

OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE



**Processes for Assessing the Efficacy
and Value of Intelligence Programs**

February 9, 2016

LEADING INTELLIGENCE INTEGRATION

[PAGE INTENTIONALLY LEFT BLANK]

Processes for Assessing the Efficacy and Value of Intelligence Programs

This paper¹ addresses one of the recommendations made by the Privacy and Civil Liberties Oversight Board (PCLOB) in its *Report on the Surveillance Program Operated Pursuant to Section 702 of the Foreign Intelligence Surveillance Act, July 2014* (Section 702 Report). In that report, the PCLOB recommended that “[t]he government should develop a comprehensive methodology for assessing the efficacy and relative value of counterterrorism programs.”²

The PCLOB Recommendation

As discussed in the Section 702 Report, “[t]he efficacy of any particular intelligence program is difficult to assess.” While a program might provide intelligence to thwart a terrorist plot, the Report acknowledged that “the number of ‘plots thwarted’ ... is only one measure of success.” Counterterrorism programs may well provide other information that helps the government better understand a terrorist organization’s intentions, composition, network, funding, and the like, which “can aid the government in taking steps to frustrate the efforts of these organizations.” As the Report pointed out, these programs “are not typically used in isolation; rather, these programs can support and mutually reinforce one another. Therefore, the success of a particular program may not be susceptible to evaluation based on what it produces in a vacuum.”

In highlighting the importance of assessing efficacy and value despite these challenges, the Report noted that the Office of the Director of National Intelligence (ODNI) “conducts studies to measure the relative

efficacy of different types of activities to assist in budgetary decisions,” and urged that “this important work should be continued, as well as expanded ... in order to assist policymakers in making informed, data-driven decisions about governmental activities that have the potential to invade the privacy and civil liberties of the public.”

Assessing Efficacy and Value

As further described in this paper, the Intelligence Community (IC) uses a range of processes to assess efficacy and value. Such processes generally involve both qualitative and quantitative dimensions. *Qualitatively*, it is critical to obtain input from intelligence professionals, as well as intelligence consumers, to determine whether a program or activity is generating intelligence that responds to intelligence needs. Assessing value can also involve *quantitative* measures, such as counting the number of reports generated by a program. Both dimensions are important. For example, a program might generate only a small number of reports, which might indicate it has little value if assessed only with quantitative measures. However, the consumers of those reports might value highly how these few reports enhance the quality of their decision making.

Described below are comprehensive processes used to assess the value and efficacy of intelligence programs. These combine both qualitative and quantitative elements. Some are newly implemented or recently updated. We believe that together, these processes

¹ This paper was prepared by the ODNI’s Civil Liberties and Privacy Office, in consultation with ODNI offices responsible for the processes described herein.

² Note that this paper discusses processes that apply to intelligence activities generally, with a particular focus on signals intelligence (SIGINT).

address the concerns that underlie the Section 702 Report's recommendation.

The National Intelligence Priorities Framework

This year, in response to Presidential Policy Directive (PPD)-28, ODNI led a comprehensive review with senior policymakers of the intelligence priorities captured in the National Intelligence Priorities Framework, or "NIPF." The NIPF is the primary mechanism by which the Director of National Intelligence (DNI) manages and communicates national intelligence priorities to Intelligence Community agencies to enable them to prioritize collection and analytic activities, including the use of SIGINT. The NIPF establishes priorities over the upcoming 12-18 months, and includes warning issues that have the potential to catch the U.S. Government by surprise. These priorities address a diverse range of threats, and a description of these threats is published by the DNI in the annual release of the *Worldwide Threat Assessment*.

Policymakers from the departments and agencies designated in PPD-28 examined the content of the national intelligence priorities that guide the Intelligence Community's collection and analytic activities. Policymakers validated each priority with respect to the anticipated intelligence value from collection coverage. In particular, this process ensures that SIGINT is used in support of valid national security objectives.

Additionally, the DNI issued a revised version of Intelligence Community Directive (ICD) 204 for the NIPF. The new ICD 204 ensures that priority decisions include consideration of the value of all intelligence activities to our national interests. The vehicle for these decisions is specified as the NIPF. ICD 204 also reflects PPD-28's requirement that

privacy concerns be considered in decisions on national intelligence priorities.

To ensure that the IC abides by the NIPF process as directed by ICD 204 and that senior policymakers adequately assess risks, the DNI issued, in January 2014, a memorandum providing guidance on how to handle SIGINT collection in accordance with the principles specified under PPD-28. The guidance directed that all IC elements:

- Consult with their experts in civil liberties and privacy, policy, and law before implementing sensitive collection activities.
- Report annually to the DNI any collection of sensitive targets.
- Annually provide collection requirements for review by ODNI and senior policymakers.
- Maintain searchable information management systems concerning sensitive SIGINT targets.

Refined Process on SIGINT Targeting

PPD-28 directed changes to the process for selecting targets for SIGINT collection in response to intelligence priorities, to ensure that special concerns unique to SIGINT collection were considered alongside other risks and benefits. Under PPD-28, the heads of policy departments and agencies must now approve SIGINT collection against sensitive targets. This ensures those who are best positioned to identify the requirements for intelligence collection – senior policymakers – provide comprehensive oversight of potentially sensitive SIGINT collection. The decisions to initiate such SIGINT collection must reflect both the value of the collection to our national interests and the potential risks,

including economic interests, privacy concerns, and diplomatic, law enforcement, and other relationships. ODNI works with the IC to help ensure that SIGINT activities remain consistent with any collection restrictions established by senior policymakers.

ODNI facilitates a process to ensure policymakers regularly review and revalidate the targets for SIGINT collection. During this process, policymakers are presented with collection profiles, and they assess the risk and value of the IC's collection. They assess the value of SIGINT collection on targets related to all national priorities. In cases where policymakers decide the risk outweighs its value, they establish restrictions for terminating and preventing collection. ODNI has maintained this process since 2013 and continues to ensure that policymakers conduct updates.

Assessing IC Reporting

During the annual review of intelligence priorities and SIGINT targeting, policymakers may express concern on select issues but require further insight before determining whether or not to restrict collection. In such cases, ODNI provides monthly reports to policymakers summarizing the quality and relevance of the IC's reporting against priorities. Upon reviewing the reports, policymakers advise ODNI on whether collection should continue, be adjusted, or cease. The reports are developed for any priority issue identified by policymakers and, at a minimum, focus on collection they deem potentially sensitive or of limited value.

In addition, ODNI annually reviews the IC's allocation of resources against NIPF priorities and the intelligence mission as a whole. This annual assessment gauges the relative value of all IC collection platforms and includes a

cost/benefit analysis of platforms for types of targets. Determining the relative value of collection platforms is highly contextual, requiring a combination of qualitative and quantitative methods to assess value in a comprehensive manner.

Quantitatively, this annual review counts the number of reports generated by each intelligence platform. In addition, this review counts the number of times such reports are cited in a different intelligence product. For reasons of feasibility and effectiveness, these methods focus on reports and citations that fit carefully defined criteria (e.g., based on topics of high interest). For example, an intelligence report generated by a particular intelligence platform on a high-interest topic might be cited in intelligence products such as the President's Daily Brief (PDB), as well as in more widely disseminated intelligence reports to officials with a need to know at relevant departments and agencies.

While these quantitative measures are important indicators of value, numbers alone do not provide the full picture. Thus, the IC also surveys subject matter experts and intelligence consumers to obtain their qualitative assessment of the value of the intelligence generated by the relevant collection platform produces. The survey methodology involves identifying experts for a particular intelligence topic and then granting each expert a particular sum of "money" (e.g., "one thousand coins"). The experts are then asked to spread that sum across the relevant collection platforms for that topic, spending more on platforms that they deem more valuable. This survey methodology effectively elicits value judgments from the experts that can be efficiently compiled and analyzed.

Other Processes

Individual IC elements conduct their own internal assessments of the value of their intelligence programs. These efforts are leveraged by the IC-wide processes described above.

In addition, the Intelligence Community Inspector General (IC IG) conducts its own audits of IC activities, which can include value and efficacy. The IC IG gathers information through a range of methods (e.g., surveys, interviews, data-calls) to obtain insight on whether an activity is working as it should and to identify gaps/deficiencies/overlap. The results are compiled into reports with recommendations. In addition, Section 108(d) of the USA FREEDOM Act requires the IC IG to assess, in relevant part, “the importance of the information acquired under” Title V of the

Foreign Intelligence Surveillance Act (FISA) (i.e. the Business Records section) “to the activities of the intelligence community.” Requests for more information on IC IG processes and responsibilities should be directed to the IC IG.

Path Forward

To supplement the value assessment processes described above, the ODNI continues to evaluate the feasibility of using additional methods. For example, one such method is so-called “prediction markets.” It is possible that analysts who are the most successful with such markets are relying on “the most valuable” intelligence. However, further exploration of this remains in its nascent stages –feasibility, technical, and other constraints exist.