



# INTELLIGENCE AND SECURITY COMMITTEE OF PARLIAMENT



## UNCORRECTED TRANSCRIPT OF EVIDENCE

Given by

**Sir Iain Lobban**  
Director, Government Communication Headquarters

**Mr Andrew Parker**  
Director General, Security Service

**Sir John Sawers**  
Chief, Secret Intelligence Service

**Thursday, 7 November 2013**  
**2.00pm**

**CHAIRMAN:** Good afternoon. It is my pleasure to welcome you all here today at the first ever open evidence session of the Intelligence and Security Committee. I would like to welcome in particular our three witnesses: Sir Iain Lobban, the Director of GCHQ; Andrew Parker, the Director General of the Security Service, MI5; and Sir John Sawers, the Chief of the Secret Intelligence Service, MI6. Thank you, and we are delighted to welcome you, gentlemen.

This session, of course, which we as a Committee first considered a year ago, is a very significant step forward in the transparency of our Intelligence Agencies.

Having an open Parliamentary evidence session will be, I believe, of real value. Of course, we will not be asking our witnesses to reveal secret information in public.

Nor will we today be able to discuss our current investigation into the tragic death of Lee Rigby in Woolwich in May, since obviously we cannot prejudice the trials of the accused which is to take place in the near future.

The Intelligence and Security Committee, with its new powers, investigates the operations and scrutinises the capabilities of the Intelligence Agencies, but those sessions are held behind closed doors and must remain secret.

This evidence session is being broadcast with a short time delay. This is a safety mechanism to allow us to pause the broadcast if anything is inadvertently mentioned which might endanger national security or the safety of those involved in safeguarding it. I do not expect that we shall need to use it; this is, as with the Iraq Inquiry, a precaution. If I do need to suspend the session, we will resume as quickly as we can.

Today's open session, being the first ever, will involve an examination of a number of issues involving the Intelligence Agencies. It will include current controversies; it will include the threats that the Agencies are working to counter; the Agencies' conduct when performing their duties; the legal and policy framework within which they must operate; whether they need special legal powers; and whether it is right and necessary for them to receive, each year, £2 billion of public funds to carry out their work.

After those short introductory comments, let us move straight to the questions and

answers part of our proceedings.

My first question, if I may, is to you, Sir John. During the Cold War, the threat to the United Kingdom was pretty clear. There was the Warsaw Pact, the Soviet Union on one side and Nato on the other. Who poses the biggest threat to our national security now?

**SIR JOHN SAWERS:** Well, thank you, Chairman and thank you for this opportunity to give evidence here. We are very conscious of the unprecedented nature of this occasion. We will do our best to answer the Committee's questions as best we can.

You asked about the threats to the UK. It is not like it was in the Cold War. There are not states out there, trying to destroy our Government and our way of life, but there are a very wide range of diverse threats that we face. The biggest is terrorism, the threat from Al-Qaeda and its many, many branches. There are also states out there that are trying to do us harm through cyber attacks, by acquiring nuclear weapons or involved in generating instability in parts of the world that are important to us.

Of course, we always work in support of the armed forces, especially GCHQ and ourselves; and the armed forces have been very active in the last decade and we have been very supportive of them in helping shape their operations and in protecting soldiers' lives.

So it is a very volatile and rapidly changing world that we are living in and we have to have the skills, the people and the capabilities to be able to support and defend this country's security interests, wherever those threats arise.

**CHAIRMAN:** Thank you very much. That leads me to want to ask a supplementary, perhaps Andrew Parker, you might like to answer it. At the end of the Cold War a lot of people thought: we can now reduce the size and cost of our Intelligence Agencies. In fact it has gone the other way. They are very far greater, larger and more expensive than they have ever been. Do you as head of one of our Intelligence Agencies, a very secret Agency, but as also a citizen, do you ever get nervous that our Intelligence Agencies are too strong and powerful?

**ANDREW PARKER:** You are asking both about scale and about powers, if I could take them in that order. And scale, £2 billion is a substantial amount of taxpayers' money, and we take our responsibilities in spending it extremely seriously, and that is closely overseen by this Committee and audited by the National Audit Office.

The scale of it is, of course, set by Ministers, against the backdrop of the whole of public spending. That £2 billion is equivalent to roughly 6 per cent of the nation's defence budget, and so at that scale, we would contend and believe, and Ministers clearly have been persuaded, that that is a proportionate investment against the threats that the country faces.

**CHAIRMAN:** Thank you.

**ANDREW PARKER:** As far as dealing with the powers question, of course, the suggestion that somehow, what we do is somehow compromising freedom and democracy, of course we believe the opposite to be the case and it is for this Committee to oversee. The work we do is addressing directly threats to this country, to our way of life, to this country and to people who live here; and the work we do is proportionately judged against the necessity of protecting against those threats.

**CHAIRMAN:** Hazel Blears?

**HAZEL BLEARS:** Thank you. The threats from terrorism and indeed cyber, now increasingly involve countries and players from right across the globe. What has that meant for the ways in which your Agencies now have to work?

**SIR JOHN SAWERS:** Well, the threats we face are much more complex, as you have just described. It requires us to work much more closely together and I think there is an unprecedented level of collaboration between our three Agencies. For example, for MI6, there is scarcely an operation that we do that is not supported by either GCHQ or MI5

or both Agencies, and by partners overseas as well. And in a scarce resource world, and one where technology is a greater and greater part of our work, we collaborate very closely indeed on developing the applications and the technological systems we need in order to deliver on our responsibilities.

**CHAIRMAN:** Thank you. Lord Lothian?

**LORD LOTHIAN:** Over the last 25 years, there have been three significant events which had had implications for our national security. Namely the end of the Cold War, 9/11 and the Arab uprisings, none of which apparently were foreseen by the intelligence community. Would you accept now that you could and should have done more to have predicted these?

**SIR JOHN SAWERS:** Well, Lord Lothian, we are not crystal ball gazers. We are Intelligence Agencies. We need to understand, part of our work is to understand foreign countries. We could all see the fault lines in Arab societies, just to take the Arab Spring as an example. But no-one predicted when the earthquake would strike. There was not a secret in somebody's safe in Cairo saying the Arab Spring was going to start in January 2011. So it was not something that was out there, but we missed. It was an analytical issue which, frankly, governments, think tanks, foreign services and Intelligence Agencies, we were all looking at it, and we could all see that there were tensions in these societies, but you cannot say that this particular trigger is going to happen at this particular time.

I think it was the same with the collapse of the Cold War, the same with 9/11. We had identified Al-Qaeda as a serious threat, and we have learned a huge amount since then. But I think you need to understand what Intelligence Agencies do. We acquire the secrets that other countries don't want us to know or other organisations don't want us to know; we are not all, all-knowing specialists in what is going to happen next month or next year.

**CHAIRMAN:** I think Julian Lewis wants to follow up on this point.

**JULIAN LEWIS:** Yes. There is surely nothing new about this at all, is there, because if you look back at the 20th century of conflicts, a majority of those arose entirely unexpectedly, sometimes surely unexpectedly even by the people who were later cast as aggressors?

**SIR JOHN SAWERS:** That is why we put a premium on agility and flexibility. For example we didn't expect at the beginning of 2011 that we would be engaged in a military conflict in Libya, but all three of our services had to direct our effort towards supporting the Government policy, towards supporting our armed forces at very short notice. And that is why agility, flexibility, capability are the watchwords of what we do.

**CHAIRMAN:** Thank you. Let us now move on to the issue of technology. George Howarth?

**GEORGE HOWARTH:** Thank you. Changes in the type of technology available and the use of it have obviously had a major impact on the work that you do. Can you explain perhaps how it has changed your role? Has it made your job harder or easier? Who has it helped most, the Agencies themselves or the terrorists?

**SIR IAIN LOBBAN:** Let me pick up on that one. The global information and communication technology domain is a \$3 trillion a year industry, so we are trying to keep up with that, it is relentless so we have to focus our efforts. I guess taking your question in two parts; the first set of challenges we have is simply around the internet. It is a fantastic place for business, for life, for study. It is global, it is diverse, it is complex. But there are threats to our security and our prosperity within that, and I will come back to your point about terrorism in a moment, if I may.

The point around discovering our subjects of interest, our intelligence targets within the soup of the internet is obviously very difficult, and then there is actually an issue around our people. We need very, very good, innovative, highly skilled people to keep up with

that technological challenge.

In terms of what it means for our business, it means that we have to anticipate, discover, analyse, investigate and respond, and we have to do so globally because the threat is coming at us globally. We need a global, agile, flexible array of intelligence and security capabilities, and therefore we need global partnerships.

On your question about terrorism, I think it has helped the terrorists. I think our job is harder, has got harder, is getting harder. If you think about what the internet does for terrorists, it gives them a myriad of ways to communicate covertly. It gives them a platform, to fund-raise, to radicalise, to spread propaganda. It gives them the means to plan, to command and control, to spread lethal ideas, to exhort violence. We have had some successes in this area, in terms of turning that against them. I think those are best kept secret. It is not simply about terrorism; it is also about serious crime. I could mention some of the work we do with the Child Exploitation Online Protection Agency; in terms of working with them to uncover the identities and track down some of those who are involved in online sexual exploitation of children within the UK, including from overseas. There is a recent case where we managed to do that, where we used our intelligence capabilities to identify those and with the help of the foreign partner then to bring them to justice and two people are now in jail.

**ANDREW PARKER:** Chairman, maybe I could just add a comment, if that is okay. I think there are basically two themes that define the future that lies before us. One is the diversifying threat landscape that I have spoken of recently publicly. The second one is this technology issue. It is an accelerating technology race which is defined by the changes and advances in the internet, and this is not about the world of security and intelligence alone, of course. All of our lives are moving on to the internet and it is important that we are able to operate there, because the terrorists do too. We need to be able to have capability that lets us track them and monitor their communications in the modern world.

**CHAIRMAN:** Julian Lewis?

**JULIAN LEWIS:** If a junior clerk with a memory stick can copy and publish, on the internet, tens of thousands of highly classified documents, what measures can be put in place to try to prevent such huge breaches of security in the future?

**ANDREW PARKER:** If I can have a go at that one, Mr Lewis. I think the answer on security, is of course, the whole range of security measures we take. It is tempting to think that security relating to an IT issue must have an IT solution, and of course that is part of it. We have very tightly controlled IT access and arrangements for who can download what, and so on.

But those sit within the whole range of security arrangements we have. Physical security of our facilities, but most importantly, the personnel security that we apply to the vetting that our people have, to the highest level, the way they are managed and the way all of these measures together make it extremely difficult and extremely unlikely to have these breaches.

**JULIAN LEWIS:** What has happened in America, you think, couldn't happen over here? And it has happened there twice now.

**ANDREW PARKER:** In the UK - and I can't comment on US arrangements - we have extremely stringent security arrangements. Of course we would never say nothing is ever possible, but in all the years I can remember in relation to this question, there has only been one instance of an individual attempting at a small scale, and he was caught and prosecuted and went to jail.

**CHAIRMAN:** Can we assume that you are having discussions with your American colleagues about the hundreds of thousands of people who appear to have access to your information in the United Kingdom?

**ANDREW PARKER:** All three of us are involved in those discussions, Chairman.

**CHAIRMAN:** Thank you very much. We are going to move on from technology. We will return to the Agencies' use of technology and the current controversies later in the session, but we now must move on to a very sensitive subject, of working with foreign Intelligence Agencies. Hazel Blears?

**HAZEL BLEARS:** Thank you. Because of the nature of the threat now, it is much more international, it is inevitable that you will have to work with your liaison equivalents overseas. This carries risks, particularly if those countries don't adhere to the same high standards of human rights compliance that we do in this country. Why don't you limit your relationships to those organisations who actually do have the same standards as we have in this country?

**SIR JOHN SAWERS:** Well, we have got very good partnerships with our European and American and other Western partners, and we work very closely with them, against all the issues we have described.

**HAZEL BLEARS:** It is not really those countries that I am concerned about. It is the countries that don't.

**SIR JOHN SAWERS:** I am coming on to that. The problem is the threat to us does not come from those countries. The threat comes from those countries which are either secretive states, where there is ungoverned territory where terrorists can operate or countries which are pursuing nuclear weapons programmes, for example.

If you want to work in the areas you are talking about, the Middle East, South Asia, Africa and so on, we need to work with the local security partners there. Now, they are often quite powerful and important players in those countries. They carry a lot of weight. My Agency carries the main responsibility for our partnerships with those organisations.

If there is a terrorist... say a British extremist has gone to a foreign country and it is important for our security, in the UK, that an eye is kept on him, that he is surveilled, that he is monitored. Maybe he needs to be detained and arrested at some point. We don't have the powers to do that. It is the local partners that have the powers to do those things, so we have to work in partnership in order to be able to do things lawfully overseas.

**HAZEL BLEARS:** If that is the case, how can you be sure that the action that you take, that doesn't result in somebody being mistreated, either here or abroad, because of that closeness of that relationship with some of these services?

**SIR JOHN SAWERS:** Well, that is a very important point for us, because we are absolutely clear that we only operate within the framework of the law. There are some countries that we can't work with at all. Take Syria, for example. There is no rule of law, there is no partner there at the moment. We couldn't possibly operate with any partner in that country, in the Syrian regime.

There are other countries which have mixed human rights records. With countries like that we seek clear assurances that when we provide intelligence, it will be used lawfully and that if anybody is detained or questioned as a consequence of our intelligence, that it is done to our standards. Now, there are sometimes some fine balances to be drawn here, and where there is a fine balance, we will submit the issue, we will compile the risks and the benefits as we see them and seek the guidance of Ministers on that.

**HAZEL BLEARS:** Right. But there have been allegations in relation to specific incidents that your organisation has been complicit in torture that has taken place against people. How can you be sure that because of these close relationships, you have talked about the guidance and escalating things to Ministers, but the fact that you have this close relationship, doesn't that mean that you may well be complicit or responsible in some way for some of these dreadful events that have occurred?

**SIR JOHN SAWERS:** Well, I don't accept the allegations that have been made against us. What I would say is that with the benefit of hindsight, we were not configured, in 2001,

for the scale of the terrorist threat that this country faced after 9/11. Our people were not trained for it. We did not have the experience for it. We did not have the resources for it. And it took us some time to adapt to the scale of the threat that we faced. But we learned pretty quickly. We have had guidance in place for seven or eight years now, which in 2010 was pulled together across the three Agencies and across the military. So we have consolidated guidance which was published by the Government; and that gives very clear direction to us, as heads of Agencies, and to our staff in the field about what they can and cannot do. If there is any doubt, we put it to Ministers. And there is a former High Court judge, Sir Mark Waller, who is directed to oversee the implementation of this guidance, to ensure that what we are doing is in accordance with the law and that guidance.

**CHAIRMAN:** An intervention from Menzies Campbell.

**SIR MENZIES CAMPBELL:** It is one thing to have guidance and to have training, but of course the situations in which officers may find themselves operating may be very dynamic indeed. What kind of audit do you perform, in relation to circumstances where an officer may come back and say: well, this was rather difficult, but I made my decision at a particular direction; for example, not to have any part in what was going on?

Don't you need some kind of continuous assessment of the effectiveness of that?

**SIR JOHN SAWERS:** We do. I think, Sir Menzies, that it is more dynamic than you suggest. I think the idea of sending an agent off into the field like James Bond and then he comes back two months later and reports, that is...

**SIR MENZIES CAMPBELL:** Or indeed, the phoning up to Ministers.

**SIR JOHN SAWERS:** That does not work that way. Our people in the field will have constant communication with us through our stations or direct to head office. And they can communicate very rapidly; we have a 24/7 system. If something is happening at midnight on a Saturday night, then we have a system for enabling guidance to be issued from head office, and if we don't feel that it falls clearly enough on one side of the line or the other or the facts are just uncertain, then we will wake the Foreign Secretary up and ask him for a view one way or the other.

**HAZEL BLEARS:** Do you feel, Sir John, that you can actually guarantee, not just to this Committee, but to the public as well, that your Agency, your organisation, is beyond reproach now in these matters and will not be complicit?

**SIR JOHN SAWERS:** What I can say to you, Ms Blears, is that we have learned a huge amount over the last 12 years. I am very satisfied with the rigorous compliance procedures that we have in place. There is no way that our members of staff could be drawn into situations, at this stage, where there is any doubt about what they should be doing. And there is a very strong ethical standards in all our services, and you know, when you are dealing... when you are working in a secret organisation, having a strong ethical and disciplined approach is really, really important. That is one of the bases on which we recruit people.

So I am very confident to be able to answer your question: yes.

**CHAIRMAN:** Mark Field?

**MARK FIELD:** You are happy with all those protocols in place that the large scale payoffs that I think very much upset many of our constituents, that have been paid out to foreign prisoners who have been held under questionable circumstances, or UK citizens, that those days are past us?

I wanted really to ask again on a slightly more practical level, really. If you are dealing with a day-to-day issue, what goes through your mind, for example if you were made aware of someone who was overseas, who had vital information, and was being held overseas by an overseas government, perhaps in one of these states that we don't normally have a day-to-day relationship with. How would you feel, how would you operate if we were aware that that individual had vital information of an imminent terrorist attack here on UK

soil?

**SIR JOHN SAWERS:** Well, we will do everything we can, within the law, to disrupt any such threat. So as I say, if this person is held in a country where we have a partnership relationship, then we will seek, with that partner, to ensure that the right questions are put to this person, but in a lawful way. If there is a serious risk that our questions would prompt the maltreatment or torture of a detainee, well, we would consult Ministers about that. And if we knew that that was going to happen, well, we wouldn't even think about it in the first place. We would not even bother Ministers with it, but we have been able to find other ways to disrupt these threats and I think the record we have, especially MI5's lead on this, of disrupting threats in the UK with a footprint overseas, has actually been quite commendable... and Andrew will talk about that with more authority.

Just one point about the payoffs that you mentioned, Mr Field. It was not just your constituents. It was our members of staff who felt pretty sickened about it as well, because on many of these cases we had a strong defence to these allegations that were being made against us, but the court system did not allow us to make those defences. We are really glad to see the Justice and Security Act being passed earlier this year, which now enables the Agencies to defend ourselves when faced with these allegations.

I am not saying all allegations are in... you know, manufactured or whatever, and there may be some cases which the courts should hear, where there is a case to be heard. But now the courts can hear it and that is only because of the Justice and Security Act.

**CHAIRMAN:** Andrew Parker, you wanted to...

**ANDREW PARKER:** Just very quickly to answer Mr Field's question. I appreciate it is a hypothetical one where you are pushing to the extremes of the policy. But at the extreme, if your question is: would we pursue a situation that led, and we knew it would lead, to mistreatment or torture of an individual to get terrorist threat intelligence? The answer is: absolutely not. There is a very clear Government policy that applies across the Agencies and underpins the consolidated guidance, which is that we do not participate in, incite, or encourage mistreatment or torture. That is absolute.

**CHAIRMAN:** Thank you very much. Gentlemen, you will appreciate that the Committee will be wanting to keep a very close interest in this area. Let us move now to the changing nature of the threat from Al-Qaeda and its allies. Lord Lothian?

**LORD LOTHIAN:** Yes. After 9/11, the attention of the intelligence community was inevitably focused on Al-Qaeda in South Asia and in Afghanistan. But more recently, that attention seems to have shifted to the Middle East and to the Horn of Africa. Over the last five years, what proportion of the plots that have been uncovered have been linked to Al-Qaeda as opposed to Al-Qaeda affiliated groups in these other areas, including the Maghreb and the Sahel?

**ANDREW PARKER:** If you will permit me, I will take half a step back to answer the question, because I need to position it against the whole terrorist threat landscape. Since 9/11, of course, that appalling attack on the United States, in which almost 3,000 people were killed by Al-Qaeda, began what seems to be the modern chapter of terrorism, though we have had terrorism as an issue for much longer than that.

Afghanistan, you mentioned, of course, throughout the time since 9/11 that we have had coalition troops and British forces included in Afghanistan, there has been no terrorism projected against this country from there, due to the work of our armed forces. As we are approaching Armistice Day and all wearing poppies, I would like to pay tribute to the 446 British servicemen who have given their lives to achieve that end. There has been no terrorism from Afghanistan to this country during that time.

If I move quickly on, though, to how it has changed. Of course the period after 9/11 in terms of threat to this country, as you rightly say, was dominated by a threat from South Asia on what seemed an almost monolithic phenomenon, which threats came to us

from South Asia and from people living here and how those two interacted, which I could explain more later if you wanted. That led to a series of plots, and including, of course, the dreadful attack on 7 July 2005, in which 52 members of the public were murdered.

That moment, of course, then signaled a big shift in counter terrorist work in this country, when much stronger resourcing was added by Government and counter terrorist work stepped up and it started to take the shape that it is today, particularly the joint work of our Agencies and of MI5, with the police...

**CHAIRMAN:** Could you bring your answer more now to the specific question?

**ANDREW PARKER:** Absolutely, Chairman. So the threat since that time has then started to spread out. I want to be clear, this diversification of threat is not a shift or a displacement from one area to another. It is the growth of the Al-Qaeda phenomenon in the areas that you are referring to; so North and West Africa, in East Africa, in Yemen, and most recently in Syria, where the Al-Qaeda ideology has started to take root with pre-existing groups there that were mostly national or regional Islamist extremist groupings, and we have seen threats from all of those areas, but also still from South Asia.

**CHAIRMAN:** Thank you.

Paul Goggins?

**PAUL GOGGINS:** As Al-Qaeda is seeking to exploit the vacuums in some of those failing states... you mentioned Syria and also, Somalia and Mali and other countries of that kind... is there not a real risk that the very challenging terrain you are having to get coverage on here, that you are just spread too thinly and that you are missing things because you are spread too thinly?

**SIR JOHN SAWERS:** Shall I take that, Mr Goggins? Because we are responsible, we are deployed overseas and we are having, as Andrew says, to deal with Al-Qaeda emerging and forming and multiplying in a whole new range of countries, and of course that poses extra challenges, extra threats to us. There is no doubt that, especially over the last 12 months really, the threat has emerged. More British citizens have been killed overseas in 2013 than in the previous seven years combined. That is In Amenas and the Westgate Mall in Nairobi and a hostage killed in Nigeria and the events in Woolwich. There is no doubt at all that the threat is rising.

Now, deployed overseas, we work with partners, primarily in response to MI5 priorities as to where the threats to the UK is coming from. We do what we can to disrupt terrorist attacks overseas. We foil a good number, but some of them get through and the threat overseas is getting greater.

**CHAIRMAN:** Thank you. Menzies Campbell?

**SIR MENZIES CAMPBELL:** Just picking up on this question of threat. What is your assessment of the impact of what one might describe as terrorist tourism, the fact that there are citizens of the United Kingdom who go abroad, who acquire capabilities and then if they come back to this country and are suitably motivated, they have the opportunity of using what they learned abroad?

**ANDREW PARKER:** A very important strand of the threat we face is the way in which there is interaction between people who live in this country, who sympathise with or support the Al-Qaeda ideology and they travel to areas where they meet these Al-Qaeda groupings, either Al-Qaeda itself in South Asia or some of these other groupings I have talked about across other regions, because the attractiveness to these groupings is then they meet British citizens who are willing to engage in terrorism and they task them to do so, back at home where they have a higher impact in this country. We have seen that played out in previous plots here, including, as I mentioned, 7/7.

**SIR MENZIES CAMPBELL:** The distinction between home and abroad is really rather less obvious than it might have been in the past?

**SIR JOHN SAWERS:** That is the reason why we work so closely together.

**ANDREW PARKER:** It is a complex interaction.

**SIR MENZIES CAMPBELL:** You anticipated my next question. What about attacks on British citizens in public places, at home and abroad? What about the taking of British citizens as hostages, both at home and abroad? How do you assess the credibility of these threats? To describe a threat as "credible" does not necessarily make it so. What factors do you use in assessing the extent and the credibility of a particular threat in a particular area, geographically, for example?

**ANDREW PARKER:** Yes. The responsibility for assessing threat, in all areas of the world, including back in the UK, and setting threat levels, of course, rests with JTAC, which is hosted in my service but is a multi-Agency body that looks at the full range of intelligence from all sources and all Agencies, and is connected to international Intelligence Agencies around the world, and they form a picture based on all of the available intelligence, balancing it, assessing it, analysing it and coming out with rigorous judgments about threat levels.

**SIR MENZIES CAMPBELL:** As the account holder of part of this GBP 2 billion pounds the final responsibility for deciding in which direction particular capabilities should go must rest with the heads of the Agencies?

**ANDREW PARKER:** Yes, it does.

**SIR MENZIES CAMPBELL:** That being so, do you exercise your own independent judgment based on JTAC, or do you accept JTAC?

**ANDREW PARKER:** This is a collective effort, and John and Iain may want to say in a minute. The way in which we work against counter terrorism is a completely collective endeavour between the three of us as Intelligence Agencies, as I said earlier, between myself and the police, particularly SO15 and the national CT police network, who are excellent partners, who we work with towards arrests and prosecutions.

The decisions we make around this are based on the threat picture; and this is led from MI5, but it is a team effort in which the people in each of our Agencies who lead the counter terrorist work at the operational level plan together the deployments and priorities that are necessary.

**CHAIRMAN:** Lord Lothian wants to intervene, then we must move on to the next section.

**LORD LOTHIAN:** In answer to Sir Menzies you were talking about terrorist tourism. Is it your assessment that that is a growing threat or a decreasing one?

**ANDREW PARKER:** It has grown recently and is growing at the moment because of Syria. Syria has become a very attractive place for people to go for that reason. Those who support or sympathise with the Al-Qaeda ideological message that I mentioned. We have seen low hundreds now of people from this country go to Syria for periods and come back, some large numbers still there, and get involved in fighting. This is partly because of the proximity of Syria and the ease of travel there, but also because it is attractive as what they would see as a Jihadi cause.

**CHAIRMAN:** Let us move on to the homegrown threat if we may. We have seen several acts of terrorism or attempted terrorism in this country.

George Howarth?

**GEORGE HOWARTH:** Could I direct this to Mr Parker. In the last decade, over 50 people in the UK have been killed as a result of terrorist attacks. Do you accept that, as many people would argue, this represents a significant failure of intelligence? Perhaps you could say a word about the number of plots that have been uncovered during the course of the last ten years, and to what extent does luck play a part in the work that you do to try and uncover these plots?

**ANDREW PARKER:** You won't be surprised that I absolutely reject the term "intelligence failure" in this area. The principal attack that the UK suffered, in terms of numbers of loss of life, though there have also been attacks this year, goes back to 2005 and the 52 deaths

I spoke of. This Committee examined what my service did around that, including what the other Agencies and the police did, and concluded that the actions we took were reasonable at the time. I think that I would hear from that, that that has not been judged to be a failure; I absolutely don't judge that it was.

Since then, there have been persistent attacks, attempts of attacks of terrorism in this country. You asked about the last ten years. I think the number since... if I go back to 2005, rather than ten years... 7/7 is that there have been 34 plots towards terrorism that have been disrupted in this country, at all sizes and stages. I have referred publicly and previously, and my predecessors have, to the fact that one or two of those were major plots aimed at mass casualty that have been attempted each year. Of that 34, most of them, the vast majority, have been disrupted by active detection and intervention by the Agencies and the police. One or two of them, a small number, have failed because they just failed. The plans did not come together. But the vast majority by intervention.

**CHAIRMAN:** Hazel Blears?

**HAZEL BLEARS:** Yes. 7/7 came as a complete shock, I think, to the nation's psyche to think that people born and raised in Britain could want to commit acts of terrorism. Clearly the best way to protect the country is to prevent these plots being formed in the first place. How important do you think the PREVENT programme is and do you think that there is enough emphasis on trying to make sure people are not radicalised and don't go down this path of homegrown terrorism?

**ANDREW PARKER:** Clearly, as the Committee is aware, the bulk of the work that MI5 and the Agencies do in this area is focused on stopping people who are supporting terrorism and working towards it, in what is called "PURSUE" and stopping plots, and that is where the bulk of our effort is. As you rightly say, PREVENT is also an important pillar of the Government's counter terrorist strategy, and it is the one that gets at dealing with the problem of vulnerable individuals who are exposed to this toxic and twisted message of violence.

It is certainly part of what we do with the police to refer people into that programme, wherever we can, wherever it offers a sensible way for dealing with the problem.

**CHAIRMAN:** Julian Lewis?

**JULIAN LEWIS:** Between 7/7 and the murder of Lee Rigby, there were 34 thwarted attacks. Out of those 34 how many of them were being plotted by homegrown terrorists, would it be true to say the vast majority of them were? How many by foreigners and how many by people who were living here, but they had relatively recently come to live here?

**ANDREW PARKER:** Yes. You are right to say that the vast majority of the plots come from people who live here. There are several thousand individuals in this country who I would describe as supporting violent extremism or engaged in it in some way, that we are aware of. The terrorist plots that we have dealt with, over the years, have almost all come from amongst those people.

**JULIAN LEWIS:** What about, of the two categories that live here, is the vast majority of those homegrown people who have lived here and grown up here, or is a significant proportion of them people who have recently come into the country?

**ANDREW PARKER:** I will go back to the comment we almost got to a few minutes ago, which is: I am not sure that the term "Homegrown" is a completely helpful one here in getting at the phenomenon, because of the complex and rich links there are between the individuals I have talked about living here, and the Al-Qaeda groupings overseas. In almost every instance we see in a plot, there are those linkages.

**JULIAN LEWIS:** Right. That almost anticipates what I am going to ask you next. That is: we have seen this shift from the so-called spectacular plots to the lone wolf attacks, so-called. Would you say that that is a serious shift, a reorientation of the whole terrorist threat away from networks, towards individuals making these attacks and planning to kill

people on a low-level individual basis, or is it, as I think you are just saying to us now, now more that even the lone wolves usually have some sort of outside influence?

**ANDREW PARKER:** I think the answer to your first question is: no, it is not so much a shift, as that we see different methods of terrorism being added over the years. I will go back to a case earlier this year. 11 individuals were convicted in a case we called Operation Examine, near the start of this year, which was a plot from two years ago in which the terrorists themselves, we picked up on covert microphones, were talking about a plot to exceed, be greater than 7/7. So in terms of the spectaculars and the mass casualty attacks, these were very much in the minds of the terrorists still, and we should expect that to persist.

Alongside it, we have seen a small rise in the number of cases we see of individuals who become radicalised, and sometimes to violent action. This happens because of the rise of the internet and presence of all kinds of violent material there, that they can connect with; and also because some of the linkages I spoke of, the complex linkages particularly with South Asia, are now harder for the terrorists to have, and so there is a little bit more autonomy amongst some groupings and individuals than we have seen in the past, but I think this is an added phenomenon, rather than a shift from one to another.

**CHAIRMAN:** Thank you. Paul Goggins?

**PAUL GOGGINS:** Mr Parker, the Home Secretary, on Monday, made a statement to the House in which she said the Security Service had always advised her that there had been no substantial increase in the overall risk since the introduction of Terrorist Prevention and Investigation Measures.

Now that we have two suspects on the run and the prospect of a number of these orders coming to an end in January, is that assessment still valid?

**ANDREW PARKER:** Thank you. I know, Mr Goggins, you take close interest in this in the House, as do other members of the Committee. I listened to the Home Secretary speak on the debate in the House on Monday, and I think that she covered these issues quite fully. On the specifics of your question, going back to what my predecessor said about this, the no substantial overall increase in risk: that is a judgment made against the whole of the risk we are dealing with. When I referred a few minutes ago to the several thousand individuals here who support violent extremism in one way or another. It is a judgment about that whole target set, including these individuals, not these individuals on their own. And it remains true.

**CHAIRMAN:** Thank you. Menzies Campbell?

**SIR MENZIES CAMPBELL:** Are you able to tell us the trend of operations within your service, in relation to counter terrorism? Over the period since 7/7, has the number of operations which you have carried out, had to carry out, increased? In particular, was that the case in and around the period of the Olympic games?

**ANDREW PARKER:** The level of counter terrorist activity that goes on operationally has been fairly even in recent years. For the Olympics, we surged extra effort into it, in case there were extra threats or there were attempts by Al-Qaeda or other groups to attack the games or mount attacks during the games. As it happens, there were some threats, but there were no serious ones that came forward during that period. We were ready in case there were; they didn't happen.

Setting the Olympics aside for a minute, your question about the trends. I think the trends are that we have seen more and more new methods added, as we have talked, we are dealing with a diversifying source of threats from a range of different countries now. That broadens out, it seems, year by year, so it becomes a more complex task.

In terms of the numbers, maybe the best guide are the numbers of prosecutions through the courts. Since 9/11, that number is 334 cases to do with international terrorism.

In the first part of this year, there were 25 convictions in four major investigations that we

and the police were involved in and brought forward as operations, one of which was the plot I just mentioned.

**CHAIRMAN:** Thank you. Terrorism, of course, has not just been Islamist extremism, but also the experience with Northern Ireland. Let us move, if we may, to that situation.

Lord Lothian?

**LORD LOTHIAN:** Has the prominence of the threat of Islamist terrorism on the mainland, and indeed emanating from abroad which we have been discussing, has that meant that you have taken your eye off the ball in relation to Northern Ireland?

**ANDREW PARKER:** No, not at all. We have a very substantial commitment of effort in Northern Ireland which is based there and is not distracted by the rest of our work. We took over the intelligence lead for work against terrorism in Northern Ireland six years ago, and we have a heavy commitment of resources there, which is partnered with PSNI.

I think the situation in Northern Ireland is one in which we do see, from time to time, tragic terrorism. A year ago, the murder of a prison officer, David Black, over there. I think a disgraceful act. But the people that we are talking about, the terrorists over there, are a small number of people, a residue of terrorism from what I would call a bygone era. Northern Ireland, as you know very well, moved on 15 years ago with the Good Friday agreement and a decision to move forward in a democratic way, and it has done so. Northern Ireland is now a modern and civic society in which terrorism has no place.

**CHAIRMAN:** Paul Goggins?

**PAUL GOGGINS:** Mr Parker, you described them as a residue. But you mentioned the murder of David Black, the prison officer. The Northern Ireland Secretary herself warned yesterday of continuous planning and targeting by Dissident Republicans. What are the major factors that lie behind this renewed level of threat in Northern Ireland?

**ANDREW PARKER:** I am not sure I would accept it is a renewed level of threat. The number of terrorist attacks in Northern Ireland year-on-year is diminishing, as we and the police press down on it. The number of people convicted in the courts is gradually going up as we bring these people before the courts. The threat persists in the way that the Secretary of State said. I think she said likely for the foreseeable future, and I would agree with that assessment. But it won't last forever, because these people will eventually, over time, either give up or be caught and put before the courts and put in jail.

**PAUL GOGGINS:** You think there are prospects for change. You don't think this goes on indefinitely?

**ANDREW PARKER:** I think over time it is diminishing year-on-year and eventually we will see a Northern Ireland without this sort of terrorism. I am committed to working there with the police until we see that day.

**CHAIRMAN:** Thank you very much. We have had a short discussion already on technology. Let us now move to the cyber threat and, in particular, how GCHQ uses the internet. Can we begin, if we may, Lord Butler has a question, I think, on the general cyber threat.

**LORD BUTLER:** Could we start on the international aspects of cyber threat. We have been familiar for a long time with state attacks on the Government and the attempt to get military secrets. We now have corporate attacks and there are also attacks on personal individuals to get their private information. How do you assess the proportion of those and could you give us a general description of how you see the cyber threat developing?

**SIR IAIN LOBBAN:** It is multifaceted, as you point out. Let me talk a little bit about the actors and the impact. Yes, hostile intelligence services, it is important to remember that. Highly organised groups stealing industrial secrets, academic secrets. Terrorists, hacktivists, criminal... increasingly sophisticated criminal actors.

I think I would draw out the growth in a diverse set of very capable non-state actors. I think the other thing I would draw out at a top level is the engagement by some states,

perhaps less sophisticated states in terms of their strategic weaponry, using cyber as an over the horizon means of projecting disruption.

In terms of the impact, I think I would focus perhaps on that industrial espionage aspect. I mean, we are seeing attacks against the businesses which keep Britain going. There are sectors; finance, potentially transport, communications, energy. We are seeing threat to from over 20 industrial sectors. Research and innovation being targeted, trade secrets, academic research, as I said. Industrial espionage on an industrial scale, stealing intellectual property.

The response to that has to be a cross-Government one and actually a beyond Government one. We work very closely with the Centre for the Protection of National Infrastructure. We work with the Business Innovation and Skills department. We will be working increasingly with the new National Crime Agency, who work with the Cabinet Office, of course.

That is a team game. If we get that right, I believe that we can actually be world class in terms of cyber, the UK. It is, I think, about working with industry and building capability, so industry can help. They can cover some of the territory at home and also in overseas markets. We are helping by certifying products and services. We are also working with academia to build, if you like, more of a cyber generation, build more skills across the country.

**CHAIRMAN:** Sir Iain, some would say that the real cyber threat comes from GCHQ, not just from others, seeking to collect everyone's data and communications. Can I ask you: why do you think it is necessary to collect information on the majority of the public, in order to protect us from the minority of potential evil doers?

**SIR IAIN LOBBAN:** Okay. Thank you, Chairman. I will work up to that, if I may.

First of all, just to clarify a couple of things, we do not spend our time listening to the telephone calls or reading the e-mails of the majority, of the vast majority. That would not be proportionate, it would not be legal. We do not do it. It would be very nice if terrorists or serious criminals used a particular method of communication and everybody else used something else. That is not the case. It would be very nice if we knew who all the terrorists or serious criminals were, but the internet, as I said earlier, is a great way to anonymise and avoid identification.

We have to do detective work and I will give you an analogy and it has been used in the press recently, but I will just try and draw it out a bit more. If you think of the internet as an enormous hay field, what we are trying to do is to collect hay from those parts of the field that we can get access to and which might be lucrative in terms of containing the needles or the fragments of the needles that we might be interested in, that might help our mission.

When we gather that haystack, and remember it is not a haystack from the whole field, it is a haystack from a tiny proportion of that field, we are very, very well aware that within that haystack there is going to be plenty of hay which is innocent communications from innocent people, not just British, foreign people as well. And so we design our queries against that data, to draw out the needles and we do not intrude upon, if you like, the surrounding hay. We can only look at the content of communications where there are very specific legal thresholds and requirements which have been met. So that is the reality. We don't want to delve into innocent e-mails and phonecalls. I feel I have to say this: I don't employ the type of people who would do. My people are motivated by saving the lives of British forces on the battle field, they are motivated by fighting terrorists/serious criminals, by meeting that foreign intelligence mission as well. If they were asked to snoop, I would not have the workforce. They would leave the building.

**CHAIRMAN:** You have given a very full response. Can I ask you: if you would be able to give that response today, why were the British public not entitled to know that you were

sifting very large amounts of communications data for the kind of purpose which you have just described?

**SIR IAIN LOBBAN:** Let me put it like this. I believe a government's first duty is to protect its people. Some ways that it does that I think are necessarily secret. I don't think "secret" means "unaccountable" in any sense, and I think the Foreign Secretary, certainly appointed by an elected government, authorises our operations. There is a Parliamentary Committee which gives us plenty of oversight. There is also the two Commissioners, the Interception of Communications Commissioner, the Intelligence Services Commissioner, who the Chief mentioned earlier...

**CHAIRMAN:** That is all within the realm of secrecy and I am asking you why the British public were not entitled to know what you have shared with the Committee this afternoon?

**SIR IAIN LOBBAN:** So I would say that I believe that certain methods should remain secret, I am happy to talk about whether or not there has been damage from that. I don't think "secret" means "sinister". And I think I would like to hammer that home. It feels strange to say: we have nothing to hide, given that we work within that ring of secrecy, but that ring of secrecy has the oversight mechanism, has the safeguards in terms of the Parliamentary Committee, our ministerial masters, the Commissioners and the Investigatory Powers Tribunal, to actually exercise that on behalf of the British public.

**CHAIRMAN:** Just to clarify: are you giving thought as to whether the line you have drawn between those aspects of the way you operate which have to be kept secret, and those which might be shared with the wider public, not just with those in the intelligence-related activities, are you giving some thought as to whether that line can be redrawn safely, without danger to the battle against terrorism and other objectives you have?

**SIR IAIN LOBBAN:** I think that has actually been quite an active debate, even before the recent revelations, and I think when the Committee reviews us, when we give evidence, when you produce your own report and you seek to produce it in as unredacted a form as possible, I think certainly that has moved over time. Clearly with the situation that we are in, we are actively considering that with Government.

**CHAIRMAN:** Hazel Blears?

**HAZEL BLEARS:** Sir Iain, some really quite serious allegations have been made over the last months, many of them directed at GCHQ and earlier this year there was an allegation that you were using your relationships with the US services in order to circumvent British law. We did an inquiry. We found that not founded. I think it is really important that we are clear with the public on this. Can you give us a guarantee today that you do not conduct operations which are outwith the British legal framework?

**SIR IAIN LOBBAN:** Yes, I can give you that guarantee. I believe that is true. We are subject to the law. I will also say: I am sure that is true of my sister Agencies as well.

**CHAIRMAN:** Mark Field.

**MARK FIELD:** Sir Iain, you have made us very much aware of your capabilities in the past, but we were not aware of the intricacies to which Hazel Blears has just referred. Whilst we appreciate that all this is of a very confidential nature, the sort of cooperation that you have with other overseas Agencies, will you give us an assurance here today that at the earliest opportunity in a closed session of this Committee you will give us a comprehensive update of all similar collaborations that are taking place with overseas Intelligence Agencies?

**SIR IAIN LOBBAN:** I would be very happy to do so.

**CHAIRMAN:** Hazel?

**HAZEL BLEARS:** I think that the public polling that has taken place actually show that the public, the vast majority, I think over 60 per cent of the public either think that you have the right amount of power or indeed some members of the public think you need more powers. As usual, the public...

**CHAIRMAN:** That is not necessarily the view of this Committee!

**HAZEL BLEARS:** I think, you know, the public are pretty sensible around this area. But what that polling also shows is that, yes, they support you having the powers, but they do want more transparency about the way those powers are exercised. I think this is the Chairman's point about: is there a possibility, whilst maintaining security, absolutely, but to have perhaps a more informed dialogue with the public, who actually often exhibit extremely good common sense on these issues that would provide people with that extra degree of reassurance about what all of you are undertaking?

**SIR IAIN LOBBAN:** Let me try and help now. The pat answer is: there are very good safeguards in place. I believe that to be absolutely the truth. But let me put it like this: if you are a terrorist, a serious criminal, a proliferator, a foreign intelligence target or if your activities pose a genuine threat to the national or economic security of the United Kingdom, there is a possibility that your communications will be monitored, as in we will seek to read, we will seek to listen to you.

If you are not, and if you are not in contact with one of those people, then you won't be. We are not entitled to. That is true actually whether you are British, if you are foreign, and wherever you are in the world.

**CHAIRMAN:** Can I ask if either of your colleagues would like to add to the points that have been raised so far in this area?

**ANDREW PARKER:** Perhaps I could, Chairman. Clearly openness is something that we are moving down the road on. I think it has now been over 20 years that we have been open in increasing ways as Agencies. The issue about balancing powers, transparency and openness and intrusion versus privacy, and so on, all of these balances that are critically important in a free society and in a democracy like the United Kingdom. These are matters principally for Ministers to lead on and for Parliament to set law about, that we then abide by, and are overseen in the work we do, in our compliance.

These are all live issues now, of course they are. So there is more openness.

**CHAIRMAN:** Can I interrupt you just for a moment to say that that is true, it is for Parliament and for Government to decide these matters. But very often the Agencies themselves seem over-nervous about insisting that something cannot be said in public because of the damage that can be done. Do you think you have sometimes taken that argument too far?

**ANDREW PARKER:** No, I am not sure about that. If I could answer that point. The reason why things are secret is not because we are somehow embarrassed about them or we want to keep them from the public. It is because we need to keep them from the people that we are investigating and carrying out intelligence operations against, the terrorists, spies and proliferators. If we make these things public, they are public to them too and we lose important operational advantage which can sometimes be quite fragile. That will leave the UK less safe. The task that we are all paid to do is to keep the country safe. That is challenging and difficult work to do; and where the techniques we have are compromised, that makes our work even harder.

Of course there will always be secrets and that is why the oversight mechanisms we have can operate in secret, including this Committee, on behalf of Parliament and on behalf of the public.

**CHAIRMAN:** Sir John, did you want to make any comment?

**SIR JOHN SAWERS:** Just to add, I very much support what Iain and Andrew have just said. Every successful organisation in this country is mastering the modern technology. Data analysis is an important part of this, use of the internet is an important part of this. Whether they are private sector companies, the National Health Service or the Intelligence Agencies, we all are trying to use the modern technology to take full advantage of the opportunities to achieve our goals.

As Iain and Andrew have said, the safeguards in place, the oversight in place, is very rigorous in our case. It would be bizarre to think that the one area which would be excluded from taking full advantage of modern technology is keeping this country safe. We have an extraordinarily difficult task, as Andrew has just described. We have to identify and recruit agents in the most exposed places, in the higher reaches of Al-Qaeda, in countries which are trying to do our country harm, secret states that are trying to do damage to us. We need to have the possibility of examining the intelligence, of drawing on the information that our partner Agencies have, in order to be able to identify those very brave individuals who are prepared to work with us against their undemocratic, secretive, oppressive societies which cause us threat.

If you end up diminishing our ability to use technology, then we will be less able to have that advantage that we have and our country will be less safe.

**CHAIRMAN:** Hazel Blears?

**HAZEL BLEARS:** Yes. You are currently under some criticism for knowing too much. If there is a terrorist incident, no doubt you will be under criticism for knowing too little. It is a rock and a hard place. I wonder if you would agree that in order to have the trust and confidence of the nation, which provides a strong platform for your work, that it is important that we again look at the balance between privacy and security. You will know that this Committee is intending to do some further work around those issues. I just wonder whether you have any comments about, really, where you strike that very, very difficult balance?

**ANDREW PARKER:** Perhaps if I start off on that one. I think fundamentally, the *raison d'être* of an organisation like MI5 is to protect the sort of country we live in against threats to it. The sort of country we live in is a free society, a democracy, a country where we do prize our individual liberty and privacy. Those values are extremely important to all of the men and women who work in our Agencies, who are members of the public, who live in communities and don't want to live in a surveillance society or a North Korea. They want to live in a country like this. Our job is to keep it that way. Those balances are very important to us.

Sometimes in public discourse, I find MI5 and other Agencies being spoken of as if somehow we were in this balance, leaping on one end of the see saw, arguing for more and more intrusion and more and more powers and more and more measures. Of course, that is not true at all. We are trying to help Government make these balances. Making these balances is about keeping this country the sort of country it is. There have been times over the years when successive governments have offered my service greater powers and greater measures, and we have said they are disproportionate and turned away from them. Making these balances is critically important.

**CHAIRMAN:** Mr Parker, in your recent speech to RUSI, you said, and I want to quote your words, you said:

"It causes enormous damage to make public the reach and limitations of GCHQ's techniques and that such information hands the advantage to the terrorists."

You then called that "The gift", your words, "The gift they need to evade us and strike at will".

Although obviously we appreciate that you may be limited in some of the detail you may be able to go into today, I think the public are entitled to know more about this enormous damage that you say has been caused by the publication of classified material. Can either you or Sir Iain Lobban give specific examples as to how this has, in your words, been "a gift" to the terrorists?

**ANDREW PARKER:** You are right, Chairman, that giving examples in specific cases, as you said in your introduction to this session, is going to be difficult in public session. We could do that in private session later, if you would like. But there are two things tucked up

in the comment I made in my speech. One is the dependence that we now have on the fantastic work that GCHQ do to detect terrorist communications. That leads to us finding terrorist plots that we would not otherwise find, that we are then able to thwart, which leads to lives being saved. There are real instances of that, including this year.

The advantage that we have, as Intelligence Agencies that leads to that sort of opportunity, as I said earlier, can be fragile. If we lose it, then we are just making a very difficult task even harder. That is what I meant in the speech. Iain might want to add.

**SIR IAIN LOBBAN:** I would like to come in, if I may. So since... this is actually over decades, decades going back to the Second World War and beyond. They depend upon our intelligence targets being at best unaware or at best uncertain of our successes. If you think what happens if SIGINT, Signals Intelligence, sources and methods are revealed, it can be a sudden darkening. More often, it is gradual, but it is inexorable.

What we have seen over the last five months is near daily discussion amongst some of our targets, and I will bring out some, I will give you an example, we have seen terrorist groups in the Middle East, in Afghanistan and elsewhere in South Asia, discussing the revelations in specific terms, in terms of the communications packages that they use, the communications packages that they wish to move to.

**CHAIRMAN:** Do you mean this is online or are you saying you have other ways of knowing...

**SIR IAIN LOBBAN:** We have intelligence on - we have actually seen chat around specific terrorist groups, including close to home, discussing how to avoid what they now perceive to be vulnerable communications methods or how to select communications which they now perceive not to be exploitable. I am not going to compound the damage by being specific in public, I am very happy to be very, very specific in private, but...

**CHAIRMAN:** We will ask you in private, but just to be clear: are you saying this is information which, from the way they have expressed themselves, refers to the revelations that have appeared in the press over the last few months?

**SIR IAIN LOBBAN:** Absolutely. It is a direct consequence.

**CHAIRMAN:** You can say that explicitly?

**SIR IAIN LOBBAN:** Yes, I can say that explicitly. The cumulative effect of the media coverage, the global media coverage, will make the job that we have far, far harder for years to come. There is a complex, there is a fragile mosaic as Andrew has said, of strategic capabilities that allows us to discover, process, investigate and then to take action. That uncovers terrorist cells. It reveals people shipping secrets, expertise or materials to do with chemical, biological and nuclear around the world. It allows us to reveal the identities of those involved in online sexual exploitation of children. Those people are very active users of encryption and of anonymisation tools. That mosaic is in a far, far weaker place than it was five months ago.

**CHAIRMAN:** George Howarth?

**GEORGE HOWARTH:** I think most reasonable people would accept that if people are using these kinds of mediums for attack planning, or whatever, that you should have access to it. But I don't think we have quite reached to the point where people will feel reassured that because you have to have access to those groups of people, at the same time you have to have access to people who are completely innocent and have no reason to be suspected of anything.

**SIR IAIN LOBBAN:** Let me come back to my hay field analogy. If I have that haystack, I am looking for needles and fragments of needles. That is what my queries pull out. I do not look at the surrounding hay. It may have been intercepted. A small portion of that may apply to British citizens. We will not look at it without a specific authorisation.

**CHAIRMAN:** Just going back for a moment at what has appeared in the press both here and abroad. It is sometimes argued that the people responsible for these publications

have not mentioned any names, have not mentioned any detail. They have simply referred to general capabilities. Is there any validity... because it seems on the face of it, that is bound to be much less damaging, if it is damaging at all. How would you comment on that?

**SIR JOHN SAWERS:** Perhaps I could make a comment on that. I am not sure that the journalists who are managing this very sensitive information are particularly well placed, actually, to make those judgments. What I can tell you is that the leaks from Snowden have been very damaging. They have put our operations at risk. It is clear that our adversaries are rubbing their hands with glee. Al-Qaeda is lapping it up...

**CHAIRMAN:** I am sorry, how...

**SIR JOHN SAWERS:** ... and our own security has suffered as a consequence.

**CHAIRMAN:** You made that remark. We need to hear why you feel you are entitled to say that. Is that what you are assuming? Can you say a bit more about why you believe that to be true?

**SIR JOHN SAWERS:** I don't want to repeat what my colleagues have said, but they have very clearly set out just how the alerting of targets and adversaries to our capabilities means that it becomes more difficult to acquire the intelligence that this country needs.

**CHAIRMAN:** Do you have any additional information you can share with us, in addition to what Sir Iain said, as to actual hard evidence that terrorists or potential terrorists have been looking at these reports and have changed their plans or the way they operate, as a result of them?

**SIR IAIN LOBBAN:** Not in this public forum, Chairman. Yes, in a private forum.

**CHAIRMAN:** Would you be willing to share that with the Committee in private session?

**SIR IAIN LOBBAN:** Of course, of course.

**CHAIRMAN:** Thank you very much. Hazel do you wish ...  
Right, Menzies Campbell.

**SIR MENZIES CAMPBELL:** We have had some discussion about balance already and it is one of the consequences of the information revolution that as the ability to intervene has improved, so the anxiety about the public, about privacy has become greater.

One of the ways in which that anxiety can be dealt with is for the public to be satisfied that there is a robust legal framework. In that respect: is it the view of all three of you, or indeed any one of you, that the existing legal framework is adequate to deal with the enormous consequences of the revolution in technology? If there is to be a public debate about where the balance is to be struck, is that a debate that you would be willing to participate in publicly?

**SIR IAIN LOBBAN:** I mean, on that last point, subject to ministerial endorsement, if they felt it was helpful, yes, obviously.

Let me just talk a little bit about legislation. It is an issue for politicians and not for us. We are not law makers. There are strict criteria in the law which provides safeguards to protect privacy to the maximum extent possible. In a sense, I don't particularly like talking about the privacy and security balance because I think it is a false choice. I think our job is to provide intelligence around security which enables security in a way which safeguards privacy to the maximum extent possible. Our internal rules reflect what is in the law, the safeguards, meticulously, and our jobs are to apply those rules, those laws, rigorously. The laws were drafted to be technology neutral, and I think I am in a position to say that actually, I think the draftsmen did a pretty good job, but by all means look at it.

The two things I would bring out are that it insists on necessity and proportionality. They are as relevant now as they were when the laws were drafted. They guide the way that we work. They guide the way that we think. They are within our DNA. If Parliament chooses to have a debate, fine by me. If Parliament chooses to change the laws, so be it.

**SIR MENZIES CAMPBELL:** The words "necessity" and "proportionality" necessarily

involve value judgments. Value judgments may change over a period, change of personnel, change of challenges. What I am really putting to you: is it not necessary now, to meet public anxiety, that we have a wholesale review of the legislation which is drawn from several Acts of Parliament, after all, with a view to providing explicitly the powers which any one of you are able to exercise?

**SIR IAIN LOBBAN:** Just one last point from me before I hand over. I do really want to stress the role of the Commissioners. We talk to them, as technology moves on. We talk to them about our methods, about the way that we work. This idea that technology has moved on beyond the law, their view will be important on that.

**CHAIRMAN:** Just for the benefit of those who might not be aware of it. These are the Intelligence Commissioners who are judges, who look at specific legality of the process that is being applied?

**SIR IAIN LOBBAN:** Yes, I am sorry, Chairman. The Interception of Communications Commissioner and the Intelligence Services Commissioners, two former senior judges appointed by the Prime Minister.

**SIR MENZIES CAMPBELL:** Unlike us, they don't sit in public.

**SIR IAIN LOBBAN:** They produce a public report, but they...

**CHAIRMAN:** I am sorry.

Paul Goggins?

**PAUL GOGGINS:** There is a debate here. Clearly there is also a very big debate going on in the United States and there may ultimately, who knows, be legislative changes there. I think there is already some evidence that there is a change in behaviour from some of the global communications companies that are based there.

Are you concerned, perhaps particularly Sir Iain, about the long term consequences of all this, given the close partnership with the Americans?

**SIR IAIN LOBBAN:** Yes, I am concerned, I think, in terms of cooperation that we might receive. I am concerned about the access that we can lawfully require of communications companies, which is very difficult if they are based overseas.

**SIR JOHN SAWERS:** Mr Chairman, could we just come back to Sir Menzies' point? We are public servants, the people who work for us are all public servants. We are committed to working in accordance with the law and within the framework of the law, and the law is a matter for you, the Parliamentarians. We can certainly give some advice about what the implications of certain changes might be. But you set the law and we will work within the framework of the law. That is an absolutely clear commitment.

**CHAIRMAN:** On that point, when people refer to the legal basis under which you operate, they are normally referring either to the Intelligence Services Act or to RIPA. But of course, there is also the Human Rights Act. Could you just say something to the extent to which that impacts upon the way you carry out your responsibilities and how you make sure that you are compliant with that Act?

**ANDREW PARKER:** The founding statutes that our Services operate to, the Security Service Act and the Intelligence Services Act, are themselves based on the Human Rights Act, article 8, the right to privacy that we are talking about, for the citizen, which can only be transgressed for reasons of national security and then some other arrangements as well, which are less central for what we are talking about today. The Acts that we work to are based on that, and so the Human Rights Act is at the centre and at the foundation of our work and forms the guiding principles.

**CHAIRMAN:** Thank you very much. Before we leave this area of questioning, Lord Butler has a further question on that.

**LORD BUTLER:** Yes. Can I just ask one final question on that. Can you see why it is that the public feel that when the last bit of legislation on this was passed in the year 2000, and technology has moved on so fast and your capabilities have developed so hugely, it is

hardly credible that that legislation is still fit for purpose for the modern world?

**ANDREW PARKER:** I can see why the question comes up, Lord Butler, of course. But I think the real issue for us is whether the work we do is sufficiently covered by the law, that it is lawful and we can be sure and our staff can be sure that what they do is lawful; that it is properly overseen and that that is rigorous. As you know, the combination of arrangements: there are Parliamentary oversight through this Committee and through our Secretaries of State reporting to Parliament. They are judicial, through the Commissioners that we have spoken of, and of course they are in the executive, through Ministers to whom we are accountable.

I think sometimes it might be more helpful to bring that to life a bit, especially publicly, because all of those arrangements operate on behalf of Parliament and the public. They report in public in various ways, but somehow it does not get into the public mind that that operates. I can say for myself, six months as Director General of MI5, this is my fourth formal appearance before this Committee giving evidence, across a range of subjects, operational, policy, finance, administration. As you all know, I have submitted to you hundreds of pages of detailed material and evidence about our work. You have received briefings. I have had three visits from the Commissioners we have spoken of in that period. I see the Home Secretary in her role as accountable Secretary of State, sometimes two or three times a week. This is very active and rigorous oversight in all this collection of arrangements and sometimes it is not projected well to the public that this all goes on.

**CHAIRMAN:** Lord Butler, do you have a further question?

**LORD BUTLER:** I do. Could we just switch to another aspect of cyber. We have been talking about the attacks on us. Of course the Government has announced that we are developing an offensive cyber capability to cut off the means that people use against us, and perhaps more widely.

Would you be prepared to say something about the contribution you are making to that exercise which has been announced by the Government?

**SIR IAIN LOBBAN:** Let me perhaps just say a couple of things at the top level. First of all, with SIS it is our job to provide intelligence on the capability and intent of hostile actors, which I guess would be part of the portrait. I regard that as a very major part of our future requirements. I guess the other thing I would say is that clearly we will support the development of technical capability that would be required in such a case, and provide whatever expertise we can. We already have very, very close interaction with Joint Forces Command in the Ministry of Defence.

**CHAIRMAN:** Thank you very much. We have less than 15 minutes left this afternoon, so we are going to just deal, unfortunately rather briefly, with one or two other matters.

First of all, the very important situation in Syria and the Arab world. Paul Goggins?

**PAUL GOGGINS:** We have briefly touched on this before, but, Sir John, the Foreign Secretary recently described Syria as the number 1 destination for Jihadists anywhere in the world today. If part of the role of MI6 is to stop would-be terrorists from joining terrorist organisations in other countries, what are you actually doing to try and deal with this issue, especially because of the risk of these people coming back to the United Kingdom, radicalised?

**SIR JOHN SAWERS:** Well, our two Agencies work extremely closely on this, and we don't have the authorities inside the United Kingdom. We rely on our partners in MI5 to notify us of individuals of concern, and we work with foreign partners in South East Europe, in the Arab world, who may be able to help us identify where people are moving to, and we have our own connections into the Syrian opposition, where we can identify where people might have gone to inside Syria.

It is a very difficult environment in which to operate. Our whole strategy to prevent

terrorism here in this country is to break the links between extremists or potential extremists here and Al-Qaeda branches overseas. We need a whole range of partnerships to achieve that. Syria is peculiarly difficult, because it is such a powerful magnet, as the Foreign Secretary said, for Jihadists in this country, and because we have no partner there.

**CHAIRMAN:** Mark Field?

**MARK FIELD:** Do you have any reliable intelligence - really either for you, Sir John, or for you, Mr Parker - about the numbers of UK citizens who have returned from Syria, perhaps via Turkey, that are back here in the UK and potentially, obviously having fought at some point in the Syrian war, Jihadists looking to turn their attention upon UK citizens?

**ANDREW PARKER:** Of course we only know what we know. I think we do have a reasonable understanding of that, though, and that is why I referred earlier to the low hundreds, as the number I would use publicly for our knowledge of that. That is the total number of people who we believe are there now fighting, and those who have been and have come back. Of course, those who have been involved in fighting and come back, we need to take some degree of interest in, to check that they are not intending to become involved in violence here. Most of them will not, but some may, so we need to have an informed view about that.

**CHAIRMAN:** Hazel Blears?

**HAZEL BLEARS:** Yes. Just before, Mr Parker, when I asked you about the PREVENT programme, you rightly said that is not necessarily your complete concern and the police do the work that they do. Isn't it the case that some of these people coming back from Syria, because they have been fighting, will actually have a great deal of kudos in the community, that they will find it easy to draw vulnerable young people to them and possibly radicalise them? Isn't it really important that your service has at least a role and an interface with the PREVENT programme? Because for many of these young men, they will be looked up to by other people in the community and that increases the threat here.

**ANDREW PARKER:** That may happen and we have discussed PREVENT matters in the past, on which you have some expertise and background. I think what you are saying is right; in some cases. As far as our interface with the PREVENT programme, I think it is more than that, we overlap into it, because these two pillars of CONTEST, the counterterrorist strategy the government has, are overlapped; PREVENT and PURSUE. They are overlapped because of the very phenomenon that you have identified, that there are radicalisers, people who spend time trying to persuade people of the Al-Qaeda ideology and cause. Where there are people vulnerable to that message, sometimes they join the cause as followers.

The PREVENT programme is aimed at stopping that, of course. As I referred to earlier, we with the police refer numbers of people into that programme, sometimes with success.

**CHAIRMAN:** Menzies Campbell?

**SIR MENZIES CAMPBELL:** Some of those who go to Syria will go because of self motivation, but others, of course, may have been recruited. Do you exercise any surveillance over possible recruiting sergeants with a view to disrupting their activities?

**ANDREW PARKER:** Recruiting sergeants here, do you mean, or ...?

**SIR MENZIES CAMPBELL:** Yes.

**ANDREW PARKER:** Of course we do, because these are some of the very people that we need to be concerned about as a priority, people who are trying to recruit others to violence and terrorism, whether it be overseas or back at home.

**CHAIRMAN:** Thank you. Let us move to Iran and North Korea. Lord Butler?

**LORD BUTLER:** Last summer, Sir John, you said publicly that your assessment was that Iran was two years away from obtaining nuclear weapons. We have now seen some advances in that, and President Rouhani saying that he is prepared to discuss the Iranian

nuclear programme. Prima facie, that is a diplomatic success.

Do you regard the intelligence community as having made a contribution to that advance?

**SIR JOHN SAWERS:** Yes, I do and I will be careful what I say, because the negotiations are going on in Geneva today as we speak. I think the intelligence community has contributed to an understanding of Iran's nuclear programme. It has given our politicians and our negotiators a clear sense of what is actually happening. Some of it is overt and reported upon by the International Atomic Energy Agency, some of it is done in secret. We don't have a complete picture, but our intelligence has certainly informed that picture. Secondly, the reason why Iran has come back to negotiations is because of the impact of sanctions. We have played an important role in monitoring those sanctions and ensuring that the attempts by Iran to evade those sanctions, by using false flagged companies or false end user certificates for technical equipment, that we are able to disrupt that and work with foreign partners to do so.

Thirdly, we have a lot of expertise in the intelligence community, perhaps especially in MI6, about Iran. That expertise is available to Government to understand what is happening in terms of the politics, very complicated politics between President Rouhani, the Supreme Leader, the IRGC and all the various other elements of the complex Iranian political picture.

**CHAIRMAN:** Can I ask you: on Iran, if I may, I mean, one of the great issues, of course, is the very serious lack of trust both by the international community towards Iran and the reverse.

From the point of view of the Intelligence Agencies - I am not just talking about the United Kingdom, but internationally, you and your allies on these matters - how confident can you be that any commitments that Iran might give arising out of successful negotiations, would be commitments that could be relied upon? I mean, for example, as we all know, the history of the intelligence assessments on weapons of mass destruction elsewhere in the Middle East turned out not to be good. I am not just referring to the United Kingdom, the United States and other countries. Is there any reason to be more confident that commitments given by Iran could be seen to be enforceable?

**SIR JOHN SAWERS:** I think one thing we can learn from the Iraq experience is that when the International Atomic Energy Agency are involved that gives a good framework on which we can build an understanding. In terms of how you monitor the sincerity with which commitments are made, we will rely upon organisations like the IAEA to be able to visit, inspect and track what the Iranians are doing. You can do that with issues like the fuel cycle enrichment facilities, for example. It is more difficult with secret military programmes. When previous governments, like South Africa in 1990 or Libya in 2003, dismantled their nuclear weapons programme, we had very clear visibility about what was going on. It is going to be much more difficult in Iran.

**CHAIRMAN:** What would you say is the main lesson you have learned from the failures of Iraqi intelligence?

**SIR JOHN SAWERS:** Well, Lord Butler is an expert on this, as -

**CHAIRMAN:** I know, but it is you I am asking.

**SIR MENZIES CAMPBELL:** How long do you have?

**SIR JOHN SAWERS:** We have taken the lessons from Lord Butler's report, and they are a Bible for us, in the way in which we manage intelligence, the way we assess intelligence, the way we evaluate our agents. There were clearly shortcomings back in 2002. We have learned enormously from that, and actually you point to the Iraq failing, which is very real. But when we look at Syria, when we look at Libya, North Korea, the international network of proliferating concerns, the business of proliferation, actually our record is very good.

**CHAIRMAN:** On North Korea, Menzies Campbell.

**SIR MENZIES CAMPBELL:** Continuing the nuclear theme for a moment. North Korea's

nuclear ambitions and indeed ability to provide delivery systems, all of that seems unabated. I am not going to ask you what resources you devote to North Korea. May I ask you this question: do I take it that it is a country of concern, and it is a country of concern in which cooperative arrangements with other allies are extremely important in allowing judgments to be made?

**SIR JOHN SAWERS:** You choose your words with care. Of course North Korea is a very great concern to us and to our partners, especially close partners like Japan, United States, Canada or Australia, in that part of the world. North Korea is not just a high operational priority for us as other parts of the world, but we can play a niche role, we can contribute and we do so and we share that obviously with the partners most concerned.

**CHAIRMAN:** Thank you.

The final area of questioning that we wish to cover. Julian Lewis on espionage in the UK.

**JULIAN LEWIS:** Yes. Just a touch of nostalgia here from an old Cold Warrior. Does traditional espionage, for example from Russia, still pose the threat that it once did? Bearing in mind one of the more controversial revelations, or alleged revelations in the press recently, would it be true to say that everyone is still spying on everybody else?

**ANDREW PARKER:** Perhaps I will answer this one fairly briefly. Chairman, I think around about 10 per cent of the work of my service is devoted to dealing with the security threats that arise from the actions of foreign states. That includes espionage, and of course a bit on counter proliferation, where that is relevant in the UK.

Most of it is on espionage by a range of foreign states. It is still a lively business here, because there are plenty of countries around the world that take a close interest, and an improper one in a security sense, in military affairs here, in stealing technology, and in stealing economic advantage where they can.

This is a lively business. You mentioned Russia, but there are a range of countries involved in this.

**CHAIRMAN:** One of the most serious incidents in recent years was the murder of Mr Litvenenko on the streets of London. Can you say whether - although that issue has not been resolved - with regard to our relations with Russia, is there scope for a cooperation with Russia, with regard to matters of common interest or has that been seriously impeded as a result of the ongoing disagreements on that case?

**SIR JOHN SAWERS:** Perhaps I could take that one, Chairman. The Government took a series of measures in the aftermath of Mr Litvenenko's murder here in Britain. We have not had the cooperation that we had sought from the Russian authorities, and so there has been a gap in that we have not talked to the Russians and the Russians have not talked to us on intelligence matters.

Actually, recently, we have started talking to the Russians about security for the Sochi Olympics, and that is a dialogue which is going ahead. We have passed the Olympic flame on from London to Sochi, and we have a certain responsibility there. We will take it forward step by step.

**CHAIRMAN:** Thank you. Final question, Julian Lewis.

**JULIAN LEWIS:** I did not quite hear an answer to my question about whether we spy on everyone else and everyone else spies on us. Would it be true to say, for example, that the result of that sort of spying has sometimes been to detect spies in the private offices, even of our allies?

**SIR JOHN SAWERS:** Mr Lewis, you have covered today terrorism, cyber, nuclear issues. This is the vast bulk of what we deal with. Everything we do is in response to priorities laid down by Government and is authorised by Government. We have limited resources; of course we don't spy on everyone. There are very few countries where we actively have operations, and I am not going to go into the details of who is and who we are not. What I can tell you is that we are targeted against the highest priority challenges that this

Government faces, this country faces, and that everything we do is authorised by Ministers.

**CHAIRMAN:** Thank you very, very much indeed. We have covered a lot of ground today, but we are conscious that we have not covered everything that needs to be addressed. We look forward to further open sessions, as well as the private sessions that we have. I would like, on behalf of the Committee, to thank our three witnesses for the evidence that they have given and the manner in which they have given it. We look forward to further deliberations. Thank you.

**SIR JOHN SAWERS:** Can we just say one last word, Chairman? That is just to say that you asked earlier about the value of our services. I think all three of us feel that the great value that the British nation gets from our services is from the men and women who work for us. These are really committed, dedicated, loyal people who do their work, not for public recognition, not for high salaries, because they don't get high salaries, but because they believe in protecting the values of this nation and defending us against the threats that we face. Our people are the backbone of what we do.

**CHAIRMAN:** I am sure we can all very happily endorse what you have just said. I would be grateful if the audience could remain seated for a moment while our witnesses leave. I declare the session closed, order, order.

**3.30 pm**

***The session concluded***