

BENCHMARKING OF THE DANISH DEFENCE INTELLIGENCE SERVICE

INTRODUCTION AND SUMMARY

1. This report arises from the recommendations of the inter-ministerial working group on Readiness Against Terrorism for an external benchmarking study of the police and defence intelligence services 'to assess the quality and relevance of the activities.... including reporting, application of resources, organisation and interaction with other authorities.' (Terms of Reference at Annex A).
2. My report covers only the Danish Defence Intelligence Service (DDIS), the police intelligence service having been benchmarked by another external expert. Clearly, however, one of the key objectives for all intelligence and security services today is to cooperate ever more closely together, including between foreign and internal services. This is the only way to cope with the sorts of threats which societies now face which are both international and domestic at the same time, terrorism being the obvious case in point. The report accordingly touches on domestic security issues explicitly to address the problem of compartmentalisation in the operation of the two services and I have been in contact with the PET's benchmarker, and with the PET, during the course of my work. I hope that my findings are broadly compatible with the PET benchmarking where these overlap, although the views and judgements in this report remain my own.
3. My qualifications for performing the task are a career of 36 years in the UK public service, including senior positions in the Ministry of Defence, Foreign and Commonwealth Office and as head of one of the UK intelligence agencies, together with a period as a member of the UK Joint Intelligence Committee. This experience brings disadvantages as well as benefits. An objective benchmarking of an intelligence service against similar organisations in other countries is complicated by the absence of statistical data with which to make valid comparisons or assess relative performance. This makes it the more important to avoid the temptation to resort to subjective assessments based on UK experience, which could be equally unhelpful, given the differences of history, scale, policies and, indeed in respective machinery of government.
4. In approaching the benchmarking, therefore, I have deliberately avoided seeking to apply a British blueprint to the DDIS or try to make it conform to the UK model, simply because that is what I know best. So, for example, although the DDIS covers functions which in the UK are in 4 separate agencies, I do not recommend the dismantling of the DDIS into similar groups. Moreover, in the UK the foreign intelligence agencies come under the Foreign Secretary rather than the Minister of Defence, but I do not

recommend a similar reorganisation in Denmark. And I have deliberately avoided the suggestion that because the UK has a strong central mechanism under the Prime Ministry to coordinate all intelligence activity and produce integrated assessments through the Joint Intelligence Committee, the Danish intelligence structure should be reformed in precisely the same manner.

5. However, many of the challenges faced by the DDIS are familiar and common to the UK (and to all) intelligence agencies at present and I have found my experience to be relevant to the process of change which is underway within the DDIS and in the wider Danish security community. I have also consulted extensively over the past 12 weeks within the DDIS itself, with the Ministry of Foreign Affairs, as well as the Ministry of Defence and Military Commands. I have also taken the views of academics specialising in international affairs. On that basis, and as I say, accepting the existing Danish high level organisation structure, I have sought to make observations and recommendations which I hope will be seen as constructive, across a wide range of issues – priorities, process, organisation, techniques, capacities, relationships, cultures, and reporting output.
6. Now to the report itself. Chapter 1 contains my recommendations in summary form. These include issues of capacity, sources and operating methods, which, for reasons of security must probably remain confidential. So, I attempt in this note to give an indication of the report's main conclusions in a form which might be capable of wider dissemination, should the Government decide to make any of the contents public.
7. Chapter 2 is the main part of the report. It reviews the way the DDIS establishes its priorities for intelligence reporting, the related processes and systems, the responsiveness of the organisation to changing needs and the nature and quality of the reporting output. It examines how well the DDIS satisfies the competing interests of its various internal customers; the relationships with foreign intelligence partners are also discussed. The main highlights are as follows.
8. First, I find that the DDIS has reformed both its organisation and its purpose since the end of the Cold War. It now has in place robust processes and systems which focus priorities for intelligence on the new 21st century threats to society and to international stability, terrorism included. It is also evident that reporting is not concentrated excessively on the military aspect threats, but is targeted on the broader foreign policy context as well. Similarly, since these threats emerge rapidly, the DDIS has responded by making its structure more flexible and adjustable with 'crisis groups' which operate across traditional boundaries and with more proactive support for customer requirements. Intelligence provision to deployed Danish Forces is one

example. A crisis group set up to support Government during the cartoon furore was another.

9. The second main finding is that the intelligence reporting output from the DDIS is high in relation to the size of the organisation, is designed to meet the differing needs of customers and is generally of good quality, which is still improving. These views on quality were established in discussions with foreign partner agencies with whom reporting is shared, my own reading of numerous DDIS products and comment from academics who were interviewed and gave their impressions. I also noted that the DDIS has quality control procedures in place, along the lines of those now in place in the UK, but in some cases pre-dating the UK reforms. Certain reports have received high praise and thanks from foreign partners.
10. Third, however, the views of Danish customers whom I consulted on the relevance and added value of DDIS reporting differed broadly according to three groups: the MoD and Defence Command, who were most positive and wanted more, essentially, of the same; the Ministry of Foreign Affairs and Prime Ministry, who wanted more reporting geared to the pressing policy issues of the day; and the PET, who wanted greater effort devoted to the law enforcement aspects of the counter terrorism agenda. In many ways this was unsurprising and reflected the pressures which all intelligence agencies face today, of being pulled in different directions.
11. I have made a number of recommendations designed to help the DDIS to meet these competing needs, most of them in line with the changes already underway. Some are technical or general – for example: more extensive use of IT and electronic ways of working; improving the intelligence content in reporting and the way reports are presented to policy-makers. Others are tailored to particular audiences – increased interchange and co-working with the MFA; the effective implementation of the 49 recommendations on Terrorism, including strong DDIS participation in the proposed Centre for Terrorism Analysis and joint DDIS/PET teams on particular topics. But the most important is the proposal that the role of the Government Security Committee should be expanded, with appropriate underpinning at official level below Permanent Secretaries, to provide more regular guidance throughout the year for the combined DDIS/PET intelligence effort and, in particular, to ensure that the work of the intelligence and policy communities are linked more closely and brought to bear on the range of security problems facing the Danish Government and people.
12. I hope that these recommendations may facilitate some rebalancing of the foreign intelligence effort (including the reduction of some routine tasks currently performed by the DDIS that should be performed by the Armed Forces themselves). But I offer two qualifications in this regard:

- one is that although military reporting still accounts for a significant proportion of DDIS's output, this reflects the nature of the Armed Forces own transformation and need for support in planning and conducting overseas operations, rather than an outdated focus or organisational bias. Moreover, the DDIS's traditional expertise in intelligence gathering on foreign military systems and on shipping movements in the region has taken on a new significance in the context of counter-proliferation and of understanding the sorts of weapons systems which coalitions may face in the course of international stabilisation efforts. This kind of military intelligence remains important to Denmark's foreign partners. It forms a major element in the exchange of intelligence, which is part of the wider international security cooperation of which successful handling of current threats depends. It is weighted strongly in Denmark's favour and brings information on other topics including terrorism and transnational threats in return;
- the other is the need for the DDIS's contribution to counter-terrorism to be seen in a broader context than co-working with PET, vital though that cooperation is. This is because of other tasks: protection of Danish Armed Forces abroad; managing relations with foreign partners who produce information on terrorism which could not be collected by Danish national means; and providing intelligence on the wider international dimensions which are political, ideological and social (as the cartoon crisis has shown) and not confined to law enforcement. The proportion of CT effort which the DDIS plans to place in the new Centre for Terrorism Analysis, for example, is consistent with the approach taken by UK foreign intelligence agencies in respect of the UK equivalent, JTAC.

13. Chapter 3 and 4 cover the work of intelligence collection from Danish human source intelligence and from technical means. I note that the additional resources made available since 2001 have been applied to the purposes intended. It will take time for the investment to bear fruit in terms of increased intelligence product and there remain considerable challenges in the technical area, given the continuing revolution in communications technology. But as a result of these investments Denmark is seen by key partners as one of the European countries whose intelligence agencies are taking effective steps to implement the changes necessary to counter new transnational threats, including the adoption of new techniques.

14. I have made recommendations affecting SIGINT systems and ways of working, together with more generally applicable proposals to strengthen the liaison between analysts and collection sectors in the interests of generating increased national intelligence to inform DDIS assessments and reporting.

15. I also comment, in Chapter 4, on the high quality of the DDIS's liaison office and the way it manages relations with foreign intelligence partners. These have grown in number in recent years – a mark of DDIS's standing, – and are important, both in terms of the need for closer international cooperation and information exchange for collective safety and to fill in gaps in national intelligence collection. The DDIS manages partner relationships in a way which is a source of strength for Danish intelligence rather than a dependency. I have recommended some strengthening of this role, possibly to cover PET's interests abroad as well.
16. Chapter 5 deals with the military security function. As with other parts of the DDIS, I found this working well and tightly staffed. My main observation concerns the growing importance of information assurance – i.e. the integrity of modern communications and internet-based systems and their vulnerability to external interference or attack. This is a problem which affects the public and private sector infrastructure as a whole, not just military networks. I have recommended that the DDIS capability be developed and that the Government considers appointing DDIS as the National Technical Security Authority.
17. Chapter 6 examines the DDIS's administration and budget and considers staffing issues. I think that the grouping together in Denmark of what are, in some other countries, several separate intelligence and defence agencies brings both business benefits and synergies (which is why I would not, in any case, recommend a change in high level structure) as well as efficiency and cost-effectiveness. International comparisons are difficult, but even allowing for the differences in scale it seems evident that, proportionally, Denmark spends less on intelligence than the UK, Sweden or Norway. She certainly gets value for money from the investment.
18. The DDIS budget is well managed and resources are directed in accordance with intelligence priorities (although with SIGINT systems it is more a matter of building general capacity which is then capable of flexible employment, e.g. against terrorism targets). The process of linking resources to objectives should be improved by the introduction of the De Mars project in the DDIS, preparations for which are well advanced.
19. I also comment in this chapter on personnel issues. One is the recommendation that in view of proposals for a closer relationship with the policy community and the MFA, the DDIS should appoint a Professional Head of Intelligence Analysis, with the twin function of maintaining the integrity and independence of assessments in relation to the policy process and to oversee professional standards, training and career development of the analyst cadre.

20. Chapter 7 reviews the DDIS's policy of greater public openness. I believe this has been a notable success so far and done much to raise the image and standing of the DDIS in public opinion. My discussions with university institutes confirms as much, as does the response among academics to the DDIS's recent recruitment campaigns. The interaction with the academic community, through seminars and meetings on specific issues, is something of a model of its kind for other intelligence agencies, while the publication of unclassified assessments, e.g. on Iraq and Afghanistan, have been accepted as objective analyses and have served to inform public and parliamentary debate. My impression is that the DDIS has struck the right balance between protecting security and confidentiality and demonstrating public accountability.
21. The final chapter comments on legal issues. It endorses the recommendations of the inter-ministerial group on Terrorism on the basis that the legal framework within which the Danish intelligence agencies operate for the protection of the Danish people is no longer adequate in view of the changed nature of the threats and the changing nature of communications technology. Some European countries have fewer obstacles in this respect; some have more. Each country must decide these matters in the light of their own public and political debate. I have offered some suggestions from an intelligence perspective, involving greater flexibility for intelligence agencies, over techniques and methods of interception and data storage, balanced by a stronger framework of independent oversight.
22. In conclusion, it has been an enjoyable privilege to be invited to review the DDIS. In the course of my work I have been given every access to information and views and have found individual members of the DDIS proud of their service, yet ready to learn and improve at every stage. I am grateful to all those who have given freely of their time and views, during not the easiest of times for Danish foreign policy, including those outside the DDIS who have commented as customers or stakeholders. I have high admiration for people who do a great deal with relatively slender resources and exhibit a level of professionalism – and sometimes bravery – which is, I suspect, not always fully appreciated. There can be few times when intelligence work is more difficult or important for national and collective security than at present. It is my belief, based admittedly on a UK viewpoint, that Danish intelligence, including the DDIS, is one of the 3 or 4 European services which is coming to terms effectively with the challenges of the present environment and developing the necessary flexibilities and new techniques. I hope my benchmarking may go some small way in helping to carry that process further forward.

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