

TOP SECRET

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**CSIS'S SURVEILLANCE CAPABILITIES AND FUNCTIONS
(SIRC STUDY 2013-02)**

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1 INTRODUCTION

Physical surveillance is one of the Service's five key pillars of information collection.¹ This tradecraft is of fundamental importance to the Canadian Security Intelligence Service's (CSIS or the Service) investigations as it enables CSIS to

Within CSIS, the Physical Surveillance Unit (PSU) is responsible for managing and carrying out the Service's surveillance capability. The PSU is comprised of [redacted] located at CSIS Headquarters (HQ), and [redacted] regional surveillance units located in the CSIS Regions. [redacted] is meant to provide a broad coordinating function, but the regional PSU teams operate independently from one another. These teams respond to daily regional tasking requests, and they are also primarily responsible for developing and maintaining their own skills, collection techniques and analytical capability.

Although the PSU has maintained this regionalized structure since its inception, the program is currently in the midst of a significant transition. In 2011, the Service engaged in a White Paper exercise that resulted in a series of recommendations designed to centralize and modernize the Service's surveillance capability. Some of these recommendations have already been implemented, and further changes to the program will be made in the near future.

Traditionally, SIRC has examined the Service's surveillance activities as part of its reviews of particular investigations; this review, however, took a more in-depth look at CSIS's surveillance capability. It took a close look at the PSU and the processes, policies and controls in place to manage the Service's surveillance activities. The review also paid close attention to how the Service is managing the transition to a new surveillance model. To that end, SIRC assessed the objectives of this transition and examined the effects of recent changes to the program.

Overall, **SIRC was impressed by surveillance practitioners' professionalism and dedication.** From Halifax to Vancouver, SIRC found regional surveillance practitioners were uniform in their positive and introspective outlook towards their work. SIRC did, however, identify issues with respect to the overall management of the program. In particular, SIRC found that the Service's failure to create a management structure and action plan to implement the recommendations outlined in the 2011 White Paper has prevented the Service from achieving the standardization necessary for a modern,

¹ The other four pillars are human sources, technical intercepts, liaison with foreign partners and domestic partnerships.

centrally-coordinated surveillance program. More significantly, SIRC found that the failure to centralize and standardize the PSU program has created a situation in which accountability is not as robust as SIRC believes it should be.

2 METHODOLOGY AND SCOPE

This study included an extensive review of documentation, such as CSIS internal policies and procedures, training materials, planning documentation, discussion papers, as well as all documentation pertaining to strategic initiatives that could have an impact on the surveillance program. At the more operational level, SIRC also examined tasking and approval documentation for a three-month period.

Owing to the specialized and regionalized nature of surveillance activities, SIRC relied on a higher than usual number of briefings and demonstrations. Overall, these briefings provided SIRC with a comprehensive understanding of CSIS's surveillance program and regional activities, and of the PSU's evolution following the October 2011 White Paper exercise. SIRC met with ³ on one occasion and visited all regional surveillance teams, as well as met with

⁴ These visits gave SIRC in-depth knowledge of PSU operations at the regional level and allowed the examination of Service equipment, locations, databases and analytical products used to assist surveillance activities. Through these meetings, SIRC also gained a regional perspective on the changes being brought to the surveillance program.

SIRC also had several meetings at CSIS HQ to obtain a broader corporate view of the surveillance program. SIRC met with the Assistant Director Technology (ADT) and the Assistant Director Collection (ADC) to discuss strategic initiatives that could have an impact on the surveillance program.⁵ On two occasions SIRC met with CSIS Training and Development (T&D) to discuss the centralization of training pertaining to surveillance

⁶ SIRC met with CSIS's ⁶ to understand the support that this unit provides to PSU.⁷ Finally, SIRC held a meeting with the Service's policy section to discuss upcoming changes to CSIS operational policy that will affect surveillance activities.⁸

In addition, SIRC was able to participate in a PSU training exercise

This exercise provided SIRC with first-hand knowledge of the skills, techniques and strategies that CSIS surveillants deploy on a daily basis. Most significantly, it provided SIRC with greater awareness of the many challenges and risks associated

³ Meeting on 2013 04 19.

⁴ SIRC visited CSIS Regions

⁵ Meeting on 2013 08 22.

⁶ The first meeting occurred on 2013 07 04; the second on 2013 09 05.

⁷ Meeting on 2013 07 04.

⁸ Meeting on 2013 09 17.

with these activities.

On the whole, SIRC found CSIS regions to be extremely forthcoming in terms of their comments and the provision of documentation. Nevertheless, towards the end of the review, SIRC became aware that [redacted] had not provided all of the documentation requested in SIRC's initial work plan. Upon further inquiry, SIRC learned that this omission was attributable to [redacted]

[redacted] and symptomatic of poor communication between CSIS HQ and the regions, which is an issue that is addressed in greater detail in this review.⁹ Once aware of this omission, SIRC determined that it did not have a material effect on the overall conclusions of this paper. Furthermore, now that [redacted] has been identified, SIRC will be working with the Service to ensure that similar omissions do not occur in future reviews.

The core review period for this study was January 1, 2010 to May 1, 2013, although information falling outside of this period was used to make a full assessment.

⁹ Memo, CSIS to SIRC, 2013 11 22.

3 THE NEED FOR A NATIONAL SURVEILLANCE PROGRAM

3.1 What is Surveillance?

Physical surveillance is a highly specialized activity that requires unique skills and methodologies. CSIS defines physical surveillance as “the act of watching or monitoring, discreetly, the movements and activities of a person or object in real time.”¹⁰ While the definition is relatively straightforward, in practice, physical surveillance is extremely difficult to carry out. Surveillance officers are required to observe their target, manage the complex environment around them and ensure that their activities remain inconspicuous. To do this, they must develop extensive area knowledge, exceptional driving and observational skills and a deep understanding of the team tactics required to keep a target within the team’s sights. Moreover, they must execute their skills under pressure and often in less than ideal circumstances

Although physical surveillance is difficult to carry out, the information gathered is crucial to CSIS investigations. Through physical surveillance, CSIS can observe a target’s activities, movements and contacts, thereby assisting in determining the extent to which an individual is engaging in threat-related activity.

3.2 History of Surveillance and Organizational Context

The PSU program originated during the last years of the Cold War when the threat of foreign espionage was quite high.

In subsequent years, the nature of surveillance work, combined with regionalized hiring and training procedures, perpetuated PSU’s isolation from the rest of the Service.

Until recently, CSIS conducted PSU training within the region, which contributed to the development of separate surveillance practices and procedures in the various regions. In addition, surveillance officers work as part of a close-knit team and perform their duties

¹⁰ CSIS Operational Policy, OPS 301 1.9 (2007 09 21).

3.3 Standardization within the Surveillance Program

Until recently, the regionalized nature of PSU was consistent with the Service's overall management structure. Traditionally, CSIS HQ was responsible for determining the Intelligence Requirements necessary to fulfill the Government of Canada's Intelligence Priorities, and regional management teams were left to devise the means of collecting the required information. In recent years, however, CSIS has sought to align its business practices with a broader government focus on modern performance management. Accordingly, regions are still responsible for the tactical deployment of their resources, but establishing standardized approaches to key components of certain national programs – such as surveillance – is now viewed as a necessity. The Service recognized, however, that such standardization would not be possible under its current decentralized surveillance model.

At the same time, CSIS began to re-examine its surveillance capability and concluded that

Consequently, in 2011, CSIS initiated a White Paper exercise, led by the ADT, to reassess the fundamental tenets of its surveillance program

Overall, the White Paper found that CSIS's surveillance program was evolving

Accordingly, it called for sweeping change within the surveillance program to bring about greater centralization and modernization. The paper made three key recommendations. First, it recommended the establishment of a national policy centre for surveillance that would be entrusted with developing core standards, policy, staffing and training strategies. Second, it recommended the Service adopt an "all sources" approach¹¹ to analysis to improve tasking, enhance resource deployment and develop meaningful performance measurements. Finally, to implement this "all-sources" approach, the White Paper recommended the creation of regional surveillance centres¹² that would incorporate and coordinate all methods of surveillance to improve effectiveness, efficiency and operational output.

¹¹ The White Paper observed that, although physical surveillance would be a key component of any modern surveillance program, it would not be the sole source of information.

For the surveillance program to be effective,

¹² The White Paper envisaged that a

SIRC's own assessment of the Service's surveillance program was consistent with the principal findings and recommendations outlined in the 2011 White Paper. Indeed, SIRC believes that achieving surveillance program standardization is a reasonable and necessary goal. SIRC's extensive review of documentation and meetings with each of the regional PSU teams revealed that, despite the differences that exist between CSIS regions, PSU teams share remarkably similar managerial issues. For example, all regions must address issues relating to hiring standards, training, procurement in an era of fiscal constraint, attrition, the introduction of new technologies and management of scarce resources. SIRC is of the opinion that these issues can best be addressed through standardization and that taking such action will improve the Service's surveillance capability. As such, **SIRC found the principal findings and recommendations outlined in the 2011 White Paper to be sound.**

SIRC observed, however, that following the White Paper, the Service did not institute a strong management framework to implement these recommendations, nor did it create an action plan. Owing to the absence of clear benchmarks, timelines and measurements, the regions have been implementing the recommendations according to their own needs and resource levels with little direction from _____ or CSIS HQ. SIRC believes that this *ad hoc* approach has ultimately prevented the Service from achieving the standardization necessary for a modern, centrally-coordinated surveillance program. Furthermore, as will be discussed, SIRC observed that the lack of standardization, particularly with respect to the establishment of best practices, communication and training,

4 THE CURRENT SURVEILLANCE PROGRAM

Following the publication of the 2011 White Paper, CSIS did not institute a strong management structure for the implementation of its recommendations. Although the White Paper called for a dedicated manager with adequate staff to coordinate the centralization and standardization of the program,¹³

In the absence of a strong central authority to lead the transition within the PSU, regions began implementing elements of the White Paper according to their own needs and available resources. [redacted] for example, worked towards improving its analytical capability in a way that enabled it to deploy its surveillance officers in a more efficient manner.¹⁵ [redacted] has been working on a similar initiative in which PSU analysts have taken on a greater role with respect to the analysis of a target's movements.¹⁶ While these initiatives are commendable, if they are continued in isolation from the other PSU teams, SIRC is concerned that it will be that much more difficult for CSIS to devise a truly 'national' set of surveillance standards. Most significantly, SIRC believes that the absence of strong leadership to guide the PSU program has meant that many of the issues that SIRC views as the most serious remain unaddressed.

4.1 Application of Distracted Driving Legislation

Although the majority of surveillance activities are conducted with [redacted] SIRC observed that CSIS does not have a set of national driving standards to guide employees. Of particular concern to SIRC is the fact that the Service has not provided regional surveillance teams with clear direction regarding the use of communications equipment while driving.

Communication between surveillance officers is essential to maintain contact with the [redacted]

¹⁴ SIRC was informed in October 2013 that [redacted] had been moved to the ADC's Directorate. However, no further information was provided about any changes to the responsibilities of [redacted]

¹⁵ [redacted] is also the first region to migrate its PSU system

¹⁶ Meeting with [redacted] PSU 2013 08 14.

target.¹⁷ However, all ten provinces in Canada have some form of cell phone/distracted driving legislation, and unlike police, ambulance and fire services, CSIS's surveillance officers are not always exempted from these provincial laws while carrying out their mandated duties. Significantly, **SIRC found that the Service does not have a legal opinion that assesses how these provincial laws apply to its surveillance teams, nor does it have a set of national driving standards to guide employees on important daily operational matters, such as the use of communications equipment while driving.**¹⁸

In the event that the use of a CSIS communications device contributes to an accident, SIRC believes that the Service could face legal jeopardy. Although CSIS is aware of this issue and has sought legal advice from Legal Services on this matter, a response has been pending for over a year.¹⁹ Therefore, **SIRC recommends that CSIS prioritize the request for legal advice pertaining to its liability under distracted driving legislation across Canada.** Furthermore, following receipt of legal advice, CSIS should develop clear and standardized operating procedures outlining the responsibilities of surveillance officers with respect to the performance of their duties and functions while driving.

4.2 Communication

SIRC was also concerned about the low level of communication that occurred between regions, as well as with . With PSU teams spread across Canada all sharing identical job functions, SIRC expected to see solid communication among surveillance practitioners. Instead, **SIRC found that, for the most part, regional PSU teams operate in total isolation from one another and communicate with only sporadically.**

Moreover, CSIS policy does not require that PSU teams share with other regions, nor with .

That CSIS's surveillance teams do not routinely share lessons learned, nor keep .

¹⁷ While observing a surveillance training exercise, SIRC learned that it would, in fact, be virtually impossible to conduct any type of surveillance without communication between surveillance officers.

¹⁸ SIRC did observe, however, that in the absence of direction from CSIS HQ, certain regions have taken the initiative and developed their own driving standards to help guide employees.

¹⁹ Refer to CSIS Document, "Conforming to hands free legislation," File 100-146, February 29, 2012.

consistently informed of operational developments, runs contrary to what SIRC believes are reasonable and necessary standards for a modern surveillance program.²¹

4.3 Training

A few years ago, while making a strong case for modernization, CSIS acknowledged that it was "critical for a high-performing organization to develop its talent through a systematic and integrated approach to managing performance and learning."²² Therefore, new surveillance officers now receive their 'core' PSU training

²³

Given that CSIS's goal is to further entrench standardized approaches to surveillance training and development, SIRC expected to see synchronization between HQ and the regions on this objective. Instead, **SIRC found that a bifurcated training model persists, with HQ working towards the standardization of performance and learning objectives, while the regions remain focused on their own training agendas.** Although it is possible that HQ standards can be sustained through regionally-led training initiatives, nevertheless, the regions have raised some practical, and hitherto unanswered, questions on how HQ intends to ensure training consistency under the proposed model. In SIRC's opinion, this situation owes to an evident lack of coordination and consultation between HQ and regional PSU teams.

The absence of robust national guidelines, solid communication and training continuity between HQ and the regions have all contributed to a PSU program that appears to be adrift from the objectives of the surveillance White Paper. To adequately address these issues, SIRC believes that HQ must play a much greater command-and-control role in the future. The final section of this review, therefore, outlines SIRC's recommendation on what specific steps should be taken to move the PSU program forward.

²¹ SIRC observed that when more stakeholders were involved in the surveillance program, the more comprehensive the solution to problems.

policy section
created a national standardized approach to address similar communications situations in the future, irrespective of region.

²² CSIS Document, "Business Modernization Project Report," 2010, p.32.

²³ SIRC was particularly impressed by Training and Development (T&D) Branch's

5 MODERNIZING THE SURVEILLANCE PROGRAM

Overall, SIRC's review clearly demonstrated that the information obtained from surveillance remains of fundamental importance to CSIS investigations. For this reason, SIRC concurred with the White Paper analysis that CSIS had to enhance its surveillance capability, but after thorough review, identified issues with respect to the overall management of the program.

SIRC found that the Service's failure to create a management structure and action plan to implement the recommendations outlined in the 2011 White Paper has had two important repercussions. First, it has prevented the Service from achieving the standardization necessary for a modern, centrally-coordinated surveillance program. Second, and in SIRC's view, more importantly, the failure to centralize and standardize the PSU program has created a situation whereby the accountability structure is not as robust as SIRC believes it should be.

SIRC is of the opinion that, of all the recommendations outlined in the White Paper, it is particularly important for the Service to establish a national policy centre for the PSU. Surveillance is an important investigative technique, but it is a technique that requires in contact with the

Canadian public and in close proximity to CSIS targets who may have a propensity for violence. As a result, surveillance officers are at risk of injury on the job and there is a potential for controversy should a surveillance operation go wrong. SIRC believes that the PSU requires a centre responsible for establishing rigorous policies and procedures, performance measurements and communication standards to mitigate the risks to surveillance officers and the Service, as well as to ensure that surveillance is conducted in accordance with the principles enshrined in the *CSIS Act* and Ministerial Directives.

Accordingly, **the Committee recommends that CSIS devise a clear governance framework that addresses the foundations of a national and standardized surveillance program, and furthermore, that this framework be implemented through an action plan.** To address this recommendation, CSIS should consider the following six points:

1. Clearly articulate the need for change and note precisely what change will transpire;
2. Commit leadership to guide the program forward. In particular, SIRC believes that the responsibilities of the require revisiting;
3. Seek collaboration and engagement by relevant regional stakeholders. A common criticism of the surveillance White Paper by regional PSU teams was their belief that consultation had been perfunctory, with some regions feeling as though their input was undervalued;
4. Devise clear benchmarks for implementation. The most obvious criticism of the surveillance White Paper is the absence of any benchmarks for achieving the noted recommendations;

5. Devote resources. If specific individuals are not given the time and financial resources to achieve the intended program improvements, then it can be expected that the program will not evolve according to plan; and,
6. Reinforce to stakeholders that there is Executive-level commitment in achieving program results, and build-in feedback processes to help assess progress.

With the development of a solid governance framework accompanied by a clear action plan, and through the support of dedicated surveillance employees across the country, SIRC believes that the PSU program will continue to provide much-needed information on national security threats. Most importantly, these program improvements will help to ensure that the activities of the PSU remain sufficiently accountable.

6 CONCLUSION

Previous modernization efforts within CSIS have underscored that “planning is the foundation for management excellence and must be accompanied by effective and efficient implementation and sound reporting on results.”²⁵ Although SIRC observed that CSIS’s surveillance program is staffed by dedicated professionals who are willing to embrace change, these good intentions have not been complemented by strong central stewardship. The result has been a surveillance model which, in SIRC’s opinion, has been accurately described as “Balkanized”.

For CSIS to develop sound performance metrics for training and analysis, while providing sufficient national coordination over the program, it is necessary that a surveillance governance framework be implemented and acted on. Considering the importance of surveillance as a national security collection platform, SIRC is confident that the Service will work expediently on making the necessary improvements to this program in keeping with other modernization efforts in recent years.

²⁵ CSIS Document, “Business Modernization Project Report,” 2010, p.33.