators to justice. The Intelligence Community, for example, contributed substantially to the coordinated effort launched immediately after the Trade Center bombing to determine responsibility for the incident. During the course of the investigation into the bombing, information was developed that led to the discovery of additional terrorist plots to bomb prominent facilities in New York—including the United Nations headquarters and the Lincoln and Holland Tunnels.

Intelligence also supported the investigation of the plot to assassinate former President Bush during his April visit to Kuwait. Intelligence helped determine that Iraq was the instigator and provided justification for the subsequent US strike on the Iraqi intelligence headquarters in Baghdad in June. Intelligence also supported the planning, conduct, and evaluation of the strike.

Support for Military and Humanitarian Operations

Intelligence was instrumental in supporting US military forces and international peacekeepers in Somalia, the Persian Gulf, and the former Yugoslavia. In imagery support alone, one agency processed over 14 million feet of aircraft imagery to support peacekeeping and humanitarian operations in Somalia, to help enforce United Nations-mandated restrictions in Iraq, and to provide policymakers with intelligence on developments in Bosnia.

Timely support was provided for humanitarian relief flights of food and medical supplies to Bosnia. US and allied commanders were interested in any information that would affect the efficiency and safety of relief operations. Intelligence provided such information, giving military commanders insight into potential threats—and an opportunity to plan effective counters to them.

Intelligence also played a significant role in support of forces deployed to Somalia. We provided tactical support to US forces and monitored warring factions and the threat they posed to peacekeepers and relief workers.

Intelligence organizations also continued to support operational efforts in Iraq. Intelligence was used to select targets for US retaliatory strikes and to perform bomb damage assessments. Intelligence was also key to the detection of violations of international sanctions.

Counternarcotics

Intelligence focused on disrupting and dismantling major cocaine and heroin trafficking organizations and on building host country counternarcotics capabilities. Using the full array of intelligence resources from human sources to national technical means, Intelligence Community efforts tracked closely with priorities established by the President's National Drug Strategy, and directly supported the Drug Enforcement Administration's Kingpin Strategy, the FBI's National Drug Strategy, and detection and monitoring initiatives in the Department of Defense.

Looking Ahead

Today, the Cold War—and its dominant impact on national security needs—is gone. With it has gone a 40 year framework for intelligence. The Intelligence Community has acted on this change and has worked out strategies to adjust and structure its resources and capabilities to reflect altered needs and new tasks. But the end of the Cold War has not brought an end of conflict, nor an end of threats to our security and to that of our allies. Intelligence thus remains an important ingredient of US national security policy—focused on the global information needs of decisionmakers.

The task for intelligence organizations in the emerging era is clear:

- To support policymakers working to expand the gains of the past five years.
- To remain vigilant against nations that take actions inimical to US interests and to the US goal of a more peaceful world.
- To provide the full range of intelligence necessary to support military operations, including the early warning needed in light of a reduced military force.
- To be prepared for the unknown. Next year may bring a different set of headlines, a different geography of crisis, and a new set of problems that can threaten US interests.

Consumers' needs dictate the capabilities the Community must have. In line with those needs, the mix of Community activities reflects the necessity for an intelligence system that is relevant, flexible, and efficient—a system that is capable of global access. The mix also reflects the need for an intelligence enterprise that is capable of responding to a changing environment, including the ability to support military planning and operations when US forces are deployed abroad—intelligence is increasingly the critical force multiplier component.

For the near term, three broad areas of policy interest will require significant intelligence emphasis:

- Continuing proliferation of weapons of mass destruction.
- Economic security.
- Regional conflicts that threaten US interests.

In addition, the Intelligence Community's role in operational support will require focused effort in three areas:

- Support for military operations in peace, crisis, and war—in traditional and nontraditional roles.
- Support for efforts to counter international terrorism, drug trafficking, and illegal technology trade.
- Support for multilateral organizations engaged in international peacekeeping missions.

It also seems clear that certain specific issues are likely to require attention:

- North Korea's attempt to develop a nuclear capability, its military preparations, and its arms transfers to other countries.
- Russia's continuing struggle for democracy and economic reform.
- Prospects of worsened instability in the republics of the former Soviet Union.
- Strife in Bosnia, Somalia, and Haiti.
- Military modernization in Iran.
- Continued Iraqi intransigence.
- Political, military, and economic evolution in China.

Annual Report
FY 1994

Director of Central Intelligence

September 1995

THE INTELLIGENCE COMMUNITY - 1994

The US Intelligence Community (IC) provides timely and accurate information to policymakers and military commanders on a host of issues. This information helps policymakers prevent or respond to war and conflict; control or modify international events; and negotiate treaties on economic, political, environmental, and military issues. Intelligence also supports military commanders in peacekeeping and humanitarian relief efforts, and in armed conflicts.

President Clinton recently observed, "Most Americans never know the victories our IC achieves or the crises it helps us avoid..." This Annual Report discloses some of these successes. The report protects the sources providing vital information and the unique methods critical to acquiring data surreptitiously, but it provides insights into the contribution US intelligence makes to support national objectives and priorities. The report also addresses the challenges facing the IC and its strategies for responding to those challenges.

SUPPORTING POLICY FORMULATION AND EXECUTION

The IC uses an array of collection and analytic capabilities to support policymakers as they confront new issues and form appropriate responses. Decisionmakers receive the latest and best information available in a variety of formats: from phone calls and videoconferences to formal published reports or detailed substantive briefings from interagency task forces.

Support to Military Operations and Crisis Support. Much of the IC's effort is designed to support US military needs during hostilities and other crises. When policy decisions mandate or involve the use of US military forces for combat or humanitarian and disaster relief, it is intelligence that helps protect our troops and enhances their performance. Moreover, as crises emerge, intelligence often provides the only reliable and accurate information about ongoing events and leadership intentions. Human sources on the scene, overhead reconnaissance, and technical eavesdropping provide a critical difference in the speed and accuracy with which our government can act.

During several crises in recent years, military leaders have had ready access to responsive, tactical intelligence from several joint IC endeavors. The Pentagon's National Military Joint Intelligence Center, augmented by analytic and administrative support from the National Military Intelligence Production Center and the Central Intelligence Agency's (CIA) Operations Center provided daily, around-the-clock support. In addition, interagency task forces were quickly set up to focus analytic and collection capabilities on hot spots and burning issues. Finally, National Intelligence Support Teams, comprising intelligence officers from a variety of agencies, were dispatched with the

deployed forces to provide expertise and direct two-way access between the IC and military commanders. For example:

- During the 1994 Cuban migration crisis, an interagency Cuban Task Force provided intelligence on the flow of refugees and insight into the Cuban leadership's intentions.

- When military units deployed to Rwanda for Operation SUPPORT HOPE, the IC provided updates on population movements between camps and potential threats to US troops and refugee camps from nearby volcanoes. Our forces were able to establish camps in safe areas and move refugees from high-risk areas.

- During the crises in Somalia and Haiti, assessments were provided to policymakers and military commanders on threats to US forces, the indigenous logistical infrastructure, difficulties in distributing food and medical supplies, and prospects for restoring democracy. Military linguists with Haitian Creole skills also provided direct operational and intelligence support.

To help policymakers prepare for potential trouble, the IC cataloged and ranked the world's most dangerous nuclear reactors. The information assisted policymakers in prioritizing safety assistance programs and planning for potential disaster relief.

Treaty Monitoring. The IC monitors foreign compliance with international accords covering a variety of topics, including fair trade agreements, disarmament, and military force levels. Our efforts include:

- Intelligence support allowed US policymakers to issue demarches to Beijing on China's sale of its M-11 short-range ballistic missile to Pakistan, in violation of the Missile Technology Control Regime.

- Activities related to International Atomic Energy Agency Safeguards and the 1991 North-South NonNuclear Agreement enabled policymakers to engage North Korea over the production of weapons-grade fissile materials.

- The March 1994 arrest and June conviction of chemical weapons proliferator Manfred Felber deterred illegal shipments of restricted military equipment from reaching Iran.

COUNTERING THREATS TO US INTERESTS AND CITIZENS

In addition to traditional military and political collection and analysis, the IC is vigorously engaged in nontraditional targets and issues, such as economic security, counterterrorism, and counter-proliferation.

Economic Security. The IC provides policymakers with information and assessments on questionable foreign competitive business practices and financial dealings; monitors compliance with sanctions and international economic agreements; and explores new prospects for regional economic opportunities. The Community also examines illegal activities supported or condoned by foreign governments that unfairly disadvantage commercial and private interests of national concern. Surveillance activities this past year enabled US authorities to arrest and indict two Chinese, living in the United States for stealing nearly a million dollars worth of proprietary computer source codes. Washington and Beijing subsequently negotiated new trade agreements that protect patented intellectual property rights and stop the sale of illegally copied software that already has deprived US industry of a billion dollars.

Counterterrorism. The IC plays a strong role in protecting US citizens and interests from terrorist attacks by providing threat assessments, advisories, and alerts and helping to bring terrorists to justice. It also supports the US Government engage in cooperative ventures with other governments in international efforts to combat terrorism. During 1994, these activities supported the successful prosecution of four men involved in the February 1993 bombing of the World Trade Center in New York City. Each defendant was sentenced to 240 years in prison and was fined $500,000.

Counterproliferation. The IC emphasizes the need to contain the spread of nuclear, biological (BW), and chemical weapons (CW) of mass destruction and other advanced weaponry.

- Last year, the Community aided the successful interdiction of missile solid propellants and chemical agent precursors destined for Iraq and addressed questions about Iraqi Scud missile inventories.

- It confirmed the Chinese development of two new surface-to-air missile systems that significantly improved Chinese naval air warfare capabilities.

IDENTIFYING OPPORTUNITIES FOR US ADVANTAGE

Technology increasingly defines national strength. Last year intelligence informed US policymakers about foreign government programs that subsidize commercial research and development in a variety of technologies. This

information helped our policymakers to develop responses to practices that provided foreign firms with an unfair competitive advantage over US industries.

The IC also sought opportunities to transfer technologies to public use. The 3 January 1995 issue of *New Technology Week* reported that the National Security Agency (NSA) offered fact sheets on 17 of its technologies at a fall trade show for potential transfer to US industry. Highlights included a portable fingerprint scanner, a dual speech-and-image-recognition personal identification system, a portfolio of programming languages, a multimedia language training package, and a series of electronic devices for processing and storing computer data.

The Community also shared technology involving advanced imagery processing techniques with the medical community. These techniques will be used for the early detection of breast cancer. A leading medical authority assessed that this development had the potential for reducing breast cancer fatalities by a third.

SUPPORTING OTHER US GOVERNMENT PROGRAMS

The unique capabilities and skills of the IC frequently benefit other US Government agencies and activities. For example:

- Language tools for nonlinguists, developed by the DCI's Foreign Language Committee, have been used by the Coast Guard and the Immigration and Naturalization Service field personnel to communicate with non-English speakers. In one instance, these tools supported the Coast Guard's interdiction of a Chinese alien-smuggling operation by enabling communication in Fujianese, a Chinese dialect. The Commandant of the Coast Guard, in a personal letter to the DCI, described the tools as having "immeasurable value," and stated that they had been put to immediate use.

- The Community's extensive familiarity with today's increasingly complicated signals environment was instrumental in helping to train Signals Intelligence operators from the military services and improving operator efficiency and expertise.

The IC also has expanded information sharing with our allies. NATO for the first time received reporting on the proliferation of weapons of mass destruction. Tactical intelligence also helped protect and guide the movements of US, UN, and NATO forces operating in northern Iraq and the former Yugoslavia. This included direct intelligence support for the first combat operations ever undertaken by NATO. In addition, for over 15 years, US

intelligence has contributed to the Middle East peace process by reporting to all parties of the Multinational Forces and Observation mission in the Sinai.

ADJUSTING TO THE NEW WORLD ORDER

The IC is undergoing a period of rapid transition. It is improving and modifying sources and methods for obtaining information as the needs of its customers continue to change in type, scope, precision, and timeliness. Like the rest of government, however, the IC must fulfill today's needs and prepare for tomorrow's demands amid resource constraints.

Such a dynamic climate offers challenges and opportunities, and the Community has undertaken several initiatives to improve its operating effectiveness and efficiency. It has begun implementing a National Intelligence Needs Process to enhance customer focus. Coupled with Community support for the new Presidential Decision Directive/NSC-35 on intelligence priorities—issued in January 1995—it continued to redirect US intelligence operations and developmental activities to maintain focus on the geographic areas and substantive topics of highest importance to its consumers.

The IC has emphasized developing programs jointly with the Department of Defense (DoD). Community focal points have been designated to coordinate open source, foreign language, and research and development activities. INTELINK, a classified version of INTERNET, is being used to globally integrate information systems across the Community and its customers. Similarly, an open source information system—an "Official Use Only" private network operating on INTERNET—is being used to access directly unclassified sources maintained on INTERNET and other commercial systems and to disseminate that information worldwide. Finally the Community is working to implement changes recommended by a Joint Security Commission to improve security while fostering more openness with the American people.

These initiatives clearly are enhancing the quality of our performance and reducing costs. They emphasize expanding Community interactions, focusing on the customer, and streamlining operations.

Redirecting Community Attention. Collection and production capabilities previously focused on strategic military targets in the former Soviet Union now are directed primarily toward political and economic topics, weapons proliferation, force modernization, and support to military forces. Transnational organizations are increasingly important. The IC is focusing on tracking foreign terrorist groups and patrons, narcotics producers and traffickers, organized crime groups, arms dealers, and individuals, companies, and governments

involved in unethical foreign commercial practices. To better address these topics, the Community is refocusing attention on:

- Expanding coverage of countries that are hostile to the United States, or that have strategic weapons arsenals, economic or political power, or long-term orientation will decisively affect American national security.

- Developing human sources to collect against transnational organizations.

- Enhancing the foreign language skills and the cultural and area knowledge of our collectors and analysts.

- Using open source materials to focus human and technical clandestine operations more efficiently.

- Increasing our production of actionable intelligence that supports law enforcement agencies.

Focusing on the Customer. In 1994, the Community began implementing the National Intelligence Needs Process to ensure a lively dialog with its customers. The Needs Process is intended to align resources with our customers' highest priorities and will help guide intelligence program planning and funding decisions. It also is used by the DoD to help assess military intelligence activities and is facilitating closer coordination across all US intelligence programs.

Last year, 18 issue areas were identified as the primary intelligence needs of policymakers and warfighters. For each area, the Director of Central Intelligence (DCI) assigned an Issue Coordinator with responsibility to identify and prioritize customer needs and guide the way intelligence programs respond to these needs.

The IC is continuing to refine the Needs Process in an effort to link resource allocation decisions explicitly with customer needs. This process will help identify activities that are critical and those that--while important--should be canceled, delayed, or reduced to free resources for higher priority ventures. We expect our customers to benefit from having their needs drive the way we allocate resources and set the priorities that focus our efforts.

Streamlining Operations. The Community actively participates in administration efforts to "reinvent government" and improve its efficiency and value. The Vice President concurred with over 30 actions, including enhancing responsiveness to customers, linking Community computer systems, and

improving capabilities to support ground troops during combat. Nearly half of the actions have been completed and the rest are on or ahead of schedule.

The IC is streamlining organizational chains of command and reducing the number of personnel. In the largest reorganization in its history, the NSA reduced staff organizations by 50 percent and the number of second- and third-line organizations by nearly the same amount. The Defense Intelligence Agency (DIA) reduced supervisory positions by nearly a third and consolidated its human source collection activities with those of the military services into a single organization, the Defense HUMINT Service. By the end of this decade, the Community will be operating with 21 percent fewer civilians and almost 25 percent fewer military personnel than in 1990. These reductions—which far exceed the goal of a 12-percent reduction by 1997 set by Presidential Executive Orders and the September 1993 National Performance Review—increase the funding available for investments in future capabilities.

ADVANCING RESEARCH AND DEVELOPMENT

The Community is building on available commercial technologies and openly soliciting ideas in key areas. It is seeking advice from leading-edge scientists and technology innovators, and making "seed" investments in areas that offer potential for high payoff but have smaller chances of success.

The DCI's Advanced R&D Committee worked with the Imagery R&D Council and R&D managers from the Departments of Energy and Defense to produce a Critical Technologies List to guide investment decisions. Key areas include:

- Sensors (nuclear, biological, and chemical; fiber optic technology; detection of underground facilities; large-aperture systems).
- Communications (covert communications and networks).
- Data Storage and Management (recording and data storage and information management).
- Advanced Processing (high-performance computing and analyst tools).
- Enabling Technology (power sources and low-power microelectronics).

The following items highlight the breadth of Community activities:

- State-of-the-art DNA analysis techniques were used to collect biological warfare signatures from a variety of settings.

- Adaptive antenna arrays promise improved capabilities to extract signals from complex electromagnetic environments.

- INTERNET, a worldwide computer network of shared public data bases, is being tested as a means of providing efficient and timely access to open source information.

- A public announcement soliciting new ideas for small power sources and power storage devices led to funding of several selected research projects.

IMPROVING QUALITY PERFORMANCE

The IC established a Quality Council to improve the efficiency and effectiveness of intelligence. Chaired by the Deputy Director of Central Intelligence, the Council oversees implementation of the actions endorsed by the Vice President and promotes quality initiatives throughout the Community. Components are independently conducting self-assessments based on the criteria in the President's Award for Quality and are using the results to guide actions.

Several "Reinvention Labs" were created to stimulate innovative thinking and actions:

- One lab examined ways to improve intelligence support to combat forces at the division level and below. The results are being reviewed by senior officials in the Community.

- Another lab is developing new tools to rapidly search and retrieve information from massive multilingual bodies of text through an innovative partnership between intelligence agencies, defense, industry, and academia. Commercial products and several prototype government applications are already emerging.

- A third lab created a Unified Testing Plan for foreign languages which significantly improved interagency cooperation and sharing in language learning, developed language tools for the Coast Guard and the Immigration and Naturalization Service, and created and marketed an innovative, interactive video language training program in a joint venture with the private sector. This lab, sponsored by the Foreign Language Committee, was awarded Vice President Gore's reinventing government "Hammer Award."

Other examples of Community innovation include NSA's ongoing quality activities where computer and network installation time was reduced from over

100 days to just 14 days. These measures reduced general supplies and equipment purchases by $25 million per year and streamlined the bill-paying process to avoid late-payment penalties. CIA's Office of Information Technology was a finalist for the 1994 President's Quality Improvement Prototype award, the second highest quality award in government. Community-wide benefits are being derived from a badge reciprocity system--between CIA, NSA, DIA, the Department of State, the Central Imagery Office, and the Joint Chiefs of Staff--that has reduced the cost and inefficiency of passing employee clearances to other agency compounds for visits.

AREAS FOR IMPROVEMENT

The IC also is reviewing its personnel policies and business practices in light of the Aldrich Ames case and the sexual discrimination case against CIA's Directorate of Operations. Although Ames was eventually apprehended, we clearly missed several early warnings. Faced with the reality of this failure to protect our nation's secrets, we have renewed the emphasis on counterintelligence awareness and accountability and are working to enhance the security consciousness of our employees. The sex discrimination case filed by female case officers has prompted the CIA to renew its efforts to ensure the fair and equitable treatment of all employees.

The Community also is reviewing its efforts to keep Congress abreast of plans and activities. The concerns raised by the Senate Select Committee on Intelligence that it had not been kept fully informed about the status of the National Reconnaissance Office (NRO) building underscored the importance of providing complete and accurate information. Community components are reviewing their policies and procedures for ensuring Congressional notification and are underscoring those responsibilities to all employees.

CHALLENGES AHEAD

We anticipate that the international environment will remain dynamic well into the 21st century. Such a world increases the importance of information for those who make and implement policy. US policy officials and military commanders must understand the cross-currents, pressures, plans, aspirations, and capabilities of foreign governments and entities to reduce uncertainty and maximize the ability of the United States to protect and promote its national interests. At the same time, we expect continuing constraints on resources as the government seeks to reduce the budget deficit. The IC will attempt to reconcile these needs and constraints by improving efficiency and concentrating resources on priority targets. It also will seek to ensure responsive global reach, flexible collection resources, expert and versatile personnel, and crisis or wartime surge capabilities.

As the Community proceeds with these efforts, it will face numerous challenges. The Community will need to:

- Develop collection systems able to access and exploit increasingly sophisticated technological targets.

- Maintain collection, analytic, and exploitation capabilities while downsizing personnel.

- Deal with the expanding volume of open source information which in turn improves the targeting of higher risk and higher cost intelligence collection systems.

- Focus more resources on nontraditional targets.

- Expand intelligence support to military operations.

Our intelligence infrastructure will need to be flexible, allowing us to redirect the substantive and geographic focus of collection and analytic resources. We no longer are able to maintain a constant global presence or provide unbroken coverage of our formerly extensive mix of issues. Establishing a flexible infrastructure will require prudent investment in collection and processing systems. These systems must be evaluated by their contribution to our overall intelligence capabilities and their ability to provide flexible global reach against all likely targets.

The commitment and professionalism of our people have always been among our strongest assets, and intelligence professionals possessing both substantive expertise and operational skills are key to the Community's successful support of policymakers and military commanders. Furthermore, changing customer needs are requiring a wider variety of substantive and language experts. Our ability to respond, however, is being hampered by personnel downsizing that affects the mix of skills brought to bear on changing targets and issues. We are stepping up efforts to cross-train and retrain our employees and draw on other expertise. One defense component, for example, is implementing an innovative program that uses military reserve personnel to provide needed language skills. Advances in technology and process improvements are enhancing each individual's productivity and versatility.

In looking ahead, it is clear that intelligence will remain integral to the US Government's ability to provide international leadership and protect US interests during peace, crisis, or war. The United States will benefit from the IC's worldwide capabilities to reduce uncertainty, provide warning, aid in crisis management, and bolster war-fighting capabilities. In the future, intelligence capabilities will continue providing the qualitative advantage required for

effective international leadership. Intelligence will help policymakers anticipate and understand developing threats, manage events, and identify advantages. It will support a wide range of policy endeavors, from trade negotiations and diplomatic initiatives to humanitarian aid relief and the enforcement of UN sanctions against rogue states. Intelligence also will track foreign weapons programs and monitor force structure changes and operational planning. Our intelligence professionals and technical systems will provide rapid and effective surge capacity during crisis and war. Intelligence will remain key to the continuing ability of the United States to protect is citizens and their way of life.

ANNUAL REPORT ON INTELLIGENCE COMMUNITY ACTIVITIES

This report responds to a Congressionally directed action contained in the Intelligence Authorization Act for Fiscal Year 1997. Referencing Section 109 (as amended in 1996) of the National Security Act of 1947, the Act directs the President to submit an *unclassified* report "on the requirements of the United States for intelligence and the activities of the Intelligence Community." In keeping with this requirement, this report identifies areas where intelligence is required to meet the national security interests of the United States and reflects the priorities established by the Administration for implementation by the Director of Central Intelligence (DCI). It evaluates the performance of the Intelligence Community for FY 1996 in terms of its responsiveness to priorities advanced by the Administration.

ANNUAL REPORT ON INTELLIGENCE COMMUNITY ACTIVITIES

INTRODUCTION

The Intelligence Community is responsible for providing timely, unique information to the policy level to support US national security objectives. A central thesis governing the conduct of this effort is that not all issues are of equal importance to US security interests. The President in a directive to the Director of Central Intelligence has unequivocally stated that his most important and immediate foreign policy concerns are crisis situations that pose a direct or immediate threat to US interests, where the introduction of US forces is under active consideration, or where US forces are operationally deployed and at risk.

To this end, the Intelligence Community has provided significant support to US diplomatic activities and deployed US forces in Bosnia and to other crisis areas such as Haiti and Central Africa. In the case of Bosnia, the Community provided near-real-time information, secure communications, immediate and high-quality analysis, and the access afforded by Intelligence Community liaison relationships to our top diplomats and military commanders. These capabilities have been vital to the protection of US forces in Bosnia and to efforts to implement the Dayton Agreement.

In addition to supporting the US response to ongoing crises, the Intelligence Community has carried out other high-priority, strategic tasks:

- Delivering against the Administration's priority intelligence targets: rogue states--North Korea, Iran, Iraq, and Cuba; major strategic nuclear powers in transition--China and Russia; and transnational, borderless issues--terrorism, narcotics, proliferation, and international organized crime.

- Ensuring that the Intelligence Community has global coverage--namely, an effective warning capability to provide indications of crises that may require significant US diplomatic activity or military operations; the capability to surge collection and analysis when a crisis occurs; and a minimal, though adequate, level of coverage on lower-priority countries.

- Providing a sound programmatic and financial basis for major new investments to ensure the Intelligence Community increases its ability to deliver distinctive actionable information well into the 21st century.

HIGH PRIORITY INTELLIGENCE TARGETS

Rogue States

The Intelligence Community has been directed to conduct end-to-end collection and analysis on rogue states, such as Iran, Iraq, North Korea, and Cuba, whose policies are consistently hostile to the United States. The Community accords high priority to these intelligence targets. During FY 1996, it delivered accurate, actionable information on a continuing basis on these countries. Among the Community's many accomplishments were the following:

- Through a variety of collection means, intelligence provided critical, unique, and timely information on events in Iraq leading up to the fast-paced tactical US air strikes in the southern part of that country during August and September 1996. The near-real-time capability to identify operating sites as soon as they were active enabled mission planners to identify immediately new threats to US aircraft and potential targets for planned air strikes.

- Intelligence provided information on the plans of some of the rogue states to acquire and or retain weapons of mass destruction and the means to deliver them.

- Intelligence continued to monitor Iraqi violations of economic sanctions. It also provided evidence that Iran was allowing Iraqi oil exports to transit Iranian territorial waters.

Strategic Powers in Transition

As major states in transition, China and Russia present formidable strategic challenges. Both are political and economic powers that can decisively affect US national security interests; both countries also possess strategic nuclear forces. The Community continues to monitor the political dynamics and military capabilities of these nuclear-capable states.

- A resurgent, hostile Russia could threaten US interests in that it still retains a major nuclear arsenal of nearly 6,000 deployed strategic warheads and a range of development programs for conventional and strategic forces. In terms of overall military planning, the Russian Government is emphasizing research and development over production in its parceling of a tight defense budget. The Community continues to monitor the modernization of its strategic forces, including the

testing of new land-mobile and sea-launched intercontinental ballistic missiles.

- China has bought weapons and weapons technology from Russia, including modern fighter aircraft, air defense systems, and submarines. In fact, China's once hostile relationship with Russia is now touted by both sides as a new type of "strategic partnership" for the next century, with a strong emphasis on cooperation and high-level contacts. As a consequence, the Intelligence Community is monitoring China's acquisition of this advanced Russian weaponry as well as the continued expansion of Chinese strategic nuclear forces.

Transnational Issues

The Intelligence Community also has focused on transnational "borderless" issues that threaten national security both at home and abroad; these include proliferation, terrorism, narcotics, and international organized crime.

Few issues have more serious long-term consequences for US interests than the worldwide proliferation of weapons of mass destruction and the missiles intended to deliver them. At least 20 countries--some of them hostile to the United States--already have or may be developing nuclear, biological, and chemical weapons and ballistic missile delivery systems. The Intelligence Community has made significant contributions to the Administration's efforts to stem the proliferation of such weapons. Some examples of non-proliferation successes include:

- The Community identified an important BW agent research, production, and storage complex at Stepnogorsk in Kazakstan and is supporting the current high-level US/Kazakstan talks that have begun dismantlement assistance and will lead to a redirection of people and facilities--the first US-sponsored redirection of a foreign biological weapons plant.

- Intelligence revealed that during 1996 Iran attempted to procure precursors for chemical agents which would make it less vulnerable to the export controls of its foreign suppliers.

- Intelligence Community resources collected and analyzed materials (in direct support of US forces in Bosnia) to identify potential CW capabilities in the region.

- Joint intelligence efforts produced a BW field kit which addressed concerns of the US military.

The President's Counterterrorism Initiative, begun last year, directly enhances intelligence capabilities that are designed to provide actionable tactical intelligence, as well as direct support to, and participation in, joint and multilateral operations while bolstering the classical provision of strategic intelligence. In keeping with this Initiative, the DCI created a Terrorism Warning Group (TWG). The TWG is staffed by representatives from the Department of State, Defense Intelligence Agency, Central Intelligence Agency, Federal Bureau of Investigation, and the National Security Agency. This highly expert group's exclusive focus is on the review of intelligence from all sources to provide warning to senior policymakers on possible foreign terrorist attacks against US and allied personnel, interests, and facilities. The DCI's Counterterrorist Center (CTC) achieved numerous successes in FY 1996, among which were the following:

- Providing intelligence information that led to the foiling of the Ramzi Ahmed Yousef plot to place bombs aboard ten US commercial aircraft in Asia and a conspiracy to assassinate the Pope.

- Providing critical assistance in determining who was responsible for the assassination attempt on Egyptian President Hosni Mubarak in Addis Ababa.

- Working with other elements of the diplomatic and Intelligence Communities to effect the rendering into US custody of Lebanese Sunni terrorist Marwan al Safadi, who was linked to terrorist plots in South America.

- Working with the Department of State, to provide extensive counterterrorism assistance to allies worldwide, including states of the former Soviet Union and a number of key Middle Eastern countries such as Israel and Egypt. Over 18,000 individuals in 50 nations have been trained in techniques and tactics to counter terrorism over the past decade.

In recent years the partnership between the intelligence and law enforcement communities has evolved into a symbiotic relationship in which the growing dependency of law enforcement on near real-time actionable tactical intelligence from National Foreign Intelligence Program (NFIP) elements has been matched by the increasing reliance of NFIP analysts on data obtained from operational successes. This cooperation is nowhere more evident than in the transnational issue areas of counternarcotics and international organized crime.

The Administration's strategy for confronting the mounting transnational problem of drug abuse and drug trafficking entails the integration of domestic and international efforts to reduce both the demand for and the supply of drugs. The Intelligence Community is helping to implement this strategy by providing coordinated foreign intelligence support to law enforcement and host nation operations and to diplomatic initiatives designed to disrupt, dismantle, and immobilize key cocaine, heroin, and methamphetamine trafficking organizations. The intelligence provided supports attack upon all aspects of narcotics trafficking--production, shipment, finances, leadership, and organizations.

In addition to the expansion of narcotics production and trafficking, money laundering, financial crime, alien smuggling and criminal involvement in the gray arms trade are also increasing and presenting significant challenges to governments and law enforcement authorities worldwide. The Administration's approach for combating these alarming transnational trends is to launch a multilateral campaign against the international criminal cartels, especially those in Italy, Colombia, Mexico, Southeast Asia, Nigeria, and the successor states of the former Soviet Union.

Although not a traditional topic for intelligence, the Intelligence Community has become increasingly engaged in these transnational issues, with the following achievements to its credit:

- In the broadest cooperative operation to date, involving six Latin American countries, a major Colombian maritime trafficker was arrested in Panama City.

- With US intelligence and law enforcement support, Colombian forces apprehended virtually all of the targeted Colombian drug kingpins. More than a dozen additional traffickers were also captured, including other Colombian drug lords as well as top traffickers from Peru, Ecuador, and Bolivia. Intelligence support was also key to the arrest of several East Asian heroin traffickers.

- Intelligence support was an integral part of a multilateral alternative development program led by the United Nations Drug Control Program in Burma.

- The DCI's Crime and Narcotics Center has developed all-source analytic tools to help expedite dissemination of actionable intelligence to law enforcement agencies.

- Intelligence has revealed economic espionage directed against sensitive or proprietary information of an economic or financial nature belonging to US firms.

GLOBAL COVERAGE

Global coverage entails providing advance notice of an impending crisis (effective indications and warning) and retaining flexible and resilient collection assets and analysts to enable the Intelligence Community to surge collection and analysis against a situation or country on a temporary basis. These activities focus on supporting diplomatic operations to deter war, resolve conflict, support civil authorities, and promote peace; they include smaller-scale combat operations, peacekeeping and peace enforcement operations, and humanitarian relief operations. They can involve the threat or use of force. By their very nature crises are unpredictable, and US forces must be prepared to participate anywhere in the world, upon short notice. To ensure an adequate response to an erupting crisis, the Intelligence Community furnishes support to the military so that it is prepared to conduct combat operations and sustain a range of concurrent operations in distant theaters; this support is as diverse and geographically distributed as the operations themselves:

- Actionable intelligence support contributed to the successful US-led effort to end armed border clashes between Peru and Ecuador and throughout 1996 assisted US policymakers in mediating a lasting settlement. Tailored analytic support helped the chief US mediator move the parties toward settlement talks, which are likely to begin this year.

- Imagery intelligence provided critical insights on the numbers, status, and location of Rwandan refugees in the Great Lakes region of Central Africa as the international community grappled with a rapidly changing situation and attempted to define an appropriate humanitarian response.

- Community agencies to include the Central Intelligence Agency, National Reconnaissance Office, National Imagery and Mapping Agency, National Security Agency, and the Defense Intelligence Agency and intelligence components of the Military Services have increased their training with US operational forces. One example is the provision of threat modeling and simulation capabilities, varying from one-on-one to many-on-many campaign models for current and forecast threat environments. Military operators now receive training that includes realistic levels of expectations of support that can be obtained from national intelligence systems.

In addition to warning and surge capabilities, global coverage requires sustaining adequate, albeit minimal, baseline coverage on lower-priority countries. The Intelligence Community supports many other intelligence needs that are neither "hard targets" nor candidates for crisis operations. These include environmental intelligence on noncompliance with international agreements and illegal shipments of hazardous materials and waste, as well as economic and trade information. Although the Intelligence Community is a relative newcomer to these issues, it has made several contributions both at home and abroad:

- Intelligence information and analysis have been especially valuable in detecting violations of international environmental agreements, such as the Montreal Protocol on substances that deplete the ozone layer.

- Intelligence support to US Customs and the Environmental Protection Agency has assisted in interdicting illegal chlorofluorocarbon (CFC) shipments headed to the United States.

- Intelligence also has begun to enhance official and public understanding of global health threats, such as HIV/AIDS--an area where some foreign governments withhold information in their official reporting.

- Preparing US officials for, and supporting them during, international negotiations on commercial, economic, and financial subjects.

- Assessing the consequences for foreign countries of proposed economic sanctions or trade actions; monitoring compliance with--and the effects of--such measures

- Exposing questionable trade practices by foreign companies or governments--such as bribes, kickbacks, collusive commercial arrangements, disguised subsidies, and so forth--that may be harmful to US firms.

LONG-TERM STRATEGY

For the Intelligence Community to ensure its ability to deliver distinctive actionable information well into the 21st century requires a sound programmatic and financial basis for major new investments. The Community currently is taking concrete steps to increase significantly integration across programs and to reduce independent, duplicative collection, which previously hampered efficient management. Because activities of a similar nature were often funded under several different programs, it was difficult to assess tradeoffs between programs or know where best to make reductions. Last year, the House and Senate intelligence oversight committees and the Commission on the Roles and Capabilities of the US Intelligence Community (the Aspin-Brown Commission) conducted a thorough examination of the Intelligence Community's roles and responsibilities. All parties agreed that the DCI needed to develop a more "corporate" strategy for the continued conduct of US intelligence activities.

Central to the successful implementation of this strategy are:

- More systematic tracking and refining of intelligence requirements; and,

- Better Community-level management and integration of existing capabilities.

The Intelligence Community's corporate approach is manifested in its efforts to make better use of the capabilities that already exist through the creation of the National Imagery and Mapping Agency and the Joint Space Management Board. In addition, the Community has initiated a wide-reaching personnel reform effort, better synchronization of human intelligence operations, closer and mutually beneficial dialogue with the law enforcement community, and improved oversight in the areas of covert action and counterintelligence.

Recognizing that the annual budget is the primary vehicle for effecting change within the Intelligence Community, the Report of the Commission on the Roles and Capabilities of the US Intelligence Community (the Aspin-Brown Commission Report) specifically noted the need for a better framework to assess tradeoffs among the various capabilities within each intelligence discipline as well as across the disciplines. It applauded the Community's initial efforts to develop a Mission-Based Budgeting framework which links intelligence activities with the accomplishment of missions outlined annually in the National Security Council's US National Security Strategy and the Defense Planning Guidance of the Department of Defense. By shifting the focus to the contribution that intelligence makes to missions--to intelligence *output* rather than intelligence capabilities--the Community can assure its customers that their priorities will be accorded maximum intelligence support.

Over the past year, the Intelligence Community has developed a more efficient process for making program and budget decisions so that the DCI and Deputy Secretary of Defense can determine whether or not their funding decisions will satisfy mission requirements. The first step was to more closely align the process for reviewing the National Foreign Intelligence Program (NFIP) managed by the DCI, with the Joint Military Intelligence Program (JMIP) and the Tactical Intelligence and Related Activities (TIARA) aggregation managed by the Secretary of Defense.

A key component of this new joint process is the Intelligence Program Review Group (IPRG), a senior board of intelligence oversight and resource managers from across the national and defense intelligence communities which identifies, evaluates, and prioritizes cross-cutting programmatic and resource-related US intelligence issues. This group recommends immediate and proactive courses of action to the Expanded Defense Resources Board, chaired by the DCI and the Deputy Secretary of Defense.

Last year, almost 90 intelligence issues were nominated for evaluation by the IPRG--ranging from how to fund and develop new automated data processing systems to whether or not the Intelligence Community should invest in commercial imagery. If an issue was considered a "major" issue, working groups were formed to examine thoroughly all aspects of the topic, including requirements, areas of controversy, funding, and potential cuts that would be made to other systems or activities to free up resources. In total, 39 issues were evaluated by the IPRG, with changes in funding made to 17.

Besides introducing changes in process, the Intelligence Community is actively developing the tools and staff to better analyze and evaluate intelligence programs. Although more work needs to be done in these areas, the Community Management Staff has begun to develop a Program and Budget Data Base System designed to accommodate a matrix approach to budget analysis, thereby allowing the DCI to evaluate how particular capabilities are contributing to intelligence missions. The database is in its early stages, however, and will need to be further refined over the coming year. Concomitant with this database development is the ongoing acquisition of a planning, programming, and budgeting staff dedicated to aiding the DCI in his oversight of the intelligence budget.

ANNUAL REPORT ON FY 1997
INTELLIGENCE COMMUNITY ACTIVITIES

Preface

This report responds to a Congressionally directed action contained in the Intelligence Authorization Act for Fiscal Year 1998. Referencing section 109 (as amended in 1996) of the National Security Act of 1947, the Act directs the President to submit an unclassified report "on the requirements of the United States for intelligence and the activities of the Intelligence Community." In keeping with this requirement, this report identifies areas where intelligence is required to meet the national security interests of the United States, and reflects the priorities established by the Administration for implementation by the Director of Central Intelligence for FY 1997. The report includes significant accomplishments as well as initiatives that are being undertaken to strengthen the Community's performance. A classified annex also will be provided to the Congress to supplement information contained in this unclassified report.

Introduction

Nineteen ninety-seven marked the 50th anniversary of the National Security Act that formally established a permanent intelligence structure. Designed to provide the United States with the best information available on the aims, intentions, and capabilities of other nations, the Intelligence Community has adapted to meet the changing needs of the President, his senior national security advisors, law enforcement officials, military commanders, and diplomats as they each faced new challenges to US interests.

During the 50th anniversary celebration of the CIA, President Clinton reiterated the importance of focusing our intelligence resources on the areas most critical to our national security–areas where we cannot afford to fail. He underscored his top intelligence priorities contained in Presidential Decision Directive-35: supporting our troops and operations; providing political, economic, and military intelligence on hostile countries; assisting policy efforts to verify arms control treaties and agreements; and protecting American citizens from new transnational threats such as drug traffickers, terrorists, organized criminals, and weapons of mass destruction (WMD).

The Director of Central Intelligence is charged with organizing and managing intelligence activities to address the priorities outlined by the President. His greatest challenge in 1997 was to focus the limited resources of the Intelligence Community where they could provide the greatest benefit. To this end, he directed the Community to focus on the following key areas:

- The Hard Target countries – our most critical intelligence priorities;
- Transnational issues that endanger the lives of all Americans;

- **Economic crises** in foreign nations that can have far reaching consequences for the global economy;

- **Regional trouble spots** that could flare into conflict at any time; and

- **Humanitarian emergencies** that emerge rapidly and place heavy demands on US military and financial resources.

With the establishment of corporate boards comprising representatives from across the Community, technical, human and open source collection capabilities were brought together to address high-priority targets. Concerted attempts to improve the Community's interaction with its customers resulted in better understanding and refinement of intelligence requirements. A series of initiatives (several of which are described in the Management section near the end of this report) were begun that will improve resource management as well as language skills of Intelligence Community analysts.

Despite progress on many fronts, there is still much to be done. The Intelligence Community needs to continue to build synergy across disciplines, improve collection management, and reduce duplication where prudent. It needs to plan strategically for the technology challenges of the future. It needs to address challenges presented by increasing amounts of data and reform management processes to find and keep personnel with critical skills. New relationships must be forged with the private sector, with other government agencies, and with foreign partners–while at the same time increasing the Community's awareness of the counterintelligence risks of these new arrangements.

This Annual Report outlines the challenges that confronted the Intelligence Community in 1997 and the activities that enabled it to meet mission requirements. It highlights both intelligence accomplishments and as well as new and continuing challenges.

Hard Targets

Among the Community's toughest tasks is the need to monitor developments in and behavior of countries with global reach and import, and to penetrate closed societies that have interests and ambitions that could threaten our well-being. These countries include:

- **Russia**, which continues to suffer from serious social and economic difficulties including unbridled crime and corruption;

- **China**, a country intent on becoming a military and economic superpower in the next century;

- **Iraq**, which continues to threaten US forces, interests, and allies and persists in hiding suspected nuclear, chemical, and biological weapons production equipment and materiel from UN inspectors;

better management of the increasing demands on traditional national technical means that continue to provide key information on all arms control treaties and agreements.

Proliferation

The potential for proliferation of WMD and the possible use of a WMD device by a terrorist, criminal, or other lone individual or group makes it imperative that the Intelligence Community increase its ability to protect the people of the United States and our military forces. The Intelligence Community achieved some notable successes in 1997, but efforts to halt proliferation continue to be complicated by the fact that technologies for these weapons are readily available and that most WMD programs use materials that have civil as well as military applications. To counter the threat posed by these activities, several new programs are underway.

To enhance our focus on nonproliferation targets, especially chemical and biological weapons, the DCI strengthened the Community's Nonproliferation Center in 1997 by adding intelligence analysts and sharpening its focus on our most difficult proliferation challenges. The Community produced important analytical products on the threat from chemical weapons, WMD procurement efforts, and trends and dynamics of global nuclear and missile programs to support US policymaking.

The Intelligence Community also continued to provide support to specialized intelligence operations, to include the development of unique detection equipment as well as an on-call capability to identify suspect nuclear materials.

International Terrorism

The terrorist threat to US interests and citizens remained high in 1997. Even though the number of incidents last year was about the same as 1996, US citizens and facilities suffered more than 40 percent of the total number of terrorist attacks worldwide. The attack, moreover, on tourists in Luxor, Egypt was part of an ominous trend toward increasingly lethal terrorist attacks, especially against civilians. Most worrisome are the indications of terrorist interest in acquiring chemical, biological, and nuclear weapons.

To combat this growing danger to US citizens, the Intelligence Community introduced a new procedure for rapidly disseminating terrorist threat warnings and provided integrated finished intelligence and analytical studies to senior civilian and military consumers. With the potential threat of nuclear terrorist attack in mind, the Community explored the use of selected commercial and field prototype equipment, under a variety of simulated border scenarios, to detect and analyze radioactive materials.

The Community also redoubled its counterterrorism efforts in 1997. One notable example of improved interagency teamwork was the stunning capture of Mir Aimal Kasi, the terrorist who gunned down CIA employees as they waited at a stoplight outside CIA headquarters. The Community also played an important role in protecting American troops and

civilians deployed overseas from terrorist attacks. An Anti-Terrorism Specialty Team has been established to identify potential vulnerabilities to terrorists at several US bases.

International Narcotics

The illicit international drug industry is adapting to the counternarcotics successes that the United States and other governments have had in recent years. Most worrisome, the narcotics underworld is becoming more diverse and sophisticated. Traffickers are infusing their business with new technologies to enhance operations, improve security, and launder illicit proceeds. And they are expanding drug smuggling routes and methods. The cocaine industry is still a formidable challenge. Although counternarcotics successes have substantially reduced the power of the Cali kingpins over the cocaine trade, the trafficking infrastructure in the Andean countries has become more diffuse and there are more trafficking organizations of concern. Mexican drug cartels that traffick in cocaine, heroin, marijuana, and methamphetamine are seeking to expand their role in the international drug trade, and trafficking through the Caribbean basin in a growing concern. Meanwhile, opium production continues to be at near-record levels to support the expanding international heroin industry.

The Intelligence Community continues to work closely with US law enforcement agencies to attack the international drug trade. Foreign intelligence has provided insight into the leadership and operations of major drug trafficking groups which has helped in law enforcement efforts to disrupt and dismantle trafficking organizations. Rapid dissemination of intelligence information also assists interdiction activities.

Imagery or imagery-derived information as well as other intelligence sources assisted the Community in supporting the US Government's counternarcotics interdiction efforts, which included work on the annual narcotics certification process and development of estimates for the cultivation and production of all major cocoa and opium producing countries. From these findings it was revealed that the coca crop cultivation in Peru—historically the world's largest cultivator of coca—plummeted by 40 percent since 1995. Using the same methodology, it was revealed that Columbia's coca crop increased over the past few years.

International Organized Crime

The global span of business and technology has given crime syndicates unprecedented opportunities for illicit activities. US law enforcement authorities often remain constrained by national sovereignty and jurisdictions. The Intelligence Community must track a broader array of seemingly legitimate businesses that serve as fronts for criminal enterprise, and monitor the increasing role of gray arms brokers in arming rogue states, terrorists, and criminal groups. Last year the Intelligence Community reallocated and augmented resources on this issue, resulting in significantly increased reporting on the influence of organized crime groups worldwide.

Information Operations

Foreign entities are aware that an increasing proportion of our civil and military activity depends on the secure and uninterrupted flow of information. Last year the Intelligence Community identified several countries that have government-sponsored information warfare programs underway. Nations that are developing these programs recognize the value of attacking a country's computer systems–both on the battlefield and in the civilian arena. Protecting information systems in the United States is a key element of our program.

The Intelligence Community increased its efforts to uncover information operations activities. It published the first long-range intelligence estimate on the future threat from these activities. It began to develop the tools needed to improve its ability to detect and counter information warfare attacks. At the same time the Community worked closely with the law enforcement community and the private sector to gain insight into how to proceed in the future.

Economic Crises

Numerous events involving foreign economic developments over the past several years. have demonstrated the need for US policymakers to take bold action on several fronts, including trade sanctions and the decision to provide humanitarian aid. The financial crises in Asian countries in 1997 underscored the fact that global markets today are so interconnected that economic problems in one country can have far reaching consequences for others. The troubles in Asia have economic costs for the United States, particularly in reducing US exports to the region. The crisis that began in 1997 will continue to have an impact on political stability in the region in 1998.

The potential for political instability in key countries that affect US interests—not only in Asia but in other regions as well—suggests that increased analysis of global economic security is warranted. In late 1997 the Intelligence Community began marshaling resources to support policymakers, and contributed information that was used in the US' decision to provide food aid to a particular country in crisis, and warned US decisionmakers regarding the intent of countries to engage in trade violating UN sanctions. Significantly increased intelligence support during future economic crises is expected.

Regional Trouble Spots

In 1997 tensions remained high in several of the world's trouble spots, requiring the continuing commitment of significant intelligence resources to support both diplomacy and military operations. In particular, intelligence collectors and analysts were focused on Bosnia, the Middle East, South Asia, and the Aegean.

Bosnia

Despite some progress in 1997, significant problems in Bosnia remained. US troops continued to participate in efforts to keep the peace, as mutual distrust among Serbs, Muslims, and Croats hampered efforts to create a functioning federation.

Intelligence played a key role in supporting military and diplomatic operations in Bosnia. The Community was instrumental in warning US military and diplomatic personnel of potential security threats, providing information on strategic leadership in areas of crisis and rising tensions, and gathering evidence of international sanctions violations. One crucial responsibility was to provide warning of impending acts of terrorism and helping to investigate acts of terrorism which occurred.

In addition to supporting force protection and readiness missions, the Community expanded and updated the Medical Environmental Disease Intelligence and Countermeasures data base to enhance medical support to deployed forces. National and theater level databases were also created to support counterintelligence operations and produce assessments of personnel, organizations, and events in Bosnia.

The Middle East

The historic strife and distrust that mark this region was aggravated by the spread of sophisticated weapons programs, an upsurge in terrorism, and demographic trends that led to heightened social tensions in 1997. The peace process stalled, with dangerous implications for all parties.

The Intelligence Community provided tailored products to support diplomatic and military concerns in the region. Rapid intelligence reporting on Iraq bolstered US policy development and talks with foreign powers and international organizations. Improved warning on Iraqi military intentions and capabilities provided critical intelligence for military forces as well. Iranian issues were the subject of Intelligence Community estimates, special WMD interagency assessments, and collection reviews.

In addition to the traditional support to diplomatic operations in the Middle East, the Intelligence Community also produced maps, graphics, publications, videos, multimedia presentations, live broadcasts, leadership profiles, and CD-ROM products ranging from the unclassified version of "The World Factbook" through classified finished intelligence and distributing these through channels, liaison relationships, INTELINK, the Internet, and other methods.

The Aegean

Tensions between Greece and Turkey increased in 1997 in the wake of the European Unity (EU) summit decision to proceed with membership negotiations with Cyprus—while rebuffing Turkey's application—and the expected arrival of SA-10 air defense batteries from

Russia this summer. Ongoing disputes over air and sea boundaries in the Aegean have also heightened long-standing Greek-Turkish animosities.

The Intelligence Community supported policymakers in their deliberations and reviewed and augmented intelligence collection in this region where the threat of regional conflict remains a serious policy concern.

South Asia

During 1997, relations between India and Pakistan remained poor with the long-standing dispute over the possession of Kashmir a major sticking point. The stakes of conflict remain high, as both countries have nuclear capabilities and are pursuing expanded WMD capabilities. The Intelligence Community reported on a broad range of critical issues affecting US policy toward India and Pakistan.

Crisis Management for Lower Tier Areas

The DCI also took steps toward ensuring that the Community focused adequate resources on non-hard target countries, in particular on those that could require major US diplomatic or military action. Over the past year the Community has implemented a process in which countries or regions with indications of a developing crisis will receive increased attention. The process includes surge planning which is intended to help the Community reconfigure its limited resources, if warranted.

Also, pilot testing was begun to advance the analytic tools necessary to allow non-linguists to search foreign language sources and databases in support of both military and non-military intelligence efforts. In addition, agencies reassessed their individual level of effort against lower priority countries.

Humanitarian Emergencies

The threat posed to US citizens and interests by humanitarian crises remained high last year. Thirty-four million people worldwide were unable to return to their homes as a result of crisis or conflict. Africa was the region most troubled by these emergencies—with US and UN resources called upon to assist relief operations and attendant risks to US citizens caught up in violence. The Intelligence Community played a pivotal role in tracking several crises in Africa, including ethnic violence and revolutionary war in the Great Lakes region. The DCI Warning Committee, working closely with the National Intelligence Officer (NIO) for Warning, alerted policymakers to the unraveling of the Mobutu regime in Zaire. An estimate on Global Humanitarian Emergencies won high praise from senior military personnel at the US Transportation Command as well as from policymakers. Parts of this estimate were based on imagery-derived products.

Customer Support

One of the DCI's top priorities in 1997 was to improve support to all Intelligence Community customers. As a result of closer interaction with its customers, the Community improved its ability to meet requirements, made plans to address unfulfilled requirements, and obtained feedback on performance. For example, the Community is applying modern measurement tools to assess the satisfaction of its customers. With the assistance of a private-sector consulting firm, a Community-customer team conducted a broad survey of intelligence customers in 1997. At the same time, this team interviewed a number of intelligence personnel who interact regularly with those customers. The assessment found that while customers were generally satisfied with intelligence support, there were still some areas that needed improvement.

The Community is now preparing to review in depth a specific customer segment to develop detailed information that could lead to improved performance and increased customer satisfaction. A number of Intelligence Community components are now embarked on similar customer service improvement initiatives. Ultimately, systematic collection and analysis of customer satisfaction information will provide greater insights for planning, budgeting, improvement activities, and performance assessment. Support to customers' in specific mission areas include:

- **Support to and Conduct of Military Operations** continues to drive a significant proportion of intelligence requirements. The Intelligence Community supported military operations worldwide by aiding operational planning, participating in exercises, enhancing communications connectivity, deploying assets, sending rapidly deployable intelligence assets to crisis areas, and hosting a military visitors program. The Community also worked with the military to model the potential extent of troop exposure to chemical weapons during the Gulf war. Anti-terrorism services in support of the military commanders also continue to be a top intelligence priority.

- At the same time the Community improved its **Support to National Policy**. As nations and individuals alike gain easy access to conventional, chemical, and biological weapons, the Community must support new negotiations and agreements as well as existing tasks. New, and often more complex arms control treaties require Intelligence Community monitoring to help ensure full compliance by foreign parties and to protect US national interests. In 1997 the Intelligence Community monitored a variety of treaties and agreements (START I, the Chemical Weapons Convention, the Conventional Forces in Europe Treaty, etc.,); participated in over 150 arms control related inspections and visits; and served on 10 separate interagency working groups to help formulate US policy for bilateral and multilateral arms control negotiations and related ad hoc efforts.

  The Intelligence Community also supported policymakers by monitoring WMD programs around the globe as well as tracking assistance offered by proliferating countries to rogue states. The Community was instrumental in supporting US

Government efforts to prevent illicit trafficking in nuclear materials and assisted with planning, coordination, and technical support at various overseas border locations.

The Intelligence Community has developed new mechanisms to provide direct support to diplomatic operations. For example, the Diplomatic Intelligence Support Center continues to be deployed to Bosnia to provide timely, tailored support to the Ambassador and other senior US diplomats in the region. In addition, a portable imagery dissemination system was developed for deployment to crises areas to enhance the flow of intelligence.

The Intelligence Community also supported efforts to improve understanding of environmental threats that may impact US interests. In 1997, based in part on imagery, the Community laid the groundwork for the DCI Environmental Center which focuses intelligence efforts on environmental issues. The Intelligence Community Assessment, "The Environmental Outlook in Central and Eastern Europe" received strong praise from the Vice President. An improved working relationship with the World Health Organization and the Environmental Protection Agency led to periodic meetings with experts on environmental health and infectious disease issues.

- Support to Law Enforcement increased in 1997. The Community continued its efforts to disrupt and dismantle major drug trafficking organizations, enhance Intelligence Community coordination and information sharing, and focus US government counter drug resources on key targets. The Community also made significant progress in improving the analytic methodology used to complete interagency assessments of the flow of illegal drugs to the United States. These assessments provide US policymakers with significant leverage in bilateral counternarcotics discussions.

Countering Foreign Intelligence

Over the past year the Intelligence Community has made major strides in advancing a more cohesive and efficient national counterintelligence effort. Ongoing cooperation between intelligence and law enforcement has led to a more rapid detection of espionage activities as evidenced by the arrest and conviction of Harold Nicholson, Earl Pitts, Robert Kim, and Robert Lipka. The Community now produces an annual report on the effectiveness of the national counterintelligence program and the threat from foreign economic collection and industrial espionage. It has developed and implemented new counterintelligence awareness programs for the public and private sector, interagency counterintelligence training courses, electronic communication links and a forum for counterintelligence product dissemination. More than 70 percent of over 16,000 counterintelligence reports generated by the Community during 1997 were focused on antiterrorism, force protection, and information assurance issues.

Advanced Research and Development

The Intelligence Community continues to make significant progress in applying science and technology to unique intelligence problems. This year saw the successful completion of research and transition to industry of a highly innovative technique for cooling high performance computing and electronic system components. Industry will employ these techniques in intelligence applications which require super cooling in order to perform at extremely high speeds, and to increase US commercial competitiveness. Intelligence Community investments in research on the mathematics and physics of quantum computation have nurtured this new, and potentially revolutionary, field of interest. Close interaction with other government agencies, industry, and academia on the very hard problems associated with the automated screening, filtering, and extraction of content information from written and spoken sources is resulting in a new level of performance. Bandwidth-efficient modulation technology which was developed by the Community was transitioned to the commercial sector to improve service for cellular phones. Finally, the Community worked with the life science community to seek new and effective ways of finding and evaluating materials associated with chemical and biological weapons of mass destruction.

Investment in the future is continuously challenged by the needs of today. This year some of the NFIP components have had to trade resources away from preparing for the future to assure performance against today's needs. While such trades are justifiable in the short term, they bode ill for the future health of intelligence. Efforts are underway to establish a strategic framework for advanced research and development to guide and sustain investment necessary to assure that the Intelligence Community will be the best in world, now and in the future.

Management Initiatives

Despite the end of the Cold War, the demand for Intelligence Community products has increased. The National Security Council, the military services, and civilian agencies still look to intelligence to provide timely information on a wide range of topics. This increased demand has coincided with a decline in experienced intelligence personnel and little or no growth in funding for intelligence activities. To meet this growing demand with fewer resources the DCI has sought innovative ways to improve teamwork, reduce duplication, and focus on the areas of greatest need. Some of his ideas are reflected in the management sections which follow:

Plans and Policy

To achieve his corporate goals, the DCI strengthened the roles of two Community-level organizations in 1997—the Community Management Staff (CMS) and the National Intelligence Council (NIC). The CMS advises the DCI on Community matters ranging from program and budget oversight to policy formulation and requirements review. The NIC is the DCI's Community center for estimative intelligence on key national security issues. Both groups have developed new mechanisms for bringing the Community together on vital planning and policy matters. For example, the CMS-chaired National Intelligence Collection Board (NICB) has developed integrated plans for mixing technical sensors, human assets, and open sources to

support crises (also see section on Collection Management Tasking, below). The NIC-chaired National Intelligence Production Board (NIPB) has prepared the "DCI Guidance on Intelligence Priorities" and completed analytic depth studies on the hard targets.

The DCI also undertook a number of new approaches to manage the widely-dispersed capabilities of the Intelligence Community in order to respond to its complex challenges. He developed and refined processes—like those run by the joint DoD/Intelligence Community Program Review Group (IPRG) and the Intelligence Community Principals'/Deputies Committee, both of which include Community-wide senior membership—to improve teamwork among the 13 organizations that comprise the Community. The Principals' Committee is the senior Intelligence Community forum for consideration of policy, planning, and process issues under the authority of the DCI. The Intelligence Community Deputies Committee initially reviews and then advises the Principals' Committee on development and implementation of policies, plans and process issues, and tasks, reviews, and monitors the work of interagency policy and planning groups.

Such groups and committees allow the DCI to view intelligence as a corporate enterprise and to make smarter use of limited resources, with less duplication and better results. The Community has tackled difficult, long-term issues such as imagery sharing with allies, examination of available commercial imagery markets for satisfying geospatial and intelligence markets, the reorganization of activities associated with Measurement and Signatures Intelligence (MASINT), and how to deal with the Year 2000 computer problem.

Collection Management Tasking

Recognizing the need for a future collection management architecture that will support integrated sensor tasking, dynamic re-tasking, and coordinated collection planning, the Community examined the existing intelligence requirements management processes. It found that cross-agency mechanisms such as the NICB have been especially effective in focusing the Community's collection resources during contingency and crisis situations. It also found that collectors and collection managers are pursuing modernized and streamlined requirements management processes and systems. However, it determined that longer term, cross-discipline collection planning on strategic issues needed improvement. The NICB currently is evaluating this area, using the issue of cruise missile proliferation as a test case.

Budget

Rigorous and disciplined program and budget reviews across the Intelligence Community continued in 1997. The joint Department of Defense/Intelligence Community program review process, begun several years ago, was further refined to ensure that intelligence programs—at the national, joint, and tactical levels—are consistently and cohesively focused on meeting the requirements of our national security customers. The Intelligence Program Review Group (IPRG), jointly chaired by the Executive Director for Intelligence Community Affairs (ExDIR/ICA) and the Deputy Assistant Secretary of Defense for Intelligence and Security (DASD I&S), continued to serve as the forum for identifying and evaluating cross-cutting

programmatic issues involving NFIP, JMIP, and TIARA. This joint program review process culminates in yearly expanded defense resource board meetings, chaired by the DCI and the Deputy Secretary of Defense. Over the past year, approximately 30 funding issues were examined by the IPRG including a major assessment of the funding currently allocated for assessing the threat from chemical and biological weapons. This process allows the Community to free up resources for investment in new technology while avoiding wasteful spending and unnecessary duplication of effort.

The Community continued to refine its Mission-Based Budgeting approach. The benefits of aligning intelligence projects and programs with the missions they serve are twofold. First, it provides a basis for evaluating the contributions of intelligence activities in meeting the needs of all customers. It also provides Community planners with a method of ensuring that future funding decisions on intelligence are made based on mission priorities. The Community undertook steps to comply with the Information Technology Management Reform Act (ITMRA) to manage investments in information technology more effectively and to modernize the information infrastructure across the Community. To further help align mission needs and business processes with information technology investments, the Community produced its first Information Systems Strategic Plan. This plan focuses on functions and services of common concern, and will be used to guide resource decisions. It will also serve as a catalyst for realigning and re-engineering information systems, processes, and operations. Community-level management offices were established for the worldwide INTELINK, to improve sharing of telecommunications services, and to plan and implement a common messaging service.

Personnel Management

The Community began a series of initiatives in 1997 to improve the skills and better utilize the talents of its workforce. The Intelligence Community Assignment Program (ICAP) was begun to develop multi-skilled officers with corporate intelligence experience based on rotational assignments. It is also reexamining and implementing revised training programs to provide officers with broad-based knowledge of Intelligence Community activities. The DCI Foreign Language Committee sponsored a large-scale survey, last undertaken in the 1960's, that compares the foreign language proficiency levels attained by university graduates and graduates of government language training programs. The results will help the Community to understand the extent it can rely on academia to meet Intelligence Community requirements for linguists. At the same time, the Community continues to offer separation incentives and early retirement to meet downsizing goals while working with senior managers and Equal Employment Opportunity representatives to focus recruitment on filling critical skill and diversity needs.

Quality Management

Community organizations have been using modern quality management approaches to improve performance for the last several years. The Community has participated fully in Vice President Gore's National Performance Review since it began in 1993, with a high-completion rate on the recommendations stemming from the review. In addition, the Community has used the criteria of the President's Award for Quality for organizational assessment, basing a number

of specific improvement activities on the findings of the assessments. Several Community teams have received the Vice President's "hammer" award for their efforts and more than ten "reinvention laboratories" are now operating in the Community.

Ongoing Challenges

While significant progress has been made in streamlining intelligence activities and improving work processes, more can be done. Providing a prudent level of effort against the many global challenges while ensuring in-depth expertise on the hard target countries remains a significant challenge. The ability to surge intelligence activities to support a localized crisis is largely dependent upon having the connectivity and interoperability to combine the efforts of many agencies—but compatible infrastructures capable of handling today's huge data volumes are still lacking in many cases.

Freeing up resources to invest in new technology is also difficult. The funding environment leaves little room for error in pushing the technology envelope. The Community continues to struggle with ensuring that collection, processing, forwarding, analysis, and dissemination capabilities exist to effectively handle information conveyed by the increasingly complex, higher speed technologies employed by most targets today. Many foreign technologies are being upgraded at least every 18 months, whereas the systems and analysis tools the Community uses to exploit them are many years older by comparison. We must also find ways to merge multimedia intelligence sources and deliver finished products in a more timely fashion while at the same time recognizing the counterintelligence concerns associated with increased sharing of data.

The Community is identifying innovative ways to address these challenges by forging new relationships with the private sector, with other government agencies, and with foreign partners. It is also developing a strategy for "outsourcing" some intelligence activities and is accelerating initiatives to reengineer and compete commercial activities. The strategy developed in 1997 introduced the basic criteria for identifying and evaluating intelligence and related activities for outsourcing. Next steps include consistent application of criteria in determining candidates for outsourcing and systematically expanding outsourcing efforts across all intelligence and related activities.

The nature of the threat will continue to change. What has not changed is the need for dedicated, experienced intelligence officers to monitor communications, process reams of data, cultivate information sources, and design new means of intelligence gathering. We still need skilled analysts who can take raw data from multiple sources and produce assessments of foreign leaders' intentions. We need technical and other support personnel to make the business of intelligence run smoothly. We made some progress in attracting and retaining people with the right skills and abilities in 1997, but this will require sustained management attention for some years to come if we are to succeed in developing the skills mix needed by the Intelligence Community.

Director of Central Intelligence

ANNUAL REPORT

for the United States Intelligence Community

May 1999

FOREWORD

Fiscal Year 1998 was a year of growth and restructuring for the Intelligence Community. While we accomplished a good deal as this report details, we have also learned where we need to refocus our efforts to improve our collection, processing and analysis.

The Senate's confirmation of the first Deputy Director of Central Intelligence for Community Management (DDCI/CM) and the appointment of the Assistant Director of Central Intelligence (ADCI) for Collection and the Assistant Director of Central Intelligence for Analysis and Production this past summer was a major step toward improving opportunities to manage the Intelligence Community as envisioned by Congress and the Administration. The DDCI/CM has moved quickly to develop processes and procedures needed to better manage the Intelligence Community on behalf of the DCI. Although we have a long way to go, I am optimistic that U.S. Intelligence is already moving away from its traditional "stovepipes" towards becoming a more collaborative and corporate enterprise.

In FY 1998, the Intelligence Community provided timely and useful intelligence to the policymaker, the diplomat, the warfighter and to the law enforcement community on many important issues. It supported the U.S. efforts in the former Yugoslavia with intelligence and personnel; provided real-time intelligence support on the Asian financial crisis; prevented terrorist attacks against US installations; and helped identify key international organized crime figures.

The Intelligence Community came together to work as a team in the wake of the bombings of our embassies in Africa to ensure that the terrorists who brutally killed hundreds of innocent people could not strike again. The entire Intelligence Community joined to collect and analyze critical intelligence used to identify Usama bin Laden and his organization as the responsible party. Once identified, the Intelligence Community played a vital role in planning the strike against Usama bin Laden's infrastructure.

The inability to predict the Indian Nuclear tests in May 1998 was a clear sign that the Intelligence Community needs to evaluate available resources, technology, and techniques against the threats facing us today.

INTRODUCTION

Tasking

This report responds to the Congressional request for an annual report on the Intelligence Community.

The Intelligence Authorization Act for Fiscal Year 1997, Section 109 (as amended in 1996) of the National Security Act of 1947, directs the President to submit an unclassified report "on the requirements of the United States for intelligence and the activities of the Intelligence Community."

OVERVIEW

The Intelligence Community Today

The Intelligence Community (IC) faces a very different world from what it was a little over a decade ago. The threat of Communism which touched every aspect of intelligence collection is gone. Today the threats encompass a wide array of issues which span the globe. There are two categories of threats that will occupy the IC's attention for the forseeable future: threats from our strategic rivals- China and Russia - as well as from regional worries such as North Korea, Iran, and Iraq; and the transnational threats - organized crime, narcotics trafficking, proliferation, information warfare and terrorism.

To meet the challenges of this increasingly dangerous and complex world, our consumers are demanding more timely, accurate, and actionable information to inform their decisions and increase their effectiveness. The IC recognizes that it must continue to pursue better inter-connectivity which will enable analysts to share information quickly and produce more timely and accurate assessments.

During FY 98, there were two noteworthy independent reviews of the IC. Both reached the same general conclusion that if the IC is to keep pace with current and future requirements, a new generation of technologies and techniques will have to be funded, invented, and deployed. These technologies and techniques include new intelligence collection platforms, better information and communications systems, and stronger analytical capabilities.

While there remains a lot to be done to increase intelligence capabilities throughout the IC, in FY 98 the IC provided vital information throughout the year on issues ranging from environmental disaster relief to the plans and intentions of senior foreign government officials. IC consumers felt that the majority of their needs were being met in a timely manner. SIGINT and IMINT received praise from consumers for their flexibility. HUMINT continues to provide unique insight on several key issues.

The IC is working to improve its business practices and its relationships with its consumers. As a result, intelligence consumers felt that the intelligence agencies were making more of an effort than they had in the past to obtain and respond to consumer requirements in a timely manner. This is in part due to the increased number of agency representatives working at and with the consumer organizations on a day to day basis.

The Deputy Director of Central Intelligence for Community Management (DDCI/CM) is in the process of developing the tools needed to better manage the IC on behalf of the DCI. In less than a year, significant improvements have been made to enhance:

- Policy Deliberations. The primary tools for senior-level coordination, the IC Principals and Deputies Committees, now meet on a regular basis to discuss and resolve difficult Community issues.
- Development of a Strategic Vision. The Community's vision for the future is embodied in the DCI's Strategic Intent. At its core, it envisions a unified Community brought together through effective use of highly advanced technology.
- Planning Processes. A new approach is underway that will integrate and expand existing planning against missions, functions and agency activities.
- DCI Guidance to the Community. The system of DCI Directives (DCIDs) is being revamped.

Within the context of these broad initiatives the DDCI/CM and her Assistant Director of Central Intelligence for Collection and Assistant Director of Central Intelligence for Analysis and Production are working to improve the quality of the IC's collection and analysis.

ADCI'S ACCOMPLISHMENTS

As the Intelligence Community (IC) prepares for the next century, its approach to the collection and dissemination of intelligence must continue to provide a strategic information advantage for the U.S. The DCI's vision for the future demands closer teamwork across the Intelligence Community and more efficient use of our capabilities to keep pace with the demands of diplomatic and military operations. The Assistant Director of Central Intelligence for Collection and the Assistant Director of Central Intelligence for Analysis and Production are empowered to evolve community management functions to a more collaborative enterprise.

Assistant Director of Central Intelligence for Collection

The Assistant Director of Central Intelligence for Collection (ADCI for Collection) was established by Title VIII, Intelligence Community Reform Act of the FY 1997 Intelligence Authorization Act. The ADCI for Collection assists the DCI and the DDCI for Community Management in carrying out their responsibilities to ensure the most efficient and effective collection of national intelligence.

The ADCI for Collection helps ensure that the U.S. Government has a world class, unified intelligence collection system, comprised of personnel and equipment that can efficiently obtain and deliver appropriate, timely, and cost effective information to its customers.

Under the general direction of the DDCI for Community Management, the ADCI for Collection works with the ADCI for Analysis & Production, the Executive Director for Intelligence Community Affairs, and the NFIP program managers to integrate Intelligence Community collection and production capabilities. The strategic collection thrusts required to achieve this objective include:

- Establishing an integrated cross-intelligence discipline collection management process.
- Linking collection capabilities to customers' needs and priorities. At the same time, link intelligence requirements and priorities to resources.
- Determine the requirements that will drive US Intelligence collection systems capabilities for 2010.
- Determining, establishing, and adjusting, as necessary, the structure and composition of Intelligence collection systems capabilities to address 2010 concerns.
- Integrating collection and production planning processes to drive R&D and future intelligence acquisitions.
- Balancing integrated collection with tasking, processing, exploitation, and dissemination ability.

The office of the ADCI for Collection has made significant strides in meeting these goals in its first six months of existence. The following are examples of accomplishments:

- Established the Office of the Assistant Director of Central Intelligence for Collection, allocated functional responsibilities, and developed a program, budget, and personnel profile.
- Identified authorities and responsibilities of the ADCI/C and the National Intelligence Collection Board in a Draft DCID on collection management.
- Established a close relationship with the ADCI/AP to ensure that collection initiatives reflect consumer needs and priorities.
- Established an Integrated Collection Management Task Force, at the direction of the DCI, to develop a plan to overhaul the current "stove piped" intelligence collection management system.
- Broadened and improved the operations of the National Intelligence Collection Board (NICB) to serve as the Community's overarching mechanism for ensuring seamless, cross-discipline, collaborative intelligence.
- Increased the Collection Board's operations tempo and introduced new business practices to

include: holding quarterly offsite meetings for principals to discuss strategic collection management issues; and establishing interagency working groups to develop initial findings and make recommendations for collection strategies.

- Provided direct support to the DCI and DDCI in preparing cross-discipline collection assessments for NSC principals and Deputies Committee meetings; developed and presented cross-discipline briefings on collection capabilities to congressional committees and their staffs as well as National Security Council Staff Directors.

- Ensured an appropriate allocation of collection assets against critical developments by coordinating strategies for imagery, SIGINT, and MASINT against key collection targets; and by ensuring that collection managers across all disciplines had contingency planning in place to collect against crisis situations.

- Established collaboration with the ADCI for Analysis and Production and the National Intelligence Production Board (NIPB), e.g., co-chairing the National Civil Users Board, which addressed future imagery capabilities as well as future processing and dissemination requirements.

- Strengthened the role of the National Intelligence Officers by providing guidance on intelligence needs for Collection Board assessments.

- Established a joint Collection Board/Production Board working group to assess current collection and analytic capabilities and to develop strategies to improve the Community's performance; and assessing Hard Target Executive Board strategies and implementing after-actions for the DDCI/CM's Hard Target Joint Review Process.

- Initiated strategic planning and evaluation activities, e.g., originated the development of a strategic intent and planning process for Community collection management; and worked with Community officers on collection requirements.

Assistant Director of Central Intelligence for Analysis and Production

The Assistant Director of Central Intelligence (ADCI) for Analysis and Production was also established by Title VIII, Intelligence Community Reform Act of the FY 1997 Intelligence Authorization Act. The ADCI for Analysis and Production assists the DCI and the DDCI for Community Management in carrying out their intelligence analysis and production responsibilities in order to ensure the most efficient and effective analysis and production of national intelligence.

The ADCI for Analysis and Production is responsible for providing oversight of the IC analysis and production elements, performing community-wide management functions to include personnel and resources.

The ADCI for Analysis and Production developed a program, budget, and manpower profile for the Office of the ADCI for Analysis and Production. As part of this effort, he recruited a staff of analytic professionals from throughout the IC to support the ADCI for Analysis and Production and the NIPB.

The office of the ADCI for Analysis and Production accomplished the following in FY 98:

- Drafted a DCI Directive (DCID) outlining his authorities and responsibilities and those of the NIPB.

- Building on the NIPB Offsite in April, strengthened the role of the Board to address IC-wide production issues such as:

  * Driving and refining collection by articulating customer-derived intelligence priorities.
  * Encouraging cross-Community initiatives, particularly in technology.
  * Highlighting intelligence production blue ribbon programs.
  * Leading assessments and evaluations of Community analytic capabilities

- Launched the *Future of Intelligence Analysis*. This comprehensive report to the DCI will take a baseline look at analytic programs across the Community to assess capabilities against today's priorities and develop a strategic investment plan to help meet future requirements.

- Led assessments of the Community's production posture against Hard Target countries that identified gaps in analytic capabilities, as well as

near- and long-term resource adjustments to help fill those gaps.

- Began transition of the pilot Civilian Intelligence Reserve to the operational Global Expertise Reserve. The pilot program, administered by the NIC as a service of common Community concern, recruited seven senior academics to provide watch coverage and in-depth background expertise for 12 Tier 3 and 14 Tier 4 countries.
- Worked with the ADCI for Collection and DDCI for Community Management to monitor Community progress in responding to Admiral Jeremiah's recommendations following the Indian nuclear test last May and presented findings to the DCI's National Security Advisory Panel.
- With the National Intelligence Officer (NIO) for Warning began a reassessment of the warning process to deal with the increasing complexity of traditional national security challenges and expand warning competence against new issues.
- Developed *Future of Intelligence Analysis* projects designed specifically to address many of the analytic shortfalls highlighted by Admiral Jeremiah.
- Worked with ADCI/C to ensure appropriate collection against key targets by revising *DCI Guidance on Intelligence Priorities* and linking it to specific intelligence needs and gaps and establishing a process of periodic review.
- Addressed the Rumsfeld Commission's recommendations regarding the Ballistic Missile Threat to the United States, in cooperation with Community leaders and ADCI for Collection. Prepared an IC assessment of the "Intelligence Side Letter" written by the Commission.
- Testified before SSCI on the implications of the Commission's findings for analysis, particularly the need to increase the Community's use of outside expertise.
- Designed the *Future of Intelligence Analysis* project specifically to address many of the analytic shortfalls highlighted by the Commission.

PROGRAM ACCOMPLISHMENTS

US national interests require the Intelligence Community to maintain worldwide vigilance on the foreign threats to our citizens, both civilian and military, infrastructure, and allies. In addition, we also seek to inform policymakers of opportunities to advance US foreign policy objectives.

This portion of the Annual Report lists program accomplishments by strategic priority, region of the world, transnational issue, and by discipline.

Strategic Priorities

The following countries are considered strategic priorities by US policymakers.

China

- **US-Sino Summits.** CIA provided a daily intelligence summary and other intelligence support before and during the October 1997 visit to Washington by President Jiang and during President Clinton's visit to China in June 1998.
- **Technology Transfer.** CIA supported the investigation by the Select Committee on US National Security and Military/Commercial Concerns with the People's Republic of China.

Cuba

- **Arrest of a 10 Member Illegal Network in Miami, Florida.** A three year investigation by the FBI and other US Government entities culminated in the arrest of 10 members of an illegal network in Miami, Florida, on September 12, 1998. This network was engaged in the collection of information from a variety of targets in the south Florida area, including information related to political and humanitarian activities by Cuban American organizations; the operation of US military installations; and, other US Government functions. As a result of this investigation three members of the Cuban Mission to the United Nations in New York were expelled during December 1998, for actions related to this network.

Iran

- **Caspian and Iranian Energy Issues.** CIA provided technical support and detailed analysis to support critical policy decisions on Caspian and Iranian energy issues.
- **Expand Open Source Coverage.** CIA increased coverage of the Iranian regions by adding Iranian regional publications to open source coverage, which resulted in a 50-percent increase in production.

North Korea

- **Famine Assessment.** CIA provided an assessment of the extent of famine in North Korea through the use of both a multidisciplinary, all-source methodology and a mortality model.

Russia

- **Dependence on Western Financial Assistance.** DIA's analysis of the impact of Russia's financial crisis on its weapons of mass destruction programs revealed increasing dependence on Western financial assistance to dismantle nuclear and chemical weapons. This information continued funding for WMD programs and will be used by senior US policymakers to evaluate Russia's future requests for financial assistance.
- **Analytical Surge.** CIA surged to provide additional coverage during two Russian Government shakeups and President Clinton's meeting with President Yeltsin.
- **Translations Improvements.** CIA launched a pilot program to improve the quality and timeliness of translations from Russian press.

Regional Highlights

Overall

The following accomplishments include more than one region of the world.

- **Specialized Operational Support.** DOE continued to maintain an on-call capability to rapidly identify and provide unique

expertise/technologies to support federal agencies' varied missions, for example: addressing the specialized needs of the Joint Staff, Special Technologies Program (STP) coordinated a quick-turnaround technical solution to a US European Command requirement for remotely interrupting broadcasts aimed at disrupting the United Nations (UN) peace efforts in Bosnia; supported US military forces in Europe with personnel and equipment to detect surface and sub-surface anomalies; supported the Department of State's Construction Accreditation Program with the deployment of personnel and specialized equipment to assist survey teams; and provided DOE laboratory equipment/personnel for the real-time, onsite, recording/data capture of Iraqi missile launches in support of UN weapons inspections; and coordinated a quick response capability to modify a device for a sensitive operation.

- **Foreign Landmine Warfare.** The National Ground Intelligence Center (NGIC) continues to develop extensive data bases and maintain technical expertise on foreign landmine warfare. In addition, NGIC analysts conduct site surveys of affected countries, provide technical assessments and recommendations for mine-clearing programs, and train others to identify and remove landmines. Mines kill or maim about 26,000 people yearly, and some form of landmine threat exists in most countries where US forces are likely to deploy.
- **Atlantic Intelligence Command's Joint Reserve Intelligence Program.** The Atlantic Intelligence Command's joint reserve intelligence program provided over 70 man-years of support across all functional areas and increased overall Command production by 33 percent. Reserve Components have been completely integrated into command operations and are assigned to duties such as watch standing, exercise augmentation, joint expeditionary warfare support package production, planning for the evacuation of noncombatants from worldwide trouble spots, and preparing coastal landing beach studies.
- **Imagery Analysis.** NIMA imagery analysis routinely assessed disposition and capabilities of ground, air, navy, electronic, and missile military forces, indications of war, civil unrest, counterinsurgency operations, threats to US citizens and interests, and compliance with peace agreements.
- **Disaster Response.** NIMA imagery continues to respond to both domestic and international disasters caused by fires, floods, tropical storms, volcanic eruptions, earthquakes, and oil or toxic materials spills.
- **Environmental Assessments.** NIMA worked with military medical planners to assess the impact of environmental conditions on US military contingency plans at selected sites where significant toxic materials have been openly discharged.
- **Foreign Policy Topics.** State INR sponsored 96 seminars and conferences on a wide range of key foreign policy topics, including briefings for 33 new Ambassadors. These activities enabled top State Department policy makers and Intelligence Community analysts to tap the expertise of more than 700 non-US government experts, including academics, business people, journalists, and representatives of international organizations. These activities provide new information, explore emerging issues, suggest policy options, supplement in-house expertise, and bring non-US government perspectives and experience to bear on important policy and intelligence issues. Conferences in 1998 focused on such topics as Albania and Kosovo, Russia's regions, emerging infectious diseases, and the international financial crisis.
- **Support Surge.** CIA surged to support policymakers dealing with new crises in Subsaharan Africa and Southeast Asia.
- **CIA Coverage.** CIA reported on global financial crisis, and provided early warning about new risks, and alternative scenario analysis.

Central Europe

- **Bosnia.** CIA provided support, analysis, and operational capability in response to key intelligence needs in Bosnia.
- **Assessment of Latin America and Caribbean.** The US Southern Command published the Intelligence Assessment of Latin America and the Caribbean, which is the first comprehensive 10-year assessment of the future of military, political, economic, and social conditions of each country and sub-region.

Africa

- **Crisis Intervention.** The NIC's annual report on Global Humanitarian Emergencies provided valuable analytic support to civilian and military decisionmakers responsible for planning crisis intervention in Central Africa.

Transnational Issues

The intelligence community is increasingly called upon to respond to growing transnational threats, particularly organized crime, drug trafficking, and terrorism.

International Organized Crime

Presidential Decision Directive 42 (PDD-42) dated 22 October 1995, recognizes that international criminal enterprises move vast sums of illicitly derived money through the world's financial systems, buy and sell narcotics and arms, and smuggle aliens, nuclear materials, and weapons of mass destruction. The Intelligence Community (IC) targets all aspects of international criminal organizations from the leadership structure to the organization's activities. Below are several activities being accomplished by the IC in response to the directive:

- **Crime Groups.** The Crime and Narcotics Center (CNC) broke new analytic ground in several key areas, to include the emerging power of crime groups in the Balkans, the former Soviet Union, and Asia.
- **Targeting Money.** CNC established a Criminal Financial Flows Branch to provide intelligence support targeting the international flow of illicit money.
- **Organized Crime Branch Established.** CNC established an Organized Crime Branch to produce strategic intelligence in support of implementation of the President's International Crime Control Strategy. The branch focuses on identifying and evaluating organized criminal activity that affects US national security and economic interests.
- **Organized Crime.** CNC deepened cooperation with the Intelligence Community and law enforcement agencies on the threat of organized crime.
- **Combating International Organized Crime.** NIMA provides some support to combating international organized crime. This support is principally involved in managing imagery collection requirements for law enforcement agencies.

Narcotics

The IC addresses the international portions of the President's 1998 *National Drug Control Policy*: shielding America's air, land, and sea frontiers from the drug threat and disrupting foreign drug operations. Interdiction operations also produce intelligence that can be used domestically against trafficking organizations. International supply-reduction programs not only decrease the volume of illegal drugs reaching our shores, they also attack international criminal organizations, and honor our international drug-control commitments. The US supply-reduction strategy seeks to:

- destroy drug-trafficking organizations
- interdict drug shipments
- safeguard democracy and human rights

- **Cultivation and Production Estimates.** The Counternarcotics Center (CNC) completed imagery-based cultivation and production estimates for all major coca and opium producing countries that served as key input to the President's annual narcotics certification decisions.
- **Drugs.** CNC created seizure databases and initiated efforts to improve current analytic methodologies used to size the flow of drugs as well as to identify the major routes and conveyances used to transport drugs to the US. Also developed and implemented a new computer application that uses automatic text search and retrieval system for the collection of narcotic seizure data worldwide.
- **Drug Trade.** National Drug Intelligence Center (NDIC) prepared strategic analyses on the illicit drug trade for the counterdrug community.
- **Drug Threat Assessment.** NDIC developed a drug threat assessment in support of the National Drug Control Strategy.
- **Information Sharing.** NDIC sponsored conferences with Federal, state and local counterdrug agencies to improve communication

and sharing of information among law enforcement and intelligence agencies.

- **Drug Intelligence Analyst Training.** NDIC supported Federal, state and local law enforcement agencies in addressing the dire need for drug intelligence analyst training through the development of distance learning course in partnership with FBI, DEA, Customs, FINCEN, and the National Guard Bureau.
- **Estimates Completed.** CIA completed cultivation and production estimates for all major coca and opium producing countries, which served as a key input to the President's annual narcotics certification decisions.

Terrorism

To meet the growing challenge of terrorism, the President signed PDD-62 in May 1998 which creates a new and more systematic approach to fighting the terrorist threat. Countering terrorism requires day-to-day coordination within the US Government and close cooperation with other governments and international organizations. The intelligence community directly supports these efforts.

- **Security and Protection.** The Counterterrorist Center (CTC) provided intelligence and analysis to meet policymaker interest in enhancing the security of US facilities and protecting US persons from terrorist threats.
- **Terrorist Groups.** CTC continued to assess the capabilities and intentions of key terrorist groups worldwide: their organization, infrastructure, leadership, support and financial networks, weapons acquisitions, capabilities, and operational intent to attack US facilities and personnel.
- **Targeting Terrorists.** CTC cooperated with US law enforcement in targeting terrorists and their support groups.
- **Tasking Based on Terrorist Concerns.** CTC continued meeting with policymakers and their staffs in formal and informal sessions to ascertain their terrorist concerns in order to task CIA intelligence collectors and analysts.
- **Acquisition of Surface-to-Air Missiles by a Terrorist Group.** The GDIP reported a Third World HUMINT source obtained information that a hand-held infrared guided missile had been recovered by terrorists following a gun battle with Army personnel. In light of a subsequent downing of government aircraft by the terrorists, this reporting confirms that at least one terrorist organization possesses surface-to-air missiles.
- **Conference on "Disease and Diplomacy.** CMA in collaboration with State Department, the NIC sponsored a conference on "Disease and Diplomacy," examining the implications of this transnational threat for US foreign policy.
- **Intelligence Support on TWA Flight 800.** CIA provided support to the TWA Flight 800 investigation led by the FBI by using "sound propagation analysis" methodology to determine which portion of the flight was seen by key eyewitnesses.
- **Explosive Sweeps.** CIA provided K-9 Explosive Ordnance Disposal assistance to Fairfax County and Vienna Police Departments to support explosive sweeps being conducted for the Kasi trial in Fairfax.
- **Gathering Information.** FBI reported the official US counterterrorism policy is based on several prime tenets, to include: making no concessions to terrorists; placing economic, diplomatic, and occasionally military pressure on state sponsors of terrorism; exploiting all available legal mechanisms to punish international terrorists; and, helping other governments improve their capabilities to combat terrorism thereby preventing international terrorists from becoming problems to the United States. In this regard, the Intelligence Community (IC) focuses its efforts on gathering information on terrorist activities aimed at US citizens or interests and to help thwart such activities.
- **Personnel Exchange.** The FBI stated the FBI's ability to fulfill its counterterrorism mandate is enhanced by the strong working relationships it has established with members of the IC and US law enforcement. The exchange of personnel among agencies has been key to the flow of critical information between agencies and has strengthened the overall US Government counterterrorism capability. Information is also exchanged between agencies via several telecommunications systems that have dramatically decreased the lag time experienced between the receipt of terrorist threat information and the dissemination of that information to Federal, state, and local intelligence/law enforcement agencies.

The following are some examples of accomplishments realized by the FBI's International Terrorism Program in 1998:

- **Identifying Suspects and Forensic Examinations of Bombing Sites.** In response to the August 7, 1998, twin bombings of the US Embassies in Dar es Salaam, Tanzania; and Nairobi, Kenya, hundreds of FBI agents were dispatched to Tanzania and Kenya to identify suspects and conduct extensive forensic examinations of the bombings sites. As a result of these efforts, Mohamed Rashed Daoud al-Owhali and Mohamed Sadiq Odeh were rendered to the United States on August 26, 1998, and August 27, 1998, respectively. These individuals remain in custody in New York, but neither has agreed to cooperate with investigators.

- **Indictment of Usama Bin Ladin.** On November 4, 1998, the Southern District of New York announced the indictment of Usama Bin Ladin; his lieutenant, Muhammad Atef; Wadih El Hage, Fazul Abdullah Mohammed, who is also known as Harun Fazul; Mohamed Sadiq Odeh; and, Mohamed Rashed Daoud Al-Owhali on counts of conspiracy resulting from the bombings. In addition, Wadih El Hage was indicted for perjury before a grand jury and for making false statements. Both Usama Bin Ladin and Muhammad Atef were added to the US Department of State Heroes Reward Program in conjunction with the indictments. The Heroes Rewards Program publicizes various rewards being offered by the US Government for information leading to the arrest and/or conviction of selected international terrorists. Fazul Abdullah Mohammed has been on the list since October 1998, and remains a fugitive.

- **Rapid Deployment Teams (RDTs).** As a result of the experience gained through its response to the August 7, 1998 twin bombings in Dar el Salaam and Nairobi, the FBI established five Rapid Deployment Teams (RDTs), (two of which are located in the Washington Field Office, and one each in Los Angeles, New York, and Miami) which will enhance and expedite the FBI's ability to respond to acts of terrorism abroad. RDTs are units capable of deploying abroad with celerity to the scene of a terrorist attack, organizing a command post, conducting a forensic examination of the crime scene, and conducting the resultant criminal investigation. RDTs are comprised of field office executive managers, investigators, analysts, as well as task oriented personnel, such as bomb technicians, physical security specialists, and evidence response teams. Specialty personnel capable of providing expertise in such diverse areas as chemical/biological weapons, communications, and logistics are able to be integrated into each RDT. Although the success of all extraterritorial deployments is dependent on host nation support and cooperation; the personnel and equipment organic to the RDTs will allow the FBI to sustain extended operations in foreign environments.

- **World Trade Center Bombing.** On February 26, 1993, the World Trade Center in New York City was bombed, killing six persons and injuring hundreds. On March 4, 1994, four perpetrators were convicted of the bombing and sentenced to 240 years each in prison. The alleged mastermind, Ramzi Ahmed Yousef, was later returned to the United States. On November 12, 1997, Yousef and an associate, Eyad Mahmoud Ismail Najim, were found guilty of conspiracy. On January 8, 1998, Yousef was sentenced to 240 years in prison. Simultaneously, he was sentenced to life in prison for the role he played in a plot to bomb US commercial airliners servicing the Far East region. The sentences are to run consecutively. Najim was sentenced on April 3, 1998, to 240 years in prison with no chance of parole.

Proliferation

Efforts to control the proliferation of Weapons of Mass Destruction (WMD) and conventional weapons remains a high priority for the US Government. Through treaties and other methods the US aims to strengthen controls over weapons-usable fissile material and prevent the theft or diversion of WMD and related material and technology.

- Missile Tests. NPC reported that CIA provided early warning of imminent missile tests in three countries, which allowed the Community to deploy collection assets in a timely manner.

- CW Assessments. NPC's characterization of chemical weapons agents allowed assessments that provided a reliable intelligence baseline for

DOD planners to make decisions on CW detection and medical countermeasure acquisitions.

- **Implementation of BW and CW Enhancements.** NPC developed an implementation plan to address the BW and CW proliferation issue, and began implementation of the plan by identifying and hiring a leading biotechnology industry expert to serve as the DCI's Senior Science and Technology Advisor to increase the Community's ability to address BW issues.
- **Foreign End User Checks.** In support of the State-chaired, interagency nonproliferation working groups, NPC processed and coordinated Intelligence Community inputs to many demarches, talking points, or non-papers. These inputs were used to counter the transfer of nuclear, chemical, biological, and missile-related equipment and technology that could be used in WMD programs. CIA conducted more than 7,000 foreign end user checks in support of the US licensing and export process, checks that the Department of Commerce considered vital to its review of US export licenses.
- **Development of Shahab-3 Missile.** NPC and OTI identified and analyzed key milestones and technical parameters in Iran's program to develop the Shahab-3 missile.
- **Network Assists Decisionmakers.** The National Ground Intelligence Center provides a web-based network to estimate the consequences from the release of nuclear, biological, chemical, or radiological materials to assist decisionmakers in formulating an emergency response.
- **The Army Foreign Materiel Program.** The Army Foreign Materiel Program assessed a wide range of weapon systems and technologies during the past year. Data developed from foreign materiel exploitation have contributed significantly to upgrading US weapons and developing technologies to defeat worldwide threat systems and assure the survivability of US ground forces.
- **Urban Warfare Threat.** The Marine Corps Intelligence Activity was the largest producer of the urban warfare threat during the year. Products included urban warfare reference documents, a video highlighting past operations, a lessons-learned overview of three case studies, and a handbook to assist warfighters in identifying urban intelligence requirements.
- **Nuclear Collection Tools and Technical Support.** DOE continued to provide support for specialized intelligence operations, to include the development/enhancement of a suite of sensitive, lightweight, compact, and inexpensive radiation detection equipment; an on-call capability, through selected Department of Energy (DOE) laboratories, to analyze data and identify/classify suspect nuclear materials; specialized training on nuclear health physics and the use of the detection equipment; and one full-time DOE laboratory technical advisor. Established a deployable cadre of an additional two trained personnel for support.
- **Combating Proliferation.** NIMA imagery and imagery analysis were key to understanding and responding to worldwide efforts to develop and proliferate both critical weapons of mass destruction (WMD) technologies and operational WMD systems.
- **Monitoring.** NIMA reported analysts monitored worldwide research and development, test and evaluation, production, and proliferation of nuclear, ballistic missile, chemical, biological, and advanced conventional weapons and weapons-related technologies.
- **CW Intelligence Baseline.** CIA characterized chemical weapons (CW) agents so as to provide a reliable intelligence baseline for Department of Defense (DoD) planners to make decisions on chemical weapons detection and medical countermeasure acquisitions.
- **Interdiction.** CIA processed and coordinated IC inputs to many demarches, talking points, and other unofficial papers used to counter the transfer of nuclear, chemical, biological, and missile-related equipment and technology that could be used in weapons of mass destruction (WMD) programs
- **Counterproliferation Assistance Program.** FBI and DOD have consulted with and have been supported by other US Government agencies in developing and implementing a Counterproliferation Assistance Program for the states of the former Soviet Union (FSU), the Baltic countries, and Eastern Europe. This program is designed to expand and improve US efforts to deter the possible illicit WMD proliferation on the part of organized crime

groups and individuals throughout the FSU, the Baltics, and Eastern Europe. Assistance is tailored to the specific response needs of the targeted country/region and is intended to: enhance awareness levels regarding the WMD threat; improve overall detection techniques; and, increase the law enforcement capabilities needed to effectively respond to and investigate WMD-related incidents within their borders.

- **Countering Proliferation of WMD.** FBI/DOD Counterproliferation Assistance Program also calls for the provision of a certain amount of follow-on technical assistance and equipment procurement, where appropriate, in order to counter the proliferation of WMD.
- **Unit at FBI.** FBI continues to refine and expand its investigative and analytical efforts in the counterproliferation area, as exemplified by the recent establishment of a unit at FBI Headquarters dedicated solely to counterproliferation matters.
- **"Counterproliferation" Course of Instruction.** FBI reported in connection with the aforementioned Counterproliferation Assistance Program, 184 government officials from the Republics of Kazakhstan, Uzbekistan, Kyrgyzstan, Moldava, and Georgia have received the basic "Counterproliferation" course of instruction at the International Law Enforcement Academy in Budapest, Hungary.

Counterintelligence

Counterintelligence provides an ability to protect sensitive national security information and to prevent the loss of critical technological, industrial and commercial information. Counterintelligence efforts provide a comprehensive security program and constant evaluation of the intentions and targets of foreign intelligence services. Counterintelligence capabilities and programs work to detect and neutralize the impact of espionage against US interests. The intelligence mission depends on the adequacy of counterintelligence programs to provide warning and protective measures against both traditional espionage and non-traditional economic theft of US equities. Failure to protect our economic and security interests would impact America's prosperity at home and abroad. Awareness of the threat and adherence to prescribed personnel information and physical security standards and procedures based on risk management principles are critical.

- **Training.** NACIC continues to fund CI agency participation in its various CI courses, seminars, and conferences. NACIC also sponsored numerous CI awareness training programs for both the public and private sector.
- **Joint CI Evaluation Office.** The DoD FCIP reported that the joint CI Evaluation Office-manned by DoD and Service CI representatives, was established to keep senior DoD leadership informed on significant CI investigations. NSA and DIA provide support as needed. FBI and CIA personnel are expected to join in the near future. The Defense Computer Forensics Laboratory achieved initial operating capability.
- **CI Program.** FCIP provided DoD customers with a comprehensive and professional CI program to identify, assess and/or neutralize foreign intelligence service or terrorist threats. The FCIP conducted over 1,500 CI investigations and operations; disseminated more than 19,000 Intelligence Information Reports or service collection reports; published over 7,400 CI analyses, threat estimates or other CI documents; presented over 20,000 threat briefings to more than 640,000 personnel; supported in excess of 500 joint, service or combined military exercises; enhanced a vital link with US Defense industry by keeping that industry aware of foreign threats; and accomplished over 6,600 additional CI initiatives to support military customers.
- **Third-Party Purchasing.** DoD FCIP reported that AFOSI, in a joint investigation with US Customs, determined that a Taiwanese national had purchased military sensitive parts through a third party from a Defense Reutilization and Marketing Office and tried to ship them to Taiwan without proper export license. The individual was charged and indicted for the offense. The military systems involved were US Army tank treads, USAF F-117 gyros, F-111 navigational devices and unspecified US Navy equipment.
- **Recruited Soldier.** DoD FCIP reported that Kelly Warren, a former Army soldier who served in Germany from 1984 to 1988, pled guilty to one count of conspiracy to commit espionage in a

Tampa federal court on November 6, 1998. On 12 February 1999, she was sentenced to 25 years in prison; the maximum allowed under the plea agreement. Warren was one of a number of soldiers recruited by convicted former spy Army sergeant Clyde Lee Conrad in Europe. Army Military Intelligence conducted the investigation of Warren jointly with the FBI.

- **Blackbird Database.** DoD FCIP reported that the Balkans Branch of the US Army Europe Analysis and Control Element created and maintains the Blackbird Database. The branch pulls all raw reporting from the CI/HUMINT as well as theater, national level and open source reports related to the Balkans. The database is available at the SCI, SECRET collateral and NATO release classification levels. All levels of the intelligence community, from CI/HUMINT teams in Bosnia to DIA analysts utilize it.

- **NCIS System and Technology Threat Advisory.** DoD FCIP reported that NCIS developed a new analytical product entitled the "NCIS System and Technology Threat Advisory". The Advisory provides threat warning to Navy acquisition programs concerning foreign targeting of US Navy critical program information. The products have received wide acclaim within the Navy and the FBI, CIA and National CI Center.

- **Expanded Collection and Analysis.** CIC expanded collection and analysis of the threats posed by hostile intelligence services to US national security interests.

- **Publications Produced.** CIC produced a significant number of publications for the Community analyzing foreign intelligence and security services.

- **Illegals Network.** A three year investigation by the FBI and other US Government entities culminated in the arrest of 10 members of an illegals network in Miami, Florida, on September 12, 1998. This network was engaged in the collection of information from a variety of targets in the south Florida area. These targets included information related to political and humanitarian activities by Cuban American organizations; the operation of US military installations; and, other US Government functions. As a result of this investigation and related investigations that were conducted by the New York field office, the US Department of State expelled three members of the Cuban Mission to the United Nations in New York during December 1998, for actions related to this network.

- **Connectivity to Industry.** FBI established connectivity to industry in order to share threat warnings and information via the InfraGard Program. InfraGard is designed to address the need for a private and public section information sharing mechanism at both the national and local levels by:

  - providing members prompt, value-added threat advisories, alerts, and warnings;
  - increasing the quantity and quality of infrastructure threat information and incident reports provided to local FBI field offices;
  - increasing interaction and information sharing among InfraGard members and their associated local FBI field offices and FBI Headquarters on infrastructure threats, vulnerability, and interdependencies;
  - ensuring the protection of cyber and physical threat data shared among InfraGard members, FBI field offices, and FBI Headquarters through compliance with proprietary, legal, and security requirements.

Disciplines

The following are program accomplishments which illustrate enhancements to specific disciplines.

All Source Analysis and Production

All source analysts examine and interpret both the raw data from the intelligence disciplines of IMINT, HUMINT, SIGINT, and MASINT, as well as the expert commentary of both single source analysts and HUMINT collectors. Each all source analyst also develops a unique personal preference for other valuable data sources. These may include industry and academic contacts, allied intelligence services, non-governmental agencies (NGOs), and

counterintelligence data. The all-source analyst synthesizes all such data through the prism of their academic training, language skills, foreign travel, and personal experience.

With the emergence of information on formerly denied countries, open source intelligence has become an increasing valuable contribution to the all source analysis process. The availability of open source intelligence was facilitated by the Internet's exponential growth.

All-source analysts must possess or acquire expertise on functional or regional topics as diverse as North Korean biological weapons and South American economics. Because each analyst is unique, the best analysis is usually a result of collaboration with other IC analysts with complementary expertise. The finished intelligence products resulting from this process provide warning, illumination, and context to the decision making process of national policymakers, diplomats, military commanders, and other government officials worldwide.

All source analysis accomplishments result from the process of analysis, evaluation, synthesis, interpretation, and integration of information into finished, all-source intelligence products, and the dissemination of the finished, all-source intelligence product.

- **Increased Production.** US Transportation Command's Joint Intelligence Center increased its overall yearly intelligence production by a factor of four without an increase in manpower. Also, Reserve Component production at the Command increased by 800 percent and contributes to 24 percent of the overall production effort. In addition, all intelligence products are available electronically.
- **Increase in Task Force.** European Command's Joint Analysis Center (JAC) continued to provide focused support in response to increased activity within the Command's area of responsibility, in which the number of joint and combined task forces almost doubled since last year. The JAC supported two joint task forces simultaneously and, during the Kosovo crisis, provided over 1,100 tailored intelligence products and exploited more than 3,000 images. The JAC also provided extensive support to other combatant Commands, highlighted by extensive efforts in preparation for Operation DESERT THUNDER.
- **Global Expertise Reserve.** The NIC recruited seven academic experts in a pilot program to augment limited analytic coverage of 27 Latin American and African countries. Among other things, this Global Expertise Reserve provided 12 in-depth reports on Tier 3 and Tier 4 countries and held four Community seminars.
- **Diplomatic Support.** CIA provided support for high-level US visits to all regions of the world, in particular, extensive support for several Presidential and to US participants in the Middle East Peace Process.
- **PDB.** CIA tailored the President's Daily Brief and its delivery mechanism to better serve the President, Vice President, and senior advisors and created the Strategic Perspective series to provide more in-depth analysis of longer term issues.
- **The Senior Executives Intelligence Brief.** The Senior Executives Intelligence Brief (SEIB) replaced the National Intelligence Daily (NID) as the daily vehicle to inform policy makers, as part of the procedures to more carefully control copies of the SEIB and protect it from accidental or intentional disclosure.
- **Established Standards and Procedures.** CIA established competency standards and certification procedures for analysis that provide the clarity, consistency, and flexibility for tailoring professional development to meet future expertise requirements.
- **CIA Operations Center.** CIA reengineered the CIA Operations Center--as well as daily intelligence delivery--to better tailor products and services for the President and senior policymakers.
- **Outreach.** CIA increased outreach to identify and communicate on a regular basis with outside experts to fill information gaps and to challenge and test analysis.
- **Internet to the Desktop Program.** CIA designed a technical architecture for the Agency's Internet to the desktop program, which will provide high-speed Internet access to every analyst as well as access to a variety of analytic tools.
- **Arrest of Cuban Agents.** The FBI reported that FBI Headquarters assisted in a major espionage investigation through the identification of several Cuban agents who were operating in the United

States. This investigation resulted in the arrest of 10 individuals.

- **Pitts Espionage Case.** FBI analysts are providing significant contributions to the ongoing damage assessment of the Pitts espionage case.

Building Expertise for Future Intelligence

- **Geographic Learning Site** On January 30, 1998, State INR launched the Geographic Learning Site (GLS). The GLS is INR's contribution toward supporting the President's "Call to Action for Education" and the Department of Education's "America Goes Back to School" effort. The GLS is designed to assist teaching of geography and foreign affairs to students in grades K-12. It demonstrates how geography can help us to understand the forces that shape foreign affairs and informs students - some of whom will become tomorrow's diplomats - about the Department's work. The GLS underscores the leadership role of the United States in such global issues as human rights, democracy, sustainable development, and environmental protection. The site can be used by teachers to stimulate their students to think geographically, to use effective research methods and tools, and to seek out answers for themselves about the important and difficult problems behind today's headlines. The GLS has steadily increased in popularity – currently receiving over 2,000 hits a day, and has won five web awards as an excellent educational tool including Editor's Choice for the Awesome Library (Top 5% in grades K-12).

- **Intelligence Assessments.** State INR produced more than 5,700 intelligence assessments covering virtually every country and transnational issue of foreign policy significance.

- **Morning Intelligence Summary.** State INR published the Secretary's Morning Intelligence Summary 365 days last year and delivered it to the Secretary of State no matter where in the world she happened to be.

- **Research and Training Program on Eastern Europe and the NIS.** State INR managed the $4.6 million Research and Training Program on Eastern Europe and the NIS (Title VIII) which seeks to build US expertise on those regions by providing assistance to over 1,200 graduate students and senior scholars annually.

- **Environmental Flashpoints.** CIA brought together a workshop on Environmental Flashpoints of over 170 experts from academia, the private sector, nongovernmental organizations, and government agencies identified regional environmental stresses worldwide and assessed their impact on US national interests.

- **Language Training.** CIA expanded language training on global coverage languages to facilitate analysts' access to new sources of information, particularly foreign press and selected Internet websites.

- **Information Alert Tools.** CIA completed the first of a four-phase project that will provide global coverage analysts with a suite of new information alert tools.

Imagery Intelligence and Geospatial Information (IMINT)

The collection, processing, and analysis of imagery for intelligence reasons.

- **Imagery and Information for Customers.** Through the acquisition, processing, and management of imagery and geospatial information, NIMA developed the capability to identify, obtain, and evaluate the best sources of imagery and information for customers. NIMA continuously investigated new sources of data, both government and commercial, including advanced nonliteral imagery (for instance, multispectral and hyperspectral imagery).

- **Functional and Regional Knowledge.** NIMA analytical resources focused on satisfying Presidential Decision Directive issues, against which extensive functional and regional knowledge and expertise are applied. With the implementation of (US Imagery & Geospatial Information System) USIGS, detailed and timely analysis will be provided to a host of customers, from national decisionmakers and military commanders to tactical military units, on such issues as peacekeeping, non-combatant evacuation, military engagements, and national policy initiatives.

- **Integrated Production Cell.** CIA implemented with NIMA an integrated production cell that fuses geospatial information with imagery intelligence. Within the cell, imagery and geospatial analysts engage in collaborative analysis and production.
- **Thule Air Base in Greenland.** CIA completes a comprehensive land use study documenting the potential environmental concerns at Thule Air Base in Greenland. Comparisons between NIMA data and previously existing documentation revealed dramatic improvements in the spatial accuracy of suspected hazardous sites and identified new areas of potential concern.

Signals Intelligence (SIGINT)

Intelligence information derived from all communications intelligence, electronics intelligence, and foreign instrumentation signals intelligence, however transmitted or collected.

- **Integration of Imagery and Signals Intelligence.** Atlantic Intelligence Command's JIVA Operational Laboratory demonstrated the capability to integrate imagery intelligence with signals intelligence. In addition, the laboratory demonstrated the capability to overlay imagery intelligence and signals intelligence data on a single display, which yields better visualization of a fused intelligence picture.
- **The Assured Support to Operational Commanders Document.** DIA reported recent developments in weapons, doctrine, and joint warfighting concepts defined in Joint Vision 2010 prompted the community to examine all intelligence, surveillance, and reconnaissance (ISR) techniques as well as the collection platforms, designs, and systems that support joint force commanders. The Assured Support to Operational Commanders, produced in August 1998, defines the operational intelligence requirements for air, space, naval, land, special operations, and strategic and mobility forces during crises and conflict. The document focuses on requirements needed to locate, target, and defeat enemy assets and to assess the damage inflicted upon him. Recurring publication will strengthen the ability of the Intelligence Community to support the Chairman's Joint Requirements Oversight process. This key reference will be reviewed and updated as new national strategic, planning, and capabilities documents are published.
- **Production of Cross-Cueing Mission Needs Statement (MNS).** In accordance with Defense Planning Guidance, DIA produced the Cross-cueing Mission Needs Statement, which lays the groundwork for integrating system requirements to ensure improved interoperability and cross-cueing of collection sensors in the future. This effort will encourage improved cooperation and coordination across collection disciplines, echelons, and agencies. It also will support new acquisitions and improvements to existing systems to help them achieve synergy. Finally, the statement establishes the central role of cross-cueing in the development of future intelligence, surveillance, and reconnaissance systems.

Measurement and Signature Intelligence (MASINT)

Measurement and Signature Intelligence (MASINT) is technically derived intelligence that detects, locates, tracks, identifies, and describes the unique characteristics of fixed and moving targets.

Human Source Intelligence (HUMINT)

A category of intelligence information derived from human sources.

- **Mobile Communications Network.** DOE developed a prototype mobile, wireless, Intranet Protocol (IP)-based computer communications network that incorporates low probability of detection/low probability of intercept characteristics. The system provides a secure, flexible, mobile communications network that can support a variety of field operations.
- **World War II Casualties.** USDAO Tirana, Albania, assisted in a search and recovery effort that resulted in the return of the remains of a US Serviceman lost during World War II. On 10 August 1944, six crew members of the 513th Bomber Squadron, 376th Bomber Group, were reported missing in action after failing to return from targeting a refinery in Ploesti, Romania. The aircraft was shot down over Albania and, although the case was never closed, a search was never conducted because of the isolationist policy of the Communist government of Albania. In

cooperation with the local authorities and the American Embassy, Tirana, a search and recovery team recovered the remains of a crew member, which are pending identification. This activity demonstrates the continuing efforts of HUMINT to support an accounting of all lost military personnel, regardless of the passage of time.

- **Thwarting Collection Activities.** The combination of HUMINT with expert investigations and analysis allows the FBI to work proactively to thwart the collection activities of hostile foreign intelligence services. This combination has also proved invaluable in the deterrence of numerous acts of terrorism throughout the years.

Open Source Intelligence (OSINT)

The collection, processing, analysis, and dissemination of open source information from foreign media/broadcasts, publications, and commercial databases.

- **Future Crisis.** The CIA reported efforts to create a DI Corporate Knowledge System and exploit open source information systems that will help leverage analytic resources in warning of and surging against future crises.
- **Latin American Newspapers.** CIA created a new product and implemented a new work processes to produce daily roundups of Latin American country newspapers on the Internet.
- **International Program Expansion.** CIA expanded the open source international program from three countries to six and negotiations with five more countries.
- **Management System.** CIA deployed the first Web-based INTELINK Open Source Requirements Management System for IC coordination and submission of tasking requirements.
- **Increased Reporting.** The CIA increased open source reporting on proliferation, international economics, crime and narcotics, and on terrorism.
- **Internet Based Collection and Processing System.** The CIA deployed a new Internet-based collection and processing system overseas allowing collaborative work in a virtual environment and increasing flexibility, cost effectiveness, and loadsharing.

Infrastructure

Infrastructure includes all the sustaining activities that support a program in its entirety. An effective and efficient infrastructure is the key to a cost effective program. An ineffective infrastructure can be very costly and drain the critical resources needed to support the core mission of the Program. As shown in the many significant accomplishments list below, all Programs are making progress in streamlining and modernizing their infrastructure.

This category includes general, financial, and administrative functions, including logistics, comptroller, legal and audit functions, personnel management, facilities costs (utilities, leases, maintenance, and purchase), communications and information services, education and training, basic and applied research and development activities required to support intelligence operations, public information, medical services, supply operations, base services, and property disposal.

- **"Closing the Circle Award".** The 1998 White House "Closing the Circle Award" for Environmental Innovation was awarded to DIA for developing a process to eliminate the heavy metal toxic, cadmium, from imagery processing.
- **Asynchronous Transfer Mode (ATM) Implementation.** ATM implementation provided a quantum improvement in desktop communications bandwidth for the entire all-source analyst workforce, allowing exploration of new technologies and analytical strategies and ultimately desktop videoconferencing, collaborative tools, and faster file transfers.
- **Joint Worldwide Intelligence Communications System (JWICS) Installation.** The installation of an upgraded JWICS communications hardware and video teleconference scheduling equipment and software provides a more robust operating environment. Upgrades also ensure continued operation into the next millennium as the premier global Sensitive Compartmented Information (SCI) communications vehicle for most Intelligence Community customers.

- **HUMINT Operational Control Network Installation.** The Defense Attaché Worldwide Network (DAWN) system is being upgraded for the global DIA customer base. This effort also assured Y2K compliance and commonality of hardware and software between the Secret/collateral and SCI environments, thus reducing support costs by standardizing applications and operating systems.

- **Improved Information Technology Support to UNIX Customers.** Over 85 percent of DIA's UNIX customers have been converted to the SUN SOLARIS operating system, assuring Y2K compliance and increasing interoperability with Windows NT customers via common Microsoft office automation applications.

- **Translations of Foreign Language Source Materials.** DIA saved money, improved support, and broadened the customer base by using Reserve Component manpower to translate foreign materials into English then posting the product on the secure Intelink network.

- **Commercial Satellite Imagery Library (CSIL).** More than 10,000 commercial satellite images were added to the CSIL, saving over $15 million in imagery duplication costs.

- **Support to Consumers of Order of Battle Data.** Electronic dissemination of order of battle data (Integrated Data Base and Modernized Integrated Data Base) and software releases were provided over JWICS, STONE GHOST, and SIPRNET networks to US and partner nations, generating over 800 information products monthly using electronic and magnetic media and processing data base transactions from over 20 delegated producers globally.

- **DIA Information Technology Preparation Center.** GDIP completed the design, construction, and activation of a new Information Technology Preparation Center at the DIA warehouse, reducing the amount of time between order and delivery of much-needed technology platforms and ancillary devices and allowing nearly 200 new platforms to be processed each week.

- **Consolidated Application Integration.** The Consolidated Application Integration (CAI) effort was initiated in response to the DIA strategic plan's emphasis on improving support to the business systems that aid agency management and streamlining life cycle support for 16 business applications by consolidating contract support.

- **AUTODIN Bypass Definition.** In order to transport record message traffic when AUTODIN shuts down in December 1999, the DoDIIS Management Board defined a "bypass" architecture, replacing AUTODIN with the Joint Worldwide Information Communication System (JWICS) and validating it with all the Unified Commands within 90 days.

- **Consolidated Information Technology.** To preclude stove-pipe development of systems, DIA's new information technology development strategy was created to permit users to develop applications, but not systems. Major cost avoidance has already been realized.

- **Chief Information Officer Program.** The DIA Chief Information Officer (CIO) panel was established to ensure responsible execution of all information technology funds. The DIA CIO Panel, in equal partnership with other Intelligence Community CIOs, is moving toward the goal of Intelligence Community interoperability through the implementation of policies, procedures, standards, and information technology.

- **Y2K.** DIA successfully completed the DoD Inspector General audit. All projects are on schedule, and all documentation, tests, and contingency plans are complete. Plans for IC/DoD end-to-end testing have been completed.

- **Use of Reserve Components as a Force Multiplier for the Active Duty Community.** DIA provided over 40,000 man days of Reserve Component intelligence support to OSD, the Unified Commands, the Joint Staff, and combat support agencies. A broad spectrum of intelligence production and collection support is available during peacetime and crises. Contributions include joint targeting materials, air defense studies, community data base updates, and amphibious studies.

- **Crisis Support of Bosnian Operations.** Crisis support for operations in Bosnia was provided

through a Presidential Select Recall of Reserve Component personnel. Also, electronic connectivity allowed reservists at their home station in Ft. Sheridan, Illinois, to provide real-time intelligence support to active duty forces in US European Command. Reserve contributions included accomplishing 68 percent of the scheduled intelligence production requirements for the Joint Analysis Center at Molesworth, UK.

- **Conducted the Majority of USPACOM's Declassification Effort.** Reservists accomplished most of USPACOM's declassification effort by downgrading classified documents for release to foreign governments and multinational forces.

- **Training Accomplishments.** DIA provided 15 mobile training teams for 354 personnel at 10 joint Commands, established a fully operational advanced technology classroom at the Defense Intelligence Analysis Center, and trained 3,732 students in intelligence and career development subjects.

- **Emergency Antiterrorism/Force Protection Training Program.** DIA established a modular approach to providing on-site emergency antiterrorism and force protection training to DIA offices worldwide. The training helps personnel avoid potential terrorist attacks through recognition and proper reaction. Training can include defensive driving, weapons qualification, surveillance detection and countersurveillance techniques, route surveys, personal protection, and risk profiles.

- **Monitoring Policy Issues.** In recognition of the expanding role of Information Operations/Information Warfare (IO/IW), the J2 created a four-person element to monitor IO/IW policy issues from the intelligence perspective for the Joint Staff. This element provides liaison with DISA, FBI, NSA, and CIA and played a major role in the development of the Computer Network Defense Joint Task Force.

- **Strategic Warning of Attacks Against Computer Networks.** DIA has developed a methodology to provide strategic warning of attacks against computer networks. The methodology will be used to alert the Joint Chiefs of Staff and the warfighting Commands to potential threats to their automated systems.

- **Training Facility.** In its first full year of operation, US Atlantic Command's Regional Joint Intelligence Training facility trained over 2,200 personnel in joint intelligence systems and applications.

- **Production Cells.** NIMA introduced Production Cells to integrate imagery and geospatial analysts into collaborative work teams using state-of-the-art commercial systems to provide tailored solutions to ICG users worldwide within required timelines.

- **Analytical Methodologies.** NIMA invested in training and developed leading-edge analytical methodologies to ensure the expertise necessary to perform the mission always is available.

- **Performance Assessments.** NIMA conducted performance assessments on new exploitation processes and strategies for responsiveness and to reduce production-cycle times.

- **Information Operations Technology Development.** Responding to a common community need for tools to support information operations, DOE conducted a proof-of-concept demonstration of a distributed "virtual machine" that enhances the defensive capabilities of computer networks against cyber attack.

- **Tagging, Tracking, and Locating.** Based on a US Secret Service requirement, DOE developed a prototype system for tagging and tracking vehicles. The tag is made up of a chemical compound that can easily be sprayed onto a target and has unique characteristics that generate several measurable signatures (e.g., UV absorption, UV fluorescence, and IR fluorescence). When interrogated with a UV/IR light source, the tag can be detected with an optical sensing device.

- **Geographic Information Systems.** State INR is leading the way in the Department of State's use of Geographic Information Systems (GIS) to spatially organize and display a wide range of data. INR designed several GIS demonstrations - ranging from using GIS for territorial negotiations to public outreach to strategic planning.

- **Skills Inventory Tool.** CIA is designing and developing a skills inventory and survey tool,

which will be used to gather and maintain a single database of Agency employees' skills. Managers will use the database to identify personnel to fill critical surge needs and to address skills mix issues.

- **Release of Documents.** CIA is formally releasing over 1 million pages of material 25 years old and older in response to Executive Order 12958, which represents the largest volume of Agency material ever formally declassified and released in one program.
- **Machine Translation.** CIA delivered a prototype version of an Arabic-to-English machine translation system, with a proof-of-concept version for Persian machine translation.
- **Linguistic Support.** Provided equipment and connectivity for reserve linguists and analysts to support NSA/CSS, CINC, and component commanders' requirements. This real-world, peacetime training for wartime missions was a force multiplier of previously underused reserve personnel.
- **Upgraded Automation.** NSA upgraded the Support Services Operations Center's (SSOC's) automation equipment resulting in reducing emergency response cycle times.
- **Service Online.** Established Service Online, a customer-focused NSA/CSS intranet web site that affords customers immediate and constant electronic access to DS services.
- **Support Services Program.** NSA/CSS realigned the Support Services Program by DS core process and the Agency MATRIX Program structure, ensuring expenditures are consistent with the Agency's strategic direction.
- **Strategic Warning.** DIA has developed a methodology to provide strategic warning of attacks against computer networks. The methodology will be used to alert the Joint Chiefs of Staff and the warfighting Commands to potential threats to their automated systems.
- **Emergency Response.** The National Ground Intelligence Center provides a web-based network to estimate the consequences for the release of nuclear, biological, chemical, or radiological materials to assist decisionmakers in formulating an emergency response.

GLOSSARY

ACIC - Army Counter Intelligence Center.

ACIS - Arms Control Intelligence Staff.

ADCI/C - Assistant Director of Central Intelligence for Collection.

ADCI/A&P - Assistant Director of Central Intelligence for Analysis and Production.

AFOSI - Air Force Office of Special Investigations.

ATAC - Anti-Terrorism Alert, Center, Under NCIS.

ATC - Applied Technology Center.

ATO - Advanced Technology Office.

BW - Biological Weapons.

CBJB - Congressional Budget Justification Book.

CBW - Chemical and Biological Warfare.

C3I - Command, Control, Communications and Intelligence.

CCP- Consolidated Cryptologic Program.

CI - Counterintelligence.

CINC- Commander in Chief.

CI&SCM- Counterintelligence and Security Countermeasures.

CIA-Central Intelligence Agency.

CIAP-Central Intelligence Agency Program.

CIARDS-Central Intelligence Agency Retirement and Disability System.

CIS-Commonwealth of Independent States.

CISO - Counterintelligence Support Officer at Unified Commands.

CITAC-Computer Investigations and Infrastructure Threat Assessment Center.

CLANSIG-Clandestine Signals Intelligence.

CMA-Community Management Account.

CMO-Central MASINT Organization.

CMS-Community Management Staff.

CNC-Crime and Narcotics Center.

COE-Common Operating Environment.

COMINT-Communications Intelligence. Technical and operational intelligence information derived from the intercept of foreign communications; it does not include the monitoring of foreign public media or the intercept of communications obtained during the course of counterintelligence investigations within the United States.

CONUS-Continental United States.

COSPO-Community Open Source Program Office.

COVCOM-Covert Communications.

CPCC-Community Personnel Coordinating Committee.

CTBT- Comprehensive Test Ban Treaty.

CT-Counterterrorism.

CTC-Counterterrorism Center.

CW-Chemical Weapons.

CWC -Chemical Weapons Convention.

DAO-Defense Attache Office.

DCI-Director of Central Intelligence.

DCIIS-Defense Counterintelligence Integrated Information System.

DDCI/CM - Deputy Director of Central Intelligence for Community Management.

DDS-Defense Dissemination System.

DEPSECDEF-Deputy Secretary of Defense.

DHS-Defense HUMINT Service.

DIA-Defense Intelligence Agency.

DIAC-Defense Intelligence Analysis Center.

DO - Directorate of Operations.

DOD-Department of Defense.

DOD/FCIP-Department of Defense Foreign Counterintelligence Program.

DOE-Department of Energy.

DSS - Defense Security Service.

EDRB-Expanded Defense Resources Board.

ELINT-Electronic Intelligence. Technical and operational intelligence information derived from foreign non-communications electromagnetic radiation emanating from other than atomic detonation or radioactive sources.

ETF-Environmental Task Force.

EXDIR/ICA-Executive Director/Intelligence Community Affairs.

FBI-Federal Bureau of Investigation.

FBI/FCI-Federal Bureau of Investigation Foreign Counterintelligence Program.

FBI/SCM-Federal Bureau of Investigation Security Countermeasures Program.

FIA-Future Imagery Architecture.

FISA - Foreign Intelligence Surveillance Act.

FIS - Foreign Intelligence Service.

FBIS-Foreign Broadcast Information Service.

FCI-Foreign Counterintelligence.

FISINT-Foreign Instrumentation Signals Intelligence. A category of intelligence derived from telemetry, beacons, and other related electromagnetic signals.

FLC-Foreign Language Committee.

FOIA-Freedom Of Information Act.

FSU-Former Soviet Union.

FYDP-Future Years Defense Program. Previously called the Five Year Defense Program, the current name was adopted to avoid changing the acronym but still reflect the fact that the two-year defense budgeting cycle requires a six-year planning budget to be developed every other year.

GATT-General Agreement on Trade and Tariffs.

GDIP-General Defense Intelligence Program.

GSM-Global System for Mobile Communications.

HF-High Frequency. The portion of the electromagnetic spectrum associated with many radio signals of intelligence interest.

HOCNET-HUMINT Operational Communications Network.

HUMINT-Human Source Intelligence. A category of intelligence information derived from human sources.

IC-Intelligence Community.

ICBM-Inter-Continental Ballistic Missile.

IC CIO-Intelligence Community Chief Information Officer.

IG-Inspector General.

IO-Information Operations.

IMINT-Imagery Intelligence and Geospatial Information.

INR-Department of State Bureau of Intelligence and Research.

IPRG-Intelligence Program Review Group.

IW-Information Warfare.

JCS-Joint Chiefs of Staff.

JIC-Joint Intelligence Center.

JIVA-Joint Intelligence Virtual Architecture.

JMIP-Joint Military Intelligence Program. Interservice military intelligence programs in the Department of Defense. Part of the Tactical Intelligence and Related Activities (TIARA) program in the past, but presented as a separate program in FY 1996.

JTF-Joint Task Force.

JWICS-Joint Worldwide Intelligence Communications System maintained by the Department of Defense.

MASINT-Measurement and Signature Intelligence. Intelligence derived from the measurement and signature analysis of radar, laser, infrared, and other emanations.

MBB-Mission Based Budgeting.

NACIC-National Counterintelligence Center.

NAFTA-North American Free Trade Agreement.

NAIC-National Air Intelligence Center.

NBC-Nuclear, Biological, Chemical weapons.

NCIPB - National Counterintelligence Policy Board.

NCIOB - National Counterintelligence Operations Board.

NCIS- Naval Criminal Investigative Service.

NDIC-National Drug Intelligence Center.

NFIP-National Foreign Intelligence Program.

NIC-National Intelligence Council.

NICB-National Intelligence Collection Board.

NIMA-National Imagery and Mapping Agency.

NIMAP-National Imagery and Mapping Agency Program.

NIPB-National Intelligence Producers Board.

NIST - National Intelligence Support Team.

NPC-Nonproliferation Center.

NRO-National Reconnaissance Office.

NRP-National Reconnaissance Program.

NSA-National Security Agency.

NSA/CSS-National Security Agency/Central Security Service.

OMB-Office of Management and Budget.

OPM-Office of Personnel Management.

ORD-Office of Research and Development.

OSIS-Open-Source Information System.

PA&EO-Program Assessment and Evaluation Office, Community Management Staff.

PDD-Presidential Decision Directive.

R&D-Research and Development.

SAFE-Support to the Analysts' File Environment.

SIGINT-Signals intelligence. Intelligence information derived from all communications intelligence, electronics intelligence, and foreign instrumentation signals intelligence, however transmitted or collected.

SLBM-Submarine Launched Ballistic Missile.

SSO-Special Security Office/Officer.

TECH ELINT- Technical Electronic Intelligence.

TIARA-Tactical Intelligence and Related Activities. The military service intelligence programs separate from the NFIP and (starting in FY 1996) from the JMIP.

UCA-Unified Cryptologic Architecture.

USACOM-US Atlantic Command.

USCENTCOM-US Central Command.

USCS-US Cryptologic System.

USEUCOM-US European Command.

USFK-US Forces Korea.

USIGS-US Imagery and Geospatial Information System.

USPACOM-US Pacific Command.

USSTRATCOM-US Strategic Command.

USSPACECOM-US Space Command.

USSS-US SIGINT System.

USSOCOM-US Special Operations Command.

USSOUTHCOM-US Southern Command.

USTRANSCOM-US Transportation Command.

WMD-Weapons of Mass Destruction.

UNCLASSIFIED

Director of Central Intelligence

ANNUAL REPORT

for the United States Intelligence Community

March 2000

UNCLASSIFIED

THE DIRECTOR OF CENTRAL INTELLIGENCE
WASHINGTON, D.C. 20505

I am pleased to submit this year's unclassified "Annual Report for the United States Intelligence Community" pursuant to the Intelligence Authorization Act for Fiscal Year 1997.

The Intelligence Community has had a successful year working collaboratively to provide a decisive information advantage to the President, the military, diplomats, the law enforcement community and the Congress. The Intelligence Community has spent much of this past year preparing for the future. In March 1999, the first *DCI Strategic Intent* was published setting forth goals/objectives for the Intelligence Community to meet the new and complex threats to our national security and establishing a comprehensive strategic planning process. We are taking seriously our commitment to prepare for future challenges in a corporate way.

I am proud of the contributions the men and women of the Intelligence Community have made in protecting our national security and appreciate the opportunity to share their contributions with Congress and the public.

George J. Tenet

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CONGRESSIONAL TASKING

This report responds to the Congressional request for an annual report on the Intelligence Community.

Section 109 of the National Security Act of 1947 (50 U.S.C. 404d) directs the President to submit an unclassified report "on the requirements of the United States for intelligence and the activities of the intelligence community."

INTRODUCTION

The Intelligence Community Today

Nineteen hundred and ninety nine marked the end of a decade and a century, so it seems appropriate to note how far the Intelligence Community (IC) has evolved since its formal inception through the National Security Act of 1947. For more than fifty years, we have invested in an intelligence business which has grown in size and in capabilities, encompassing not only a vast network of human assets, but also a fleet of satellites, high-altitude reconnaissance aircraft and sophisticated listening posts around the world. Our country has been well-served by this effort, but the world has changed and the IC must change along with it. We have expended a considerable amount of energy this past year wrestling with how to balance the current demands on our systems while preparing for the future.

The security environment in which we live is dynamic and uncertain, replete with a host of ominous threats and challenges that have the potential to grow more deadly. To meet the challenges of this increasingly dangerous and complex world, our consumers are demanding more timely, accurate, and actionable information to inform their decisions and to take preventive measures, if necessary. The IC continues to pursue better, more lucrative collection methods and inter-connectivity enabling analysts to share information quickly and produce more timely and accurate assessments.

Our Vision

A unified Intelligence Community optimized to provide a decisive information advantage to the President, the military, diplomats, the law enforcement community and the Congress

DCI Strategic Intent March 1999

The Year in Review

Throughout 1999, the IC provided vital information on issues ranging from support to military operations in former Yugoslavia to support for environmental disaster relief. The Community has made a concerted effort to be more involved with its customers and most of our efforts are tailored to a specific customer request.

We were reminded this year that we must maintain our vigilance in areas that are considered routine or can fall into neglect. The accidental bombing of the Chinese Embassy in Belgrade was a painful wake-up call. It reminded us of the critical importance of keeping our data bases current. The discovery of a listening device in the State Department and security challenges at nuclear weapons labs has reinvigorated our attention on counterintelligence. The Community must improve its vigilance and take on the responsibility to prevent lapses in attention to these areas.

The accomplishments described in the following pages represent only a small sampling of the activities of the men and women of the IC. Thousands of intelligence reports are produced each day in response to a panoply of customer requirements. It is impossible to list every achievement, but the impressive outcomes affirm that our customers and the American people are getting a favorable return on their investment in the IC.

COMMUNITY MANAGEMENT

One of the pivotal goals for the Intelligence Community (IC) is to achieve a balance between working together as a Community to address critical national security needs and working independently as organizations to serve a given set of customers. The DCI's vision for the future demands closer teamwork across the IC and more efficient use of our capabilities to keep pace with the demands of law enforcement, diplomatic and military operations.

The Community's customers are better served when agencies collaborate and work corporately toward shared goals. Our intelligence resources are optimized when competing requirements are evaluated across the community and not within each organization. We have made progress toward managing the IC as a kindred group of organizations, but much more work is needed to achieve the vision in the *DCI Strategic Intent*.

Strategic Planning

In March 1999, the DCI issued the *Strategic Intent for the US Intelligence Community* outlining a future strategy. It established a comprehensive strategic planning process for key functional areas as well as individual agencies. The *DCI Strategic Intent* describes five basic objectives for the Community.

1. Unify the Community through Collaborative Processes
2. Invest in People and Knowledge
3. Develop New Sources and Methods for Collection and Analysis
4. Adapt Security to the New Threat Environment
5. Improve Corporate Management of Resources

The Office of the Deputy Director of Central Intelligence for Community Management (ODDCI/CM) and the Assistant Directors of Central Intelligence for Administration, Collection, and Analysis and Production have worked over the past year with the Community Management Staff to establish processes that improve community capabilities. Several of these efforts are described below.

Assistant Director of Central Intelligence for Administration

The Assistant Director of Central Intelligence for Administration (ADCI/A) was established by the FY 1997 Intelligence Authorization Act and serves as the deputy to the DDCI/CM.

The ADCI/A accomplished the following activities:

- Led the Mission Requirements Board to ensure that future systems addressed the national and tactical needs of all customers.
- Explored personnel reform initiatives and devised Community-wide strategies on training, recruitment and diversity.
- Ensured that multi-agency AR&D program efforts were adequately funded to develop new concepts addressing complex IC problems.
- Facilitated agreement on declassification of imagery and worked with commercial imagery vendors on critical sources and methods problems.
- Initiated work to establish a National Integrated Intelligence Requirements Process.
- Reformed the policy on SCI facilities at home, and coordinated policy on IC security concerns.

Assistant Director of Central Intelligence for Collection

The Assistant Director of Central Intelligence for Collection (ADCI/C) was established by the FY 1997 Intelligence Authorization Act and is responsible for ensuring the most efficient and effective collection of national intelligence.

The ADCI/C has initiated a series of activities that have produced substantial improvements in cross-discipline collection and that will optimize collection resources in FY 2000 and beyond.

— The *Strategic Direction for Collection*, sets the following goals for IC collection:

— Use collective assets in a collaborative fashion to ensure optimum effectiveness.

— Invest in the human and technical resources needed to deliver quality intelligence to consumers in a timely manner.

— Develop innovative cross-discipline collection strategies and methods to address unmet consumer needs.

— Share collection capabilities and results to the maximum extent while protecting sources and methods.

— Optimize investment across all disciplines to ensure support to consumers.

Assistant Director of Central Intelligence for Analysis and Production

The Assistant Director of Central Intelligence for Analysis and Production (ADCI/AP) was also established by the FY 1997 Intelligence Authorization Act and is responsible for developing corporate strategies to improve the quality of analysis, meeting customers requirements, improving production management, addressing analytic gaps and shortfalls, and establishing processes for analytic requirements to drive collection.

To carry out the DCI's vision within the analytic community, the ADCI/AP published the *Strategic Direction for Intelligence Community Analysis*. This document provides goals and specific objectives for the 11 member agencies and analytic organizations that comprise the National Intelligence Production Board (NIPB):

— Manage analytic and production processes more effectively by implementing broader planning and collaborative procedures.

— Attract, educate, and retain a knowledgeable, empowered, and diverse analytic workforce.

— Develop innovative sources and methods for analysis and production.

— Share intelligence products more widely across the Community and with consumers while protecting intelligence from unauthorized disclosure.

— Optimize our support to intelligence consumers by allocating resources more collaboratively.

The ADCI/AP has begun implementing the *DCI Strategic Intent* by identifying concrete fiscal, policy, and procedural initiatives to achieve the analytic community's required capabilities in the next five to ten years, and beyond. The *Strategic Investment Plan for Intelligence Community Analysis* will outline the plan of action and milestones to address the objectives across each of six core issues that the ADCI/AP has identified as areas for investment by the analytic community: intelligence priorities, customer support, technology, investing in people, interacting with collectors, and external analysis.

Community Management Staff

To improve corporate management of our intelligence resources as described in the *Strategic Intent*, the Community Management Staff (CMS) has taken the following steps:

— Improved the reconciliation between the Department of Defense data base and its President's Budget Decision data base.

— Expanded our budget dialogue with the Office of Management and Budget.

— Orchestrated more detailed budget reviews and improved the ability to ascertain execution anomalies within the agencies' budgets.

— Managed the Intelligence Program Review Group annual review of intelligence resources and supported the DCI and DepSecDef in adjusting resources to address our most critical needs.

— To further the DCI's objective to manage the community more efficiently and effectively, the CMS has:

— Created the Office of the Senior Acquisition Executive (SAE) to improve the DCI's oversight of major system acquisition activities and created an Intelligence Senior Steering Group to oversee major acquisitions and architectures.

— Established the Intelligence Community Cost Analysis Improvement Group (IC/CAIG) – the first ever capability for the DCI to conduct independent cost estimates and cost assessments of major system acquisition activities. The IC/CAIG is now working on an independent cost estimate for the Future Imagery Architecture – a major future investment for the Community.

— Tested and evaluated an Intelligence Community Budget Information System prototype to be fielded in FY 2000.

— Completed a series of Strategic Plans (Diversity, Advanced Research and Development, Collection, and Analysis and Production) in support of the *DCI's Strategic Intent for the IC*.

Intelligence Community Chief Information Officer

The Intelligence Community Chief Information Officer (IC CIO) appointed by the DCI in 1998, has made significant strides in working with Community CIO's and other Information Systems (IS) leaders to shape enabling information systems (IS) and technology in response to the DCI Strategic Intent. To meet the DCI's vision of a unified Intelligence Community, the IC CIO, in partnership with the DoD, is guiding and coordinating the efforts of IC Agency CIOs to collectively support the DCI's goals and those of his corporate Assistants for Collection and for Analysis Production. These business leaders envision new practices for the 21st Century that strengthen partnerships across the spectrum of the intelligence cycle, while creating greater synergy with the private sector and academia. This business vision requires technology providers to play a key role in ensuring an information edge for the nation's leadership and military forces.

During this first year, the IC CIO implemented an improved governance process for decision making and oversight that engages senior IS leadership as a team. This process empowers both the IC CIO Executive Council and Working Council to systematically look across the enterprise to define Community requirements, drive the formulation of IS policy, define priorities and the pace of change, identify resourcing solutions by active engagement in the programming and budgeting process, and oversee implementation of Community IS. Working together to advance collaboration and interoperability, the IC CIO and the Councils developed specific goals in an IC IS Strategic Direction that defines a high level concept of operations for future Community information systems. They built an IC IS Capability Roadmap, which serves as their vehicle for describing and prioritizing requirements, guiding resource and policy decisions, and measuring progress. Using the Roadmap and a set of detailed action plans, significant progress has been made to improve IT capabilities. The following are examples of accomplishments during 1999:

— Led the development and adoption of Community policies for electronic mail and directory services that guarantee a fully functioning IC email capability and common locator service to SCI users across the IC.

— Establish an IC Information Assurance (IA) Policy Board to formulate Community-level IA policy, starting with a Community-wide Public Key Infrastructure (PKI) policy for the SCI fabric to maximize secure data sharing.

- Implement Communities of Interest (COIs) on Intelink's Classified network to increase information distributed to collateral consumers.
- Activated the IC Metropolitan Area Communications (IC MAC) system, which enhances connectivity among IC and DoD networks at a reduced cost, and agreed to its funding and future direction.
- Initiated a joint study to explore opportunities for better integration of DoD and IC networks.
- Developed a Community-wide Unclassified network for Open Source information.
- Developed a secure, web-based tool called XLINK to support collaboration among IC hard-target analysts and collectors.
- Led efforts to ensure all IC systems were Y2K compliant, including conducting national exercises to assess the readiness of mission critical systems and establishing an IC Coordination Center.

ACCOMPLISHMENTS

The security environment in which we live is dynamic and uncertain, replete with a host of threats and challenges that have the potential to grow more deadly. The Intelligence Community (IC) plays an important role in our national security strategy. It must maintain worldwide vigilance on the foreign threats to our citizens, infrastructure, and allies. In addition, Intelligence Community agencies are expected to inform policy makers of opportunities to advance US foreign policy objectives.

During FY 1999, the IC made critical and important contributions to advance our national security strategy. Thousands of intelligence reports are produced each day to support policy makers, law enforcement and military customers. This report includes only those achievements that can be described without risk to sensitive sources and methods.

The IC prioritizes its collection, processing and analysis resources according to customer requirements. This section lists accomplishments by the IC according to strategic priority, region of the world, transnational issues, and the various intelligence disciplines.

Strategic Priorities

China, Cuba, Iran, North Korea and Russia have been identified by US policy makers as strategic priorities for the IC. The following accomplishments are listed by country.

China

- **Stability.** CIA sponsored an unclassified conference on prospects for China's stability over the next 10 years during which intelligence analysts and other experts from academia and US Government agencies set out their views on unrest in the rural areas and the implications of economic reforms for social disturbances.

- **Policy Support.** CIA provided analytic support to policymakers on a variety of issues affecting US-China relations.

- **Human Rights Negotiation Support.** A CIA team reviewed and translated materials on dissident activities in support of the 11-12 January 1999 State Department human rights negotiations with China.

Cuba

- **List of Warning Indicators Developed.** CIA developed a surge capability to respond to crises in the Caribbean by developing a list of indicators to provide warning of rapid change in Cuba that is updated quarterly.

- **Illegals Network.** In May 1999, a 26-count superseding indictment was brought against the 10 members of an illegals network in Miami Florida, who were arrested on September 12, 1998. Most notably, this indictment included a count charging one of the subjects with conspiracy to commit murder in relation to the Cuban downing of two "Brothers to the Rescue" airplanes on February 24, 1996.

- **Cuban Techniques.** FBI investigations and operations have identified techniques used by Cuban intelligence officers in spotting and assessing US persons for possible recruitment, to include individuals working within the US Government.

North Korea

- **On-going Support.** CIA supported US military commanders and policymakers by providing assessments of North Korean developments.

- **Support to Deployed Forces Along the Korean DMZ.** The National Ground Intelligence Center (NGIC) and NIMA produced a definitive baseline report of all North Korean border defense posts along the DMZ.

Russia

- **All-Source Analytic Support.** CIA produced a large body of analysis focused on key Russian political, economic, and military issues.

- **Internet Sources Exploited.** In response to the explosion of Internet sources, CIA initiated a daily Internet selection list based on material found on multiple Russian Internet sites which cover a

broad range of topics from daily news to political, economic, military, and scientific information. The list has been well received by customers and has been used in analytic products.

Regional Highlights

Multi-Regional

The following accomplishments cover more than one region of the world:

- **Support to NATO.** The National Ground Intelligence Center (NGIC) supported the NATO stockpile planning program. The expansion of NATO and the entry of selected East European countries into the Alliance have added new planning requirements to account for the differences in capabilities of former Warsaw Pact equipment and that of the historic members. NGIC analysts provided data on equipment performance to support the modeling used to quantify the amounts of materiel and ammunition needed to execute specific missions.

- **Arms Control Monitoring.** NIMA analysts provided support to monitoring existing arms control agreements. Imagery provided a key tool in monitoring compliance with the limitations on treaty-limited weapons covered in the Strategic Arms Reduction Treaty (START), the Intermediate-Range Nuclear Forces (INF) Treaty, and the Conventional Armed Forces in Europe Treaty.

- **Deployed imagery and mapping support.** NIMA deployed Customer Support Response Teams (CSRTs) to Kosovo, Italy, Albania, Germany, Kuwait, Bahrain, and El Salvador. These teams provided imagery and geospatial information expertise and products in support of combat, peacekeeping, and humanitarian operations. The teams permitted deployed forces in tactical environments to obtain support from personnel familiar with National systems and direct links to those systems and NIMA information. In the past, many of these forces have been unable to obtain such direct support.

- **Peace Talks Support.** NIMA provided onsite imagery and mapping support to the Kosovo Peace talks at Rambouillet, France. The NIMA geospatial analyst deployed to the talks provided negotiators access to imagery and imagery intelligence and geospatial information. The deployed analyst produced near real-time special purpose imagery and geospatial products releasable to foreign governments.

- **NIMA-in-a-Box.** During Operation Allied Force, NIMA provided imagery and maps at multiple scales plus near real-time imagery via the Internet on 15 deployed laptop computers, dubbed "NIMA-in-a-Box." The imagery and maps could be easily accessed at the desired scale with the click of a mouse. Printouts could be made quickly with an attached color printer. NIMA-in-a-Box won immediate accolades for helping to save the life of a downed F-16 pilot. The Airborne Command and Control Center (ABCCC) battle staff used NIMA-in-a-Box to identify potential obstacles, such as power lines, and plotted a safe course for the rescue helicopter.

- **War Crimes.** INR played a central role in implementing the President's December 1998 commitment to genocide and atrocities prevention. INR helped USG efforts to document the ethnic cleansing campaign in Kosovo that led to the forced displacement of over a million Kosovars and the NATO bombing campaign against the Belgrade regime. INR also was the lead drafter of the Department of State-released document entitled *Erasing History: Ethnic Cleansing in Kosovo* which was published to support US diplomatic efforts and to raise international awareness of ethnic cleansing by Serb forces.

- **Humanitarian Issues.** To support global and humanitarian issues, INR worked with the rest of the IC on imagery support in response to natural disasters, such as forest fires in Southeast Asia, hurricanes, and earthquakes. Declassified U-2 imagery helped regional planners in Latin America during the clean-up from Hurricane Mitch.

- **Global Coverage.** CIA has a well-integrated package of programs that gives the DI "global coverage" of key functional issues in lower priority countries. A combination of in-house analysis linked closely to an ambitious program of outsourced research and analysis enables CIA to serve policymakers on a variety of issues, such as: political instability, food insecurity, demographic

stress points, warning of impending humanitarian crises and potential mass killings, ethnic conflict, and water flashpoints. For each of these issues, CIA analysts have developed or are developing sophisticated quantitative and qualitative methodologies, supplemented by extensive outreach to academic, think-tank, and policy communities.

- **Counter Drug Activities.** CIA collected intelligence that assisted US law enforcement agencies in conducting operations against members of Latin American and Middle East terrorist groups, smugglers of aliens into the United States, and narcotics traffickers.

- **Humanitarian Aid to Earthquake Affected Regions.** CIA supported USAID's humanitarian relief efforts following the earthquakes in Turkey and Taiwan by quickly assembling map packages of the affected regions and, in each case, delivering the packages to a representative of USAID's Office of Foreign Disaster literally on their way to the airport for an outbound flight.

- **Briefings to Military on CIA.** CIA hosted 2,000 military visitors and traveled to the field to meet and brief many more, including battle groups, Marine Expeditionary Forces, and Special Operations Units. Briefings provided direct access to Agency analytical and operational expertise and informed officers of CIA roles, missions, and capabilities to support the warfighter.

Central Europe

- **Kosovo.** CIA analysts provided key analytic support on the crisis in Kosovo to US policy and military commanders, receiving praise from US diplomats and military commanders.

- **Humanitarian Support in Kosovo.** NIMA supplied 200 maps and an updated names index to USAID for Kosovo humanitarian response planning. This information on towns, the natural geography, and the transportation infrastructure was used to plan relief efforts in Kosovo.

- **Crisis Support.** US European Command's Joint Analysis Center supported joint and combined task forces in the European Theater by providing intelligence communications technicians, planners, operations officers, and regional experts to the US national intelligence cells in Sarajevo and Pristina.

- **Kosovo Support.** US Transportation Command provided timely and comprehensive intelligence support to planners and operators throughout offensive, peacekeeping, and humanitarian relief phases of the Kosovo mission. Customers were afforded quick, around-the-clock access to a wide range of intelligence products.

- **Kosovo.** INR worked actively with several international agencies involved in Kosovo to create Geographic Information System (GIS) mechanisms that improved operational coordination and data sharing on such critical areas as landmines, housing damage and the safe repatriation of refugees.

- **Quick-Response Programs.** Throughout the Balkan conflict, National Reconnaissance Office (NRO) specialists were on alert for repair, maintenance, and training missions in support of customers using NRO systems in the Balkan war zone. Quick-response missions included efforts such as: repair of data receive and analysis terminals onboard US ships supporting the operation; the training of pilots on proper combat search and rescue procedures to optimize NRO systems support to rescues; and the enhancement of threat situational awareness systems in tactical fighter wings.

- **Training for Balkans-Bound Navy Air Squadron.** In July, the NRO trained pilots and crews of Patrol Squadron (VP-16) Jacksonville, FL, on the unit's newly acquired, NRO-developed data receive systems, as the unit prepared to deploy to the Balkan war zone. This training provided aircrews a better understanding of how NRO systems' data could assist in executing their over-the-horizon, threat, and indications and warning missions.

Africa

- **CIA Reporting on Conflicts.** CIA reported on internal conflict and regional instability in Sub-Saharan Africa to support policymakers formulating strategies for these ongoing regional conflicts.

- **Africa.** In July 1999, INR published the ground breaking paper *Arms and Conflict in Africa*. The

first of its kind, this unclassified paper tracked licit and illicit arms flows in Africa.

East Asia

- **Protection in High-Threat Areas.** US Pacific Command provided force protection threat assessments to US military elements deployed on joint military exercises and humanitarian operations in high-threat environments such as Sri Lanka, Laos, Indonesia, Vietnam, and the Philippines. Command reporting identified indigenous and transnational terrorist threats as well as areas of insurgent violence or political unrest and criminal activities.

- **East Timor.** CIA analysts provided policymakers analysis on the crisis in East Timor and supported policymaker visits to the region.

Latin America

- **Relief and Rebuilding Efforts in Central America.** US Southern Command's (USSOUTHCOM's) J2 and its Joint Intelligence Center (JIC) helped restore civil and environmental stability in Central America in the aftermath of severe hurricane damage. Following Hurricane Mitch, over 15,000 US troops were deployed to carry out a $155 million relief and rebuilding effort to assist El Salvador, Nicaragua, and Honduras. The USSOUTHCOM J2 and JIC provided the first intelligence personnel and assets on the ground and coordinated the deployment of NIMA's Enhanced Deployable Image Product Library, which provided the most current imagery and mapping products available to help with rescue and reconstruction.

Middle East

- **Training to CENTCOM Forces in the Gulf.** In April the NRO initiated a program of tailored NRO systems presentations for the Joint Task Force-Southwest Asia (JTF-SWA) Pre-Deployment Course at the Regional Joint Intelligence Training Facility (RJITF) in Tampa, FL. These presentations are now a standard part of all JTF-SWA Pre-Deployment Courses to ensure CENTCOM and component command intelligence personnel deploying to the Gulf are trained to effectively use core intelligence skills and systems.

- **Prototype Imagery Tool to CENTCOM.** In response to an urgent CENTCOM request, NRO in partnership with DIA immediately deployed a prototype tool that provides users with an up-to-date display of the national imagery tasking plan. This quick response allowed CENTCOM to enhance the impact of NRO imaging systems on combat operations during DESERT FOX.

- **Support to US Policy.** CIA provided media analysis, all-source briefings, and written finished intelligence in support of US policy objectives in the region.

Transnational Issues

These are threats that do not respect national borders and which often arise from non-state actors, such as terrorists and criminal organizations. They threaten US interests, values and citizens in the United States and abroad. The IC provides information to national and military customers on transnational threats such as international economic development, international organized crime, drug trafficking, and terrorism.

International Economic Developments

Intelligence can help identify threats to private US economic enterprises from foreign intelligence services as well as unfair business practices. Intelligence must also identify emerging threats that could affect the international economy and the stability of some nation states.

- **Economic Development Studies.** NIMA imagery analysis provided information on economic developments not available from other sources on topics of concern to US policymakers. Imagery provided objective corroboration of information furnished by other governments or entities.

- **Natural Disasters.** Imagery provided extremely responsive inputs to US crisis planners when natural disasters occurred. Timely collection and exploitation allowed NIMA geospatial analysts to produce geographic overlays that aided officials in assessing the extent and concentration of damage.

- **Hurricane Mitch Response.** NIMA supported disaster relief efforts to rebuild the devastated Central American nations in the aftermath of Hurricane Mitch. This included coordinating the initial distribution of maps for Joint Task Force

Bravo in Honduras and Joint Task Force Aguila in El Salvador for use in rehabilitating damaged bridges and roads. NIMA sent its Enhanced Deployable Imagery Library to El Salvador in December 1998, to assist Joint Task Force Aguila with on-scene imagery analysis.

- **Environmental Conditions.** NIMA has developed imagery intelligence applications in support of US environmental policy objectives. Imagery provided a valuable historical record of land use that supported assessments of environmental conditions for eventual remediation of military facilities that are being turned over to foreign governments. NIMA worked with military medical planners to assess the impact of environmental conditions on US military contingency plans at selected sites where significant toxic materials were openly discharged. NIMA monitored large-scale political and civil impacts of water projects and assessed the impact of land-use patterns on civil, environmental, and political conditions.

International Organized Crime

Corruption and extortion activities by organized crime groups can undermine the integrity of government and imperil fragile democracies. And the failure of governments to effectively control international crime rings within their borders – or their willingness to harbor international criminals – endangers global stability.

Presidential Decision Directive 42 (PDD-42) dated 22 October 1995, recognizes that international criminal enterprises move vast sums of illicitly derived money through the world's financial systems, buy and sell narcotics and arms, and smuggle aliens, nuclear materials, and weapons of mass destruction. The IC targets all aspects of international criminal organizations from the leadership structure to the organization's activities. The following are several intelligence achievements in our efforts to combat international organized crime.

- **Environmental Crime.** CIA evaluated the size and nature of global environmental crime.

- **Impact of Criminal Activity on US Firms Overseas.** CIA launched an effort that will allow us for the first time to measure the financial impact of organized criminal activity on US firms operating overseas. CIA analysts have begun to consult regularly with academic and industry experts on criminal trends and the economic and social impact of organized criminal activity.

- **Money-Laundering.** CIA expanded its anti-money-laundering efforts to include crucial financial analytic support to US law enforcement agencies investigating money launderers in the Caribbean, Colombia, and Europe.

- **Organized Crime.** CIA analysts continued to work with US law enforcement and liaison partners abroad against major international organized crime groups around the world.

Narcotics

The aim of the US drug control strategy is to cut illegal drug use and availability in the United States by 50 percent by 2007 – and reduce the health and social consequences of drug use and trafficking by 25 percent over the same period, through expanded prevention efforts, improved treatment programs, strengthened law enforcement and tougher interdiction. This strategy recognizes that, at home and abroad, prevention, treatment and economic alternatives must be integrated with intelligence collection, law enforcement and interdiction efforts.

Key issues for the IC include: cocaine and heroin trafficking organizations; leaders of narcotics trafficking organizations; infrastructure; smuggling routes and techniques; illicit drug shipments; host-nation counterdrug performance; drug cultivation, production, and processing; and international counterdrug cooperation. The following are IC achievements in the war against drugs:

- **Drug Seizures.** US Coast Guard intelligence assets helped to prevent more than 29,000 kilograms of cocaine and nearly 5,000 pounds of marijuana from reaching American shores.

- **Strategic Analysis.** The National Drug Intelligence Center (NDIC) prepared the following strategic analyses on the illicit drug trade: *The National Drug Threat Assessment — An In-Progress Prototype; Global Heroin Assessment; Southeast Border Threat Assessment; Southwest*

Border Assessment; National Drug Intelligence Digest; Methamphetamine; and 44 other analyses.

- **Black Market Peso Exchange.** NDIC participated in the Black Market Peso Exchange Initiative with FinCen, FBI, DEA, US Customs, and CIA's Counternarcotics Center (CNC).

- **Assessments Initiated in 1999.** NDIC initiated strategic assessments on Nigerian Trafficking Organizations and Eastern European Organized Crime.

- **Narcotics Estimates.** CIA analysts provided US cultivation and production estimates for all major illicit coca- and opium-producing countries.

- **Drug Flows.** CIA analysts completed the most comprehensive analysis to date of drug flows in Latin America to determine how much cocaine from this region could be reaching the US.

- **In-Country Surveys.** CIA analysts completed initial surveys of cocaine and heroin consumption in several key regions of the world to help determine the volume of illicit drugs that could be available to US consumers.

- **Interagency Efforts.** CIA enhanced law enforcement-Intelligence Community counterdrug programs through the initiation and coordination of interagency efforts against major drug trafficking organizations throughout the world.

Terrorism

The United States has made concerted efforts to deter and punish terrorists and remains determined to apprehend and bring justice to those who terrorize American citizens. The President signed PDD-62 in May 1998 creating a systematic approach to fighting the growing terrorist threat. Countering terrorism requires day-to-day coordination within the US Government and close cooperation with other governments and international organizations. The following describes how the intelligence community directly supports these efforts:

- **Reserve Component Support for Counterterrorism Analysis.** DIA began the integration of full-time Reserve Component support to assist in all aspects of terrorism analysis and production. This support consists of approximately 25 work-years of analysts working on long-term analysis, data base production, and crisis and warning intelligence. DIA has incorporated five full-time reservists into the operations of the National Military Joint Intelligence Center's Terrorism Desk. In addition, seven reserve units outside the Washington, DC, area support DIA analysis and data base production on terrorism. Overall, the reserves accomplished over 50 percent of the data base update effort.

- **Counterterrorism Intelligence Analysis.** DOE's Special Technologies Program's Counterterrorism Analysis Cell (CTAC) developed an all-source assessment on nuclear-related terrorism and its associated threat to U.S. interests. Initially briefed at the interagency Technical Support Working Group, it proved so successful that a number of DOE organizations and other government entities requested presentations. Since the initial briefing, the assessment has been presented to the DOE Offices of Defense Programs and Security Affairs; the Joint Special Operations Command; the Federal Law Enforcement Training Center; and the Naval Special Warfare Development Group.

- **Open Source Reporting.** CIA reporting on terrorist groups and activities as well as the efforts to follow and thwart the terrorist agenda by foreign governments has been a valuable addition for counterterrorist customers.

- **US Embassy Bombings.** In response to the August 7, 1998, twin bombings of the US Embassies in Dar es-Salaam, Tanzania, and Nairobi, Kenya, the FBI launched the largest overseas criminal investigation in our country's history. More than 1,000 FBI and Joint Terrorism Task Force personnel rotated through East Africa. The New York Division, with critical support from the Washington Field Office, other FBI offices, and other government agencies, spearheaded this effort. To date, 17 individuals, to include Usama Bin Laden (UBL), have been charged with the bombings of the US Embassies and/or conspiring to kill US nationals. Nine individuals are in custody and eight are currently fugitives. Four of the nine were captured outside of the United States, and as a result of international cooperation, were rendered back to face the pending charges. Efforts to apprehend the remaining fugitives are being pursued vigorously. The indictment charges that the named individuals conspired to conduct acts of

terrorism against US interests as members of the terrorist organization, Al Qaeda, UBL's organization. These acts of terrorism include the bombing of the US embassies; the killing of US military personnel on October 3, 1993, in Somalia; the recruitment of US citizens to commit acts of terrorism; the shipment of weapons and explosives to Saudi Arabia; and efforts to obtain Weapons of Mass Destruction (WMD). The trial date has been tentatively set for September of 2000.

- **Reward.** For UBL alone, the US Government posted the largest reward ever, 5 million US dollars. A similar reward is being offered for information leading to the arrest or conviction of other subjects suspected of being involved in the East African bombing conspiracy. UBL is the target of the largest and most extensive effort undertaken by the US Government against any one individual, as was demonstrated by the US retaliatory missile strike against UBL and the Al Qaeda organization in Afghanistan. On June 7, 1999, Director Freeh announced that UBL was added to the Federal Bureau of Investigation's (FBI) "Ten Most Wanted Fugitives" list.

- **Cooperation in the Anti-Kidnapping War.** US citizens have been the subjects of kidnappings for almost 20 years in Colombia. The US Government response to kidnappings is generally limited to the FBI and the Miami Division working with the Colombian Government in a reactive fashion. In May, 1999, the US Ambassador to Colombia advised that the Colombian Anti-Kidnapping Czar and the President of Colombia were "interested in reaching a formal agreement with the US Government regarding cooperation in the anti-kidnapping war similar to current cooperation in the drug war."

- **Six New Joint Terrorism Task Force (JTTFs) Established in 1999.** FBI Field Offices granted JTTFs were San Antonio, El Paso, Pittsburgh, Detroit, Indianapolis, and San Diego. The mission of JTTFs is to serve as a mechanism to ensure that the counterterrorism investigative efforts of applicable Federal, state, and local law enforcement agencies within the territory covered by the applicable field office are effectively coordinated.

Proliferation

Efforts to control the proliferation of WMD and conventional weapons remains a high priority for the US Government. Through international treaties and other methods, the US aims to strengthen controls over weapons-grade fissile material and prevent the theft or diversion of WMD and related material and technology.

- **Improvements in Monitoring Nuclear Detonations.** Global monitoring of nuclear detonations in the atmosphere has been improved because of advances in modeling and simulation of the Global Positioning System/Nuclear Detonation Detection System Constellation. A new simulation tool, called CAPFAST, includes graphics-based outputs that enable quick analysis and reporting.

- **WMD.** NIMA imagery and imagery analysis were critical to understanding and responding to worldwide efforts to develop, produce, and proliferate both critical WMD technologies, operational WMD systems, and conventional defense weapons. Analysts monitored worldwide research and development, test and evaluation, production, and proliferation of nuclear, ballistic missile, chemical, biological, and advanced conventional weapons and weapons-related technologies.

- **Analytic Support.** CIA continued to support policymakers on a broad range of critical proliferation issues by providing intelligence support – both briefings and written products—to Administration and Congressional officials.

- **Interagency WMD Center.** CIA supported the Department of State and Defense in their effort to create a new WMD Center within NATO Headquarters in Brussels, Belgium, which opened in January.

- **Support to NATO.** The National Ground Intelligence Center (NGIC) was tasked to support the NATO stockpile planning program. NGIC analysts provided data on equipment performance to support the modeling used to quantify the amounts of materiel and ammunition needed to execute specific missions.

Counterintelligence

This past year has reminded us that the threat from foreign intelligence services is more diverse, complex, and difficult to counter than ever before. Counterintelligence provides an ability to protect sensitive national security information and to prevent the loss of critical technological, industrial, and commercial information. Counterintelligence efforts provide a comprehensive security program and constant evaluation of the intentions and targets of foreign intelligence services. Counterintelligence capabilities and programs also work to detect and neutralize the impact of espionage against US interests.

Intelligence depends on the adequacy of counterintelligence programs to provide warning and protective measures against both traditional espionage and non-traditional economic theft of US equities. Failure to protect our economic and security interests would impact America's prosperity at home and abroad. Awareness of the threat and adherence to prescribed personnel information and physical security standards and procedures based on risk management principles are critical.

The following lists some accomplishments the IC has achieved in this area:

- **Foreign Economic Collection.** An informative brochure was developed summarizing the findings of the past several years. The brochure—*Foreign Economic & Industrial Espionage Remains a Threat in 1999*—is intended for wide public dissemination.

- **Training.** The National Counterintelligence Center (NACIC) developed a new course to address the need for analytical training. The new course title is *Introduction to CI Analysis*. NACIC sponsored numerous CI awareness training programs for both the public and private sectors.

- **DOE Counterintelligence Implementation Plan.** The plan contains 46 recommendations for strengthening the DOE Counterintelligence Program. To date, the Office of Counterintelligence (OCI) has implemented 75% of the 46 recommendations. Additionally, 95% of the Implementation Plan's most critical recommendations have been implemented.

- **CI Training.** OCI improved and expanded its CI Training Program, which is responsible for providing DOE personnel with CI and Security Awareness training, as well providing DOE CI personnel with the ongoing instruction necessary for them to remain current in the field. For example, OCI has contracted with a renowned Russian defector who provides lectures at various DOE facilities regarding the methodology of the Russian Intelligence Services.

- **Polygraph Program.** OCI is instituting a CI-Scope Polygraph Program, a closely supervised, less intrusive means of testing the minimal number of DOE federal and contractor employees with the type of professional duties and/or access that make them attractive targets for individuals affiliated with foreign intelligence services. DOE published a Notice in March 1999 in the Federal Register, announcing expanded authority in the area of polygraph testing allowing OCI to test DOE Federal employees. Construction of an expanded polygraph facility was completed in September 1999 to accommodate the testing requirements.

- **Foreign Visits.** OCI played a significant role in rewriting the new DOE Order on Unclassified Foreign Visits and Assignments (DOE Notice 142.1 signed by the Secretary of Energy on July 14, 1999). The primary goal of this new order is to delegate responsibility to approve unclassified foreign visits to the Laboratory Directors, and to hold them accountable for their decisions. Accountability will be ensured, in part, through the CI Inspection function. With Secretarial concurrence, OCI has implemented a policy whereby indices checks are conducted for foreign national visitors and assignees from sensitive countries and all those from any country who will have access to sensitive subjects while at a DOE facility.

- **CI-Cyber Pilot Program.** OCI began the CI-Cyber Pilot Program in FY 1999. It consists of two parts: (1) an Incident Management and

Analysis Capability (IMAC) and, (2) an E-mail Analysis Capability. By the end of FY 2000, the IMAC capability will be extended to a total of 12 sites across the DOE complex. In FY 2001, expansion is planned to an additional 40 sites.

- **CI Program.** The DoD Foreign Counterintelligence Program (FCIP) provided DoD customers with a comprehensive and professional CI program to identify, assess and or neutralize foreign intelligence service or terrorist threats. DoD CI conducted over 1,500 CI investigations and operations; disseminated more than 25,000 Intelligence Information Reports or service collections reports; published over 8,200 CI analyses, threat estimates or other CI documents; presented 18,000 threat briefings to more than 518,000 people, supported in excess of 370 joint, service, or combined military exercises and accomplished more than 20,562 additional CI initiatives to support DoD and other customers.

- **Training.** DoD chartered the Joint CI Training Academy (JCITA) to provide standardized introductory and advanced training to members of the Service CI Agencies in a variety of key CI disciplines. The first class was held in October 1999 at the JCITA facility, Elkridge, Maryland.

- **Hot Spots.** DoD CI specialists deployed with combat and other forces throughout the year to provide support to the commanders. Supporting US forces involved in the NATO Stabilization Forces in the Balkans and the forces deployed pursuant to Operation Allied Force for Kosovo, DoD CI personnel provided a wide range of force protection services that received high praise from customers. Air Force CI identified an important Serbian command center unknown to USAF targeteers. The command center was subsequently targeted and destroyed by the USAF.

- **Exercises.** DoD CI specialists provided real world and exercise scenario support to a wide range of military exercises around the world, often requiring close liaison with allied or other foreign militaries to practice for contingency deployments. In Thailand, Army, Air Force and Navy CI personnel participated in Cobra Gold 1999, one of the largest annual military exercises in the world involving over 10,000 multinational military personnel. The US Army and Belgian Military Intelligence co-sponsored the first ever NATO-wide, multinational CI and HUMINT exercise in a Kosovo-like Peace and Stability Operation scenario.

- **Support to Defense Industry.** The Defense Security Service CI has an aggressive threat awareness and training program for US Defense Industry. Those efforts develop threat information which is subsequently shared with the other DoD CI agencies and the FBI.

- **DoD Computer Laboratory.** The DoD Defense Computer Forensics Laboratory was instrumental in the successful identification of computer hacking groups and the neutralization of vulnerabilities in several high profile CI investigations related to national computer network defense including Solar Sunrise, Digital Demon and Moonlight Maze.

- **Assessment of Counterintelligence and Counterterrorism Capabilities.** FBI analysts initiated an assessment of the National Aeronautical and Space Administration (NASA) counterintelligence and counterterrorism capabilities. In this regard, they prepared detailed survey instruments for FBI field offices and NASA employees to supplement information being obtained through on-site briefings and interviews with NASA employees. This assessment is being conducted to assist NASA in ensuring that their counterterrorism and counterintelligence capabilities are sufficient to respond to threats posed by terrorist groups and foreign intelligence service entities.

DCI Strategy For The Future

In March 1999, the *DCI Strategic Intent* was published. The *Strategic Intent* represents the DCI's vision for guiding the US Intelligence Community into the 21st Century.

The *Strategic Intent* challenges the NFIP agencies to break free of traditional ways of doing business to form a unified Intelligence Community that provides a decisive information advantage to the President, national policy makers, the military, diplomats, the law enforcement community, and the Congress. To achieve this vision, we must:

- Unify the Community through collaborative processes.
- Invest in people and knowledge.
- Develop new sources and methods for collection and analysis.
- Adapt security to the new threat environment.
- Improve corporate management.

Unify the Community Through Collaborative Processes

- **Underground Facility Analysis.** Engineers and analysts from DIA, NIMA, USSTRATCOM, the US Geological Survey, and the Defense Threat Reduction Agency worked together to identify and characterize Serbian underground facilities for mission planning during Operation Allied Force.

- **Interagency Collaboration Study.** CIA executed an IC collaboration baseline study to examine policy, procedural, and cultural barriers to interagency collaboration across the IC. The study was sponsored jointly by the DCI's Community Management Staff, the Community Operational Definition of the Agile Intelligence Enterprise (CODA) executive agent, and the National Intelligence Production Board. The study focused on virtual teams of analysts and collectors collaborating at the top secret and compartmented level across seven IC Agencies.

- **Common Object Framework (COF) Demonstrates Capability To Make Disparate Software Interoperable.** The NRO demonstrated its Common Object Framework (COF) at the DODIIS INTEROP 98-2 Conference held in San Antonio, TX. COF was one of four featured government programs that use Object Technology as a solution for interoperability. COF provides an interoperable software architecture that is scalable, extensible, and transportable, and proves that "plug and play" is a viable concept for tactical systems. The results of DODIIS INTEROP 98-2 will provide an opportunity for the four evaluated programs to work together in a coordinated environment, allowing the programs to share lessons learned.

- **CIRAS Deployed.** DOE deployed the Corporate Information Retrieval and Storage (CIRAS) system, an improved automated message handling system to support intelligence research analysis. It allows analysts and support staff to manage intelligence message traffic in a graphical user interface environment.

- **Support to SEAS.** DOE initiated development of improved telecommunications architecture supporting the Secure Energy Analysis System (SEAS). The SEAS network links the DOE Office of Intelligence with eight Field Intelligence Elements (FIEs) to permit seamless information exchange, collaborative analysis, and program management. The new architecture, developed as part of the DOE Emergency Communications Network reengineering program, will increase bandwidth to the FIEs and provide improved redundancy.

- **JICPAC Country Home Page.** The Joint Intelligence Center, Pacific (JICPAC), created a Country Home Page available on Intelink that deals with nations within its area of responsibility. It allows for dynamic updating of information and reduces the number of requests for information during contingencies, such as East Timor, because products available to the field are timely, comprehensive, and current. The JIVA Integration Management Office is working with JICPAC to export this success to the US European Command,

and possibly to US Central Command and US Southern Command in FY 2000.

- **Geographic Learning Site.** INR continued to manage the State Department's award winning Geographic Learning Site (GLS). GLS is located on the State Department's Internet web site and aims to engage K-12 students and teachers on both worldwide geographic issues of concern to US foreign policy and the worldwide extent of the Department's foreign affairs activities. In June 1999, GLS registered its one millionth hit.

- **NRO Strengthens Ops Support.** A permanent, onsite NRO Liaison Officer (LNO) deployed in February 1999 to support the Joint Special Operations Command (JSOC) at Ft. Bragg, NC.

- **BRIGHT STAR 99/00.** The NRO supported USCENTCOM's biennial, 11-nation field training exercise BRIGHT STAR in Egypt in the fall 1999 by providing unclassified imagery simulations. The NRO's Synthetic Imagery Generation System (SIGS) provided unclassified simulations of NRO, U-2, and Predator images.

- **Enhanced New Shipborne Air Defense System.** The NRO integrated an NRO data receiver into the prototype Area Air Defense Command (AADC) module aboard a US ship. The AADC module combines NRO-collected data with databases of geographic and weapons system data in order to provide a real-time targeting capability.

- **CINC Exercises To Validate Y2K Compliance.** Several Command exercises received NRO support in testing and validating TRAP Data Dissemination System Y2K compliance.

- **AC-130U Gunship.** NRO data feeds were successfully integrated into the Weapons Control System of the prototype AC-130U Gunship during its initial test flight on 24 July. This successful test will help formalize requirements for this capability to be procured for all AC-130U Gunships.

- **Declassification Effort.** CIA, at the request of the National Science Foundation, assisted in the declassification of seven images from Antarctica and more than 50 images of the Arctic obtained by US overhead systems for use by the scientific community.

- **Collaborative Tools.** CIA established a laboratory named "Platinum Rail" to evaluate and better understand the functionality and interoperability of commercial collaborative tools that are in use in the Intelligence Community and can enhance the ability of analysts and their managers to share and produce better intelligence for their customers.

- **Non-Profit Firm Established for IT Solutions.** The Enterprise for Information Technology Solutions became a reality on 19 February 1999 with the incorporation of "In-Q-Tel". In-Q-Tel is a unique non-profit corporation that partners with industry and academia to encourage and develop information technology solutions that meet CIA needs and also have value in private sector markets. The Board of Trustees represents expertise and leadership in the fields of industry, academia, venture capital, and intelligence. The CIA's In-Q-Tel Interface Center devised an unclassified corporate information technology problem set that became the basis for In-Q-Tel's work program. The problem set was gathered from nearly 200 specific requirements across the Agency.

- **Litigation.** CIA supported the Department of Justice and U.S. Attorneys across the United States in the prosecution and defense of litigation in over 400 cases. CIA also coordinated the Agency's response to over 20 major criminal investigations.

- **Internal Communications.** NSA consolidated its internal communications eliminating redundancies and providing a "one-voice" process to guarantee a well-informed workforce across all levels and locations worldwide.

Invest in People and Knowledge

- **Intelligence Products.** In FY 1999, INR produced and disseminated more than 5,000 analytic products – almost 4,000 of these products were also placed on INTELINK. These products cover virtually every country and transnational issue of foreign policy significance.

- **Reporting on Y2K.** CIA open source reporting on Y2K issues worldwide increased by 482 percent -- from 599 items filed in FY 1998 to 2,893 items filed in FY 1999. CIA has been praised for the breadth and depth of its Y2K open source reporting. Analysts cited 23 reports as deserving special mention and noted that they have found the

reporting valuable in the preparation of reports for senior policymakers.

- **Full-time Training.** CIA sponsored over 150 officers, including managers, analysts, and support personnel, for developmental and expertise-building programs that includes full-time academic training. CIA also sponsored 50 analysts for full-time language training.

- **Training for Civil Agencies in Alaska.** NRO cross-directorate/office representatives developed and presented a joint classified national imagery systems overview for civil agency personnel at a national technical means workshop at Elmendorf AFB, AK. NRO participation at the Anchorage workshop underscored our commitment to inform national customers of our systems' capabilities and to improve and expand tailored support to civil agencies.

- **Customer Information Needs Assessment (CINA).** The NRO systematically assesses individual customer's needs to support their mission. In FY 1999, the CINA methodology was expanded to include MASINT, in addition to SIGINT and IMINT. The Department of State assessment was revised to include the new MASINT procedure and several improvements to their information needs set. Also assessed during this time were two DCI Centers: the Nonproliferation Center and the Arms Control Intelligence Staff. The Director, NRO, directed that CINA also be applied to military customers; USCENTCOM, USPACOM, and USSOUTHCOM were assessed during FY 1999.

- **Harvesting the Internet.** Recognizing the Internet as a source of increasing importance, CIA initiated a series of timely summaries of military news from a large number of Internet sites. Accompanying the summaries as appropriate are photos and graphics.

- **New 'Portal' Concept for Information Access.** CIA developed a new concept for the delivery of open source information to IC customers. Drawing directly from the Internet concept of "portals," this initiative envisions a single place of access for open source products and services. This approach will simplify access to the wide variety of open source information that is available through CIA, other IC agencies, and the Internet in general. Feedback from users enabled CIA to develop a working prototype to place on a limited number of Agency users' desktops.

- **Upgrade of Equipment Labs.** NSA increased its capacity to train military personnel in SIGINT collection and processing by upgrading three equipment labs at Corry Station, Pensacola, FL, meeting the annual training requirement of 1050 students. Training provides the fundamental and core skills to keep pace with the rapid evolution of worldwide communications technology.

- **Environmental Programs With Russia.** CIA supported meetings between the Vice President and Russian Prime Minister on environmental issues. In furtherance of USG environmental policy objectives toward Russia, CIA continued to oversee several joint scientific programs with US and Russian organizations, including the Russian Ministry of Defense. Projects include compilation of a large database on Arctic climatology, disaster cooperation, and characterization of boreal forest parameters.

- **Building Renovation.** NSA continued renovation of the Ops 1 Building, encompassing a 129,000 square foot area, providing modernized workspace and significant communications upgrades to 1,000 personnel. Renovation included an Operations Watch Center, relocation of NSA/CSS corporate servers, and renovated spaces for SIGINT analysts and communications technicians. Extensive upgrades were also completed to the communications system to include Internet connectivity to 10 percent of the workstations in the renovated areas with the infrastructure design to support future expansion to 100-percent of the workforce.

- **Intelligence Training.** US Joint Forces Command's Regional Joint Intelligence Training Facilities trained more than 2,500 personnel on various functional areas, disciplines, systems, and applications.

- **Handbook for Operating Forces.** The Marine Corps Intelligence Activity (MCIA) prepared a Kosovo International Security Force Handbook for US and allied forces operating in the Balkans. Also, in response to the crisis in East Timor, MCIA quickly produced a handbook to support peacekeeping operations during the crisis.

- **Using Outside Experts.** INR's External Research Program organized 110 seminars and conferences

which brought the talents of more than 800 outside experts to bear on the USG's most pressing foreign policy issues. These conferences facilitate the interchange of experience and ideas between outside experts and government officials, leading to a more informed foreign policy process and better intelligence analysis in support of diplomacy. These events were attended by more than 4,500 policymakers and analysts from the State Department, other foreign affairs and intelligence agencies, and Congress.

- **WEBLink.** The NRO developed and demonstrated its "WEBLink" methodology that potentially increases user access to NRO Systems Data. WEBLink allows customers without broadcast-receive equipment, or those without access to standard networks to access live TRAP Data Dissemination System (TDDS) data and Onboard Processing/Tactical Onboard Processing System ([OBP/TOPS]; CONUS, non-real-time) data that have been captured to a common server. The Integrated Broadcast System community is interested in integrating WEBLink into their architecture development, which would allow worldwide live access to OBP/TOPS.

- **Marines' URBAN WARRIOR Advanced Warfighting Experiment (AWE).** During 1999 the NRO supported all five phases of the US Marine Corps' URBAN WARRIOR AWE to develop better capabilities for urban warfare. NRO provided technology, systems, and training that resulted in an improved, information-age, tactical operations center for the battle commander.

- **Mobile Education Team 99 (MET 99).** The 1999 version of the NRO's European Mobile Education Team (MET) visited 32 Commands (at 16 sites) throughout Europe in 3QFY99. This eight-person team was an NRO cross-directorate-NIMA/Central Imagery and Tasking Office (CITO) effort to enhance customers' awareness of NRO systems' operational capabilities. The team addressed specific theater support issues of interest to EUCOM warfighters.

- **New Payroll System.** CIA successfully implemented a new Y2K-compliant, payroll system as the first phase of an integrated Human Resource Information System. This ambitious endeavor, conducted under considerable time pressure involving multiple security considerations and adapting a Commercial Off The Shelf (COTS) product to accommodate numerous pay system variants, was one of the most complex in USG experience.

- **CIA Recruitment Center.** CIA implemented a new centralized approach to recruitment, establishing the Recruitment Center and instituting updated ad campaigns that have generated a significant increase in applications and positive national media coverage. This approach has allowed CIA to reduce average applicant processing time by 37 percent and has greatly improved hiring against critical skills goals. CIA also hired an industry expert to spur further process improvements.

- **Taking Training to the Students.** CIA is deploying traditional classroom course content via alternative delivery platforms such as CD-ROMs and Web-based training. CIA entered into a formal partnership with NSA to share training technology and provide employees access to general skills training in modules offered through the NSA's FasTrac web site. All vehicles enable training to reach wider audiences and reduce the cost of course delivery.

- **Recapitalization of Agency Facilities.** CIA continued the recapitalization of the Headquarters Compound – projects included a one million gallon ground-mounted water storage tank, asbestos abatement of three mechanical rooms which provide chilled water, steam, and conditioned air throughout the Original Headquarters Building, and refurbishment of an electrical substation.

- **Release of Documents.** CIA released three million pages of material 25 years old or older in response to Executive Order 12958. This volume tripled FY 1998's release of one million pages and represents the largest volume of material released in Agency history.

- **Freedom of Information Act (FOIA) Goals Met.** The CIA closed 6,742 FOIA cases which exceeds the goal necessary to demonstrate reasonable progress in meeting the Agency's FOIA requirement.

- **Public Outreach.** CIA conducted a number of activities with local schools and universities in an effort to reach out to students and increase the

public's awareness of the Agency mission, as well as to provide new opportunities for recruitment of potential future Agency employees. CIA employees also participated as judges at high school science fairs, and CIA provided a number of presentations to distinguished local high school students and Eagle Scouts who have an interest in future employment with the Agency.

- **Leveraging Retirees' S&T Input.** CIA established communication channels to retirees for accepting suggestions related to traditional issues such as current technical challenges and intelligence problems. These individuals have developed different perspectives that could be very beneficial to the CIA.

- **Academia.** The CIA provided a forum for publication of books and articles on intelligence. Additionally, the DCI participated in conferences, lectures, and seminars in a number of academic fora. Highlights include the following:

  - Donald P. Steury, ed., On the Front Lines of the Cold War: Documents on the Intelligence War in Berlin, 1946 to 1961

  - Benjamin B. Fischer, "The Katyn Controversy: Stalin's Killing Field," Studies in Intelligence

  - Society of Historians of American Foreign Relations Conference Panel on US Intelligence and the Atomic Bomb, Princeton University

  - Academic lectures at Georgetown University, George Washington University, Princeton University, American University, US Naval Academy, US Naval War College, Ohio State University, Marquette University

- **New Information Services Governance Process:** CIA's Chief Information Office Staff implemented a new approach to governing information service activities to better balance mission, resource, security and infrastructure reliability issues in the deployment of IS programs. The new process also speeds the decision-making process and increases responsiveness. During the year, the process reviewed and adjudicated proposals for disseminating intelligence product to East Timor peace keeping forces, procured and tested an improved switchbox product to facilitate use of classified and unclassified systems, and published a National Intelligence Estimate on Y2K on an Intelligence Community Information Network.

- **Intelligence Reference Books Updated.** CIA updated and significantly enhanced several unclassified intelligence publications disseminated to the public, including the CIA World Factbook and the Consumer's Guide to Intelligence.

- **Harassment-Free Workplace Training.** CIA implemented a mandated Agency-wide Harassment-Free Workplace training program and continues to instruct each class on EEO issues. These workshops were also run at select overseas locations. CIA sponsored, with support from the Black Executive Board, an off-site for Agency black employees and initiated data gathering from the Agency's black population as a result of feedback from the Harassment-Free Workplace Workshops.

- **Diversity.** CIA developed and sponsored a variety of diversity programs for the Agency population. In addition, CIA continued to address diversity through EEO and other programs. Highlights include the following:

  - Provided training opportunities to CIA employees in the areas of American Sign Language, Hearing Culture Workshops, Americans with Disability Act, and a series of internal courses on communications; sponsored external training in the areas of harassment and diversity to investigators, lawyers, and Directorate diversity officers to enable them to support management on internal harassment investigations;

  - Worked to create stronger relationships with other Intelligence Community agencies. CIA conducted Heritage/History Month programs for the following special emphasis groups; Hispanic, American Indian, Black, Asian & Pacific Islander, Deaf & Hard of Hearing, People with Dis-

abilities, and Women. Additional programs included celebrations in honor of Dr. Martin Luther King and CIA's All American Days in July.

- Continued efforts to create a point-to-point privacy Lotus Notes database for field personnel to deal directly with OEEO counselor/investigators.

Develop New Sources and Methods for Collection and Analysis

- **Financial Transaction Tool.** CIA developed and deployed the TRIX tool to the Directorate of Intelligence. The TRIX tool isolates and displays relationships between information data sets in order to identify financial transaction information.

- **Monitoring Open Source Information.** CIA started a project to automate monitoring of open source information from specific countries of interest to the Intelligence Community. The Alert tool issues warnings based on defined criteria, triggers, or thresholds.

- **Worldwide Y2K Upgrade of ELINT Processors.** Understanding customers' concerns for the Y2K impact on mission accomplishment, NRO engineers developed a Y2K-compliant package for its front-line data receiver and analysis station, and deployed to customer sites worldwide to install and locally test the upgrades. Customers included Battle Groups, forward-deployed units, large Intelligence Centers, and warfighters directly supporting both Iraq and Kosovo operations.

- **Anti-terrorism Force Protection.** NSA/CSS conducts comprehensive risk assessments of 24 field sites and remote collection/communications facilities, in addition to continuity of operations activities. NSA also completed a baseline AT/FP risk assessment of all field sites serving as the foundation for Global Master Planning.

- **Y2K Preparations.** DIA's Joint Collection Management Tools were used in the successful completion and fielding of the Y2K-compliant version of the tools to 25 server sites, including each Combatant Command, the DIA Defense Collection Coordination Center, and the Joint Military Intelligence Training Center.

- **Geographic Information Unit.** INR created a four-person unit with a mission to support the Department of State's diplomatic efforts through the provision of accurate and timely geographic information, the creation of high quality cartographic products, and the promotion of geographic information system (GIS) tools to assist in the analysis of complex information.

- **An IT Approach to Learning at the Army's Command and General Staff College.** During 1999 the NRO, as part of a joint NRO/Army Space Program Office (ASPO) effort, developed and delivered a computer-based training (CBT) tool on "NRO Systems Support to Military Operations" to the Army's Command and General Staff College (CGSC) at Fort Leavenworth, KS.

- **Automated Software Installation Program.** A six-month development effort resulted in the fielding of a software program, titled "Installation Wizard," which allows customers to independently install/re-install the stand-alone version of GALE-Lite, an NRO-data receive system. Historically, the NRO receives customer requests for installation of over 40 stand-alone GALE-Lite systems per year.

- **New Travel System Wins Award.** The CIA's Travel Reengineering Integration and Development (TRIAD) system won the annual Travel Manager of the Year award from Government Executive magazine and also received the CIA's Meritorious Unit Citation. The deployment of this system is the culmination of a three-year travel reengineering process, eliminating 40 paper forms and providing one-stop-shopping for all TDY processing needs.

- **Language Tool for Website Searches.** CIA's FLUENT Program deployed the capability to search foreign language web sites without requiring skills in the site's native language. FLUENT currently searches materials in German, French, Portuguese, and Spanish on the Internet.

- **Japanese and Korean Language Tools.** CIA integrated two systems that allow foreign language documents (Japanese and Korean) to be

queried in English and retrieved documents to be summarized in English using any commercial worldwide web browser such as Netscape Navigator or Microsoft Internet Explorer. CIA also enhanced the government-sponsored Systran Japanese machine translation capability by improving its English output, electronic dictionaries, and the system's handling of characters.

- **Farsi Machine Translation.** CIA developed an initial proof-of-concept system to perform Persian (Farsi)-to-English machine translation.

- **Data Visualization Tool.** CIA has developed an advanced information visualization tool, ThemeScape, that harvests large data sets and displays the information in the form of a landscape-like view. This allows analysts to view very large information sets quickly and thoroughly, and to draw on their own expertise to derive relationships and conclusions.

- **Nonproliferation Support.** DOE coordinated and implemented a program for the Department of State's Political-Military Bureau/Nonproliferation Disarmament Fund that provides technical support for installing nuclear detectors at border crossings within a number of Former Soviet Republics and Eastern Bloc countries. During this period, DOE personnel have conducted site surveys, installed and tested hardware, trained border officials on detector operation, and provided periodic maintenance on installed systems.

Adapt Security to the New Threat Environment

- **Foreign Laser Threat.** DIA delivered a series of briefings on foreign laser weapons to an OSD/Defense Research and Engineering-sponsored working group. This information will be used to develop physical and operational methods for protecting US personnel and equipment from this emerging threat.

- **Technology Support.** Based upon requests for assistance from various agencies, DOE identified innovative approaches/technologies, throughout the DOE laboratory complex, to meet user requirements for: a multi-threat countermeasures system; technical capabilities for supporting intelligence analysis related to chemical, biological, radiological, nuclear, and cyber terrorism; enhanced capabilities for special reconnaissance missions; a robust, user-friendly under-vehicle inspection system; and enhancement of a variety of special operations capabilities.

- **NRO Simulations Depict Real World.** NRO personnel who participated in the European Command (EUCOM) exercise AGILE LION 1999 in Italy supplemented the standing tasks with real-world imagery depicting worsening conditions in Burundi to simulate support for a noncombatant evacuation operation.

Improve Corporate Management

- **Support for President's Visit to Japan.** CIA surged to produce several open source collection analyses of foreign media in advance of, during, and after President Clinton's visit to Japan in November 1998.

- **Geo-Location Device.** DOE developed a portable, battery-powered global positioning system that provides the capability to verify the location of personnel anywhere in the world.

- **Joint Intelligence Virtual Architecture (JIVA) Collaborative Environment Training.** The JIVA Integration Management Office, working with the Federal Executive Institute in Charlottesville, Virginia, provided five successful courses for leaders and key members of seven of JIVA's analytic Communities of Interest (COI). The sessions brought together analysts who will be collaborating on-line on high-priority intelligence items of interest. Personnel from NSA, CIA, and NIMA, as well as GDIP organizations comprising eight COIs, received training on how to use the JIVA Collaborative Environment software in addition to techniques, efficiencies, and challenges of collaborating on-line. The courses are part of an effort to integrate the new tools into the way that analysts work, not just deploy software. Ultimately, these efforts will ensure that decision makers and the analysts who work for them have quick access to collective expertise.

- **Coordinating Overseas Activities.** INR worked with the Intelligence Community and the State Department's Office of Resources, Plans, and Policy to develop procedures for closely linking Collection Directives with the Department of State's International Affairs Strategic Plan and Embassy Mission Performance Plans so that the subjects and areas covered in posts' reporting plans are linked to those issues identified as the most pressing and important for the intelligence community.

- **Briefing New Chiefs of Mission.** INR sponsored briefings for fifteen new Ambassadors to acquaint them with the leading experts on their countries of assignment and offer a longer-range view from individuals who have studied a country for years and who have extensive contacts there.

- **CIA's Central Services Program.** CIA continued its transition of administrative support services to the Central Services Program with the standup of three new businesses. The Agency now has four fully operational business enterprises: the Central Warehouse for packing and shipping; the Transportation Services Center (TSC) for vehicular transportation; the Central Intelligence Telephone Company (CINTELCO) for telecommunications; and ideas 2 Solutions (i2S) for software development. Through aggressive cost cutting measures, which include staff reductions, process improvements, and external marketing, all businesses met or exceeded their projected performance goals.

- **Reengineering Human Resources Practices.** In an effort to meet the Agency's strategic goals and devote more staff resources to mission, CIA initiated the transfer or outsourcing of several non-core activities in 1999: annuity administration, which the CIA has handled for its retirees since 1964, will completely transfer to the Office of Personnel Management by mid-2000; the outsourcing of other activities, such as fileroom maintenance and payroll administration, is also being piloted. Also, technology has been employed to improve corporate human resource practices: employee access to online forms, tools, and records; electronic delivery of Earnings and Leave statements; and bar-coding of official personnel folders have all resulted in printing, distribution, and labor savings.

- **Improving Connectivity to the Customer.** CIA successfully established PolicyNet connectivity to the Senate Appropriations Committee (SAC). This joint effort between Agency Technology Services and the DI PolicyNet Program Office provides SAC with data and video Intelligence and filtered access to a secure network.

- **Public Affairs Strategies.** CIA developed and implemented public affairs strategies related to: the renaming of the CIA compound to the George Bush Center for Intelligence; the historic conference in Berlin on intelligence during the Cold War; the declassification of historical documents, including material related to human rights abuses and political violence in Chile; the CIA's role in the Wye accords; the release of an unclassified summary of a National Intelligence Estimate on the ballistic missile threat; and other intelligence-related matters. CIA responded to nearly 10,000 calls from the general public, as well as more than 2,500 letters—all-time highs.

- **Website Redesigned.** CIA redesigned its public web site, making it much easier to navigate and locate information on the Agency. CIA also ensured that speeches, press releases and other public statements were posted on the site promptly, allowing the public quick access to such information.

- **Law Enforcement.** CIA has provided legal and logistical assistance to regular meetings between senior CIA and FBI officials, as well as meetings between the DDCI and the Deputy Attorney General. CIA has conducted training on how intelligence and law enforcement may properly work together.

GLOSSARY

ACIC - Army Counter Intelligence Center.

ACIS - Arms Control Intelligence Staff.

ADCI/A&P - Assistant Director of Central Intelligence for Analysis and Production.

ADCI/C - Assistant Director of Central Intelligence for Collection.

AFOSI - Air Force Office of Special Investigations.

ATAC - Anti-Terrorism Alert Center, Under NCIS.

ATC - Applied Technology Center.

ATO - Advanced Technology Office.

BW - Biological Weapons.

C3I - Command, Control, Communications, and Intelligence.

CBJB - Congressional Budget Justification Book.

CBW - Chemical and Biological Warfare.

CCP - Consolidated Cryptologic Program.

CI - Counterintelligence.

CIA - Central Intelligence Agency.

CIAP - Central Intelligence Agency Program.

CIARDS - Central Intelligence Agency Retirement and Disability System.

CINC - Commander in Chief.

CI&SCM - Counterintelligence and Security Countermeasures.

CIS - Commonwealth of Independent States.

CITAC - Computer Investigations and Infrastructure Threat Assessment Center.

CLANSIG - Clandestine Signals Intelligence.

CMA - Community Management Account.

CMO - Central MASINT Organization.

CMS - Community Management Staff.

CNC - Crime and Narcotics Center.

COE - Common Operating Environment.

COMINT - Communications Intelligence.

CONUS - Continental United States.

COSPO - Community Open Source Program Office.

COTS - Commercial Off The Shelf.

COVCOM - Covert Communications.

CPCC - Community Personnel Coordinating Committee.

CTBT - Comprehensive Test Ban Treaty.

CT - Counterterrorism.

CTC - Counterterrism Center.

CW - Chemical Weapons.

CWC - Chemical Weapons Convention.

DAO - Defense Attache Office.

DCI - Director of Central Intelligence.

DCIIS - Defense Counterintelligence Integrated Information System.

DDCI/CM - Deputy Director of Central Intelligence for Community Management.

DDS - Defense Dissemination System.

DHS - Defense HUMINT Service.

DIA - Defense Intelligence Agency.

DIAC - Defense Intelligence Analysis Center.

DO - Directorate of Operations.

DoD - Department of Defense.

DoD/FCIP - Department of Defense Foreign Counterintelligence Program.

DOE - Department of Energy.

DSS - Defense Security Service.

ELINT - Electronic Intelligence.

ETF - Environmental Task Force.

EXDIR/ICA - Executive Director/Intelligence Community Affairs.

FBI - Federal Bureau of Investigation.

FBI/FCI - Federal Bureau of Investigation Foreign Counterintelligence Program.

FBI/SCM - Federal Bureau of Investigation Countermeasures Program.

FIA - Future Imagery Architecture.

FISA - Foreign Intelligence Surveillance Act.

FIS - Foreign Intelligence Service.

FBIS - Foreign Broadcast Information Service.

FCI - Foreign Counterintelligence.

FISINT - Foreign Instrumentation Signals Intelligence.

FLC - Foreign Language Committee.

FOIA - Freedom Of Information Act.

FSU - Former Soviet Union.

FYDP - Future Years Defense Program.

GATT - General Agreement on Trade and Tariffs.

GDIP - General Defense Intelligence Program.

GSM - Global System for Mobile Communications.

HF - High Frequency.

HOCNET - HUMINT Operational Communications Network.

HUMINT - Human Source Intelligence.

IC - Intelligence Community.

ICBM - Inter-Continental Ballistic Missile.

IC CIO - Intelligence Community Chief Information Officer.

IG - Inspector General.

IO - Information Operations.

IMINT - Imagery Intelligence and Geospatial Information.

INR - Department of State Bureau of Intelligence and Research.

IPRG - Intelligence Program Review Group.

IW - Information Warfare.

JCS - Joint Chiefs of Staff.

JIC - Joint Intelligence Center.

JIVA - Joint Intelligence Virtual Architecture.

JMIP - Joint Military Intelligence Program.

JTF - Joint Task Force.

JTTF - Joint Terrorism Task Force.

JWICS - Joint Worldwide Intelligence Communications System.

MASINT - Measurement and Signature Intelligence.

MBB - Mission Based Budgeting.

NACIC - National Counterintelligence Center.

NAFTA - North American Free Trade Agreement.

NAIC - National Air Intelligence Center.

NBC - Nuclear, Biological, Chemical weapons.

NCIPB - National Counterintelligence Policy Board.

NCIS - Naval Criminal Investigative Service.

NDIC - National Drug Intelligence Center.

NFIP - National Foreign Intelligence Program.

NIC - National Intelligence Council.

NICB - National Intelligence Collection Board.

NIMA - National Imagery and Mapping Agency.

NIMAP - National Imagery and Mapping Agency Program.

NIPB - National Intelligence Producers Board.

NIST - National Intelligence Support Team.

NPC - Nonproliferation Center.

NRO - National Reconnaissance Office.

NRP - National Reconnaissance Program.

NSA - National Security Agency.

NSA/CSS - National Security Agency/Central Security Service.

OMB - Office of Management and Budget.

OPM - Office of Personnel Management.

ORD - Office of Research and Development.

OSIS - Open-Source Information System.

PAEO - Program Assessment and Evaluation Office, Community Management Staff.

PDD - Presidential Decision Directive.

R&D - Research and Development.

SAFE - Support to the Analysts' File Environment.

SIGINT - Signals intelligence. Intelligence information derived from all communications intelligence, electronics intelligence, and foreign instrumentation signals intelligence, however transmitted or collected.

SLBM - Submarine Launched Ballistic Missile.

SSO - Special Security Office/Officer.

TECH ELINT - Technical Electronic Intelligence.

TIARA - Tactical Intelligence and Related Activities. The military service intelligence programs separate from the NFIP and (starting in FY 1996) from the JMIP.

UCA - Unified Cryptologic Architecture.

USACOM - US Atlantic Command.

USCENTCOM - US Central Command.

USCS - US Cryptologic System.

USEUCOM - US European Command.

USFK - US Forces Korea.

USIGS - US Imagery and Geospatial Information System.

USPACOM - US Pacific Command.

USSOCOM - US Special Operations Command.

USSOUTHCOM - US Southern Command.

USSPACECOM - US Space Command.

USSS - US SIGINT System.

USSTRATCOM - US Strategic Command.

USTRANSCOM - US Transportation Command.

WMD - Weapons of Mass Destruction.