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National security is a joint effort

THE REPUBLIC OF FINLAND CELEBRATES THE CENTENARY OF ITS INDEPENDENCE IN 2017. THE THEME OF THE CELEBRATION YEAR IS 'TOGETHER'. THE FINNISH SECURITY INTELLIGENCE SERVICE ALSO WANTS TO ASSURE NATIONAL SECURITY TOGETHER WITH FINNISH PEOPLE. RECENT NEWS FROM THE WORLD HAVE SHOWN THAT NATIONAL SOVEREIGNTY CAN NO LONGER BE TAKEN FOR GRANTED EVEN THOUGH NO PHYSICAL VIOLATION OF STATE BORDERS TAKES PLACE.

In the "new normal" – today's security environment – the threat may appear from an unexpected direction and in an unprecedented form. Various influencing and hybrid operations, influence by information and e.g. cyber espionage, have opened a new dimension with fewer predictable elements.

In the last few years, the barriers between internal and external security have broken down in Europe. This goes especially for counterterrorism: the conflict in Syria and Iraq has produced discernible effects in large parts of Europe. The rapid development of the online environment has also contributed to this. A terrorist

organisation can advertise its ideology globally in a completely different manner than a few years ago. At the same time, various ethnic groups are united by the ideology and it is possible to find support base that could not be found otherwise.

The number of Supo's counterterrorism target individuals keeps increasing. At the same time, their activity becomes more interconnected and multidimensional, making it more difficult to assess the terrorist threat against Finland. At the time of writing this, the terrorist threat assessment issued by Supo in November 2015 is still valid. According to the assessment, the risk posed by individual terrorist actions has risen also in Finland. In a situation where attacks are planned in a small group or even by one individual, we are no longer protected by the fact that Finland is not a primary target country for terrorist organisations.

The security situation is interwoven into a complex whole which from Supo's perspective can be called national security. Protecting the Finnish state, society and nationals is at the heart of it. Now that the entire operating environment of national security is in



historical transition, old operating models also need to be questioned. The new era necessitates Supo to act and, most of all, think in a new manner. It is increasingly insufficient that we just prepare ourselves for what is known to us.

In the beginning of 2016, Supo got a more independent status which has created better opportunities for reforming the agency's work. In 2016, we created a new strategy to our agency and also reshaped its organisation. At the heart of the strategy lies concentrating on producing proactive and relevant intelligence for the benefit of Finland's national security, and developing into Finnish civilian intelligence service with the new intelligence legislation. The current solid basis of security police and security service will nevertheless be preserved.

The new legislation has triggered a lively debate which is excellent because it is the only way the project can be widely accepted. Disappointingly often, however, the discussion limits itself just to a dispute over what basic rights are the most important, and in this discussion, security has needlessly been confronted with privacy

and individual freedoms. It is only through sufficient security that basic rights can be guaranteed in the society.

Until now, Finland has not invested considerable resources in its national security in Supo's field of operation, at least if countries comparable with Finland are used as a benchmark. The new intelligence legislation, which we naturally would like to see entering into force as soon as possible, would give Supo significantly better possibilities to guarantee Finland's national security. In Supo's annual report of 2012, I wrote that concrete investments ought to be made, preferably in advance, in Finland's national security and also in Supo's capability and resources to guarantee it. Unfortunately, this view has not lost its topicality in 2017.

Antti Pelttari
Director of the Finnish Security Intelligence Service



Supo has a special role

The role and functions of the Finnish Security Intelligence Service differ from those of the other police units. Supo concentrates on preventing threats to state security. In addition, Supo produces security intelligence to the state leadership and other authorities. Pre-trial investigations, or aiming to launch one by gathering intelligence, are not priorities in Supo's work.

Supo is the only civilian and police authority in Finland that exchanges information and cooperates with foreign intelligence and security services. Intelligence principles are emphasised in Supo's operation.

Supo's operational activity and intelligence gathering also target the activities of foreign states that enjoy immunity from criminal proceedings according to international law.

Supo exercises police powers. Because the nature of Supo's work is preventive, the powers laid down in the Police Act to prevent and detect crimes are emphasised. In contrast, the powers laid down in the Coercive Measures Act and Preliminary Investigations Act are exercised when Supo is investigating treason or high treason referred to in the chapters 12 and 13 of the Criminal Code of Finland.

Even though Finland's security interests might occasionally demand it, Supo has no powers to extend its intelligence gathering abroad or to data networks. Finland has no legislation on intelligence gathering, but one is currently being drafted.





SITUATION AWARENESS AND REPORTING

Supo gathers intelligence relating to state security especially through its operational activity. In addition, intelligence is gathered from open sources, police registers, and by national and international cooperation. The analyses drawn up from the collected intelligence are used to produce operational or more comprehensive strategic reports and threat assessments. The reports are delivered to the highest state leadership, ministries, police chiefs, or other police units for information or support for decision-making.

Supo's tasks also include assessing threats to the state leadership and reporting on them.

Supo counters espionage

The duty of the Finnish Security Intelligence Service is to counter foreign intelligence against Finland and prevent the damages in advance. Supo is also responsible for the pre-trial investigation of espionage-related offences.

Finland is a constant target for structured and long-term foreign intelligence activity. Foreign states aim at recruiting clandestine human sources in Finland to provide information which is not publicly available.

The intelligence targets related to current phenomena vary, but also they are underpinned by foreign states' long-term interest in Finland. In relation to Finland's population, there is a considerable amount of foreign intelligence personnel in the country. Especially Russia sees Finland as an interesting intelligence target but also other major powers find our country important.

The key objectives of foreign intelligence activity include anticipating and influencing Finnish policy-making. Intelligence organisations strive to recruit individuals who could be used to influence political decision-making and shape public opinion. Also on Finnish soil, foreign intelligence services target often other countries besides Finland as well.

The main targets of political intelligence are the Finnish foreign and security policy, the country's actions as an EU member, and the cooperation with Nato. In the field of military intelligence, foreign states are continuously trying to map Finland's military capability,

the society's resilience to crisis, and the security of supply of the country. The aim is also to purchase militarily utilisable technology and know-how to support own armed forces. Scientific-technological intelligence is focused on high technology and its applications. Key objects of interest in Finland are electronics, shipbuilding, and energy industry. Outsourcing the functions and data management of Finnish companies makes them more vulnerable, as also transferring the functions to other countries.

Data network intelligence is a significant threat to Finland. The vital functions of society have been moved to digital systems, which increases their vulnerability. Finnish organisations are constantly targeted by computer network attacks from abroad. Foreign intelligence services aim at breaking into protected information systems and stealing the target organisation's vital knowledge capital. They might also prepare for causing damage to society structures in times of crisis.

So-called refugee espionage has become a permanent phenomenon in Finland as well. Refugee espionage refers to the efforts of foreign authorities to spy and control individuals living permanently or residing temporarily in Finland. The espionage targets are usually members of the political opposition in their home country or of some other group considered as a threat by the country in question.

Finnish official representatives and economic life are targets of intelligence abroad also. Certain states have been observed to direct intelligence against Finnish authorities also in connection with international cooperation.





Foreign intelligence active in Finland

Human intelligence by foreign states against Finland continued to be active and at times aggressive in 2016. The Finnish Security Intelligence Service was forced to interfere in the activity of certain intelligence services in Finland.

Supo became again aware of foreign intelligence services' concrete efforts to recruit clandestine human sources in Finland for obtaining information that is not publicly available. Intelligence organisations try to recruit individuals who they can use to influence political decision-making and public opinion. In the last few years, there have been signs of foreign intelligence trying to target young, future policymakers. This is an example of state-run intelligence activity having long-term horizons.

In 2016, primary topics of interest of foreign intelligence in Finland were, inter alia, the attitude of political leaders and Finnish citizens towards joining NATO, Finland's energy political decision-making and energy security, the Finnish business sector's attitude towards the economic sanctions imposed by the EU against certain countries, Finland's plans for its Arctic Council chairmanship, intelligence legislation being drafted in Finland, Finland's cyber security infrastructure, and Finland's actions for protecting itself from foreign states' information operations.

Foreign intelligence also aims to map possible problems related to Finland's adherence to human rights. According to Supo's assessment, this is done to prepare for responding to situations where Finland may criticise the human rights violations of the country in question. Certain countries' intelligence services were also observed to spy dissidents and members of the country's political opposition on Finnish soil.

In terms of Finland's national security, dual citizenship can also pose a threat, because a foreign state may treat its double nationals as if they only had the citizenship of that country. Supo has information about certain countries' intelligence organisations using their national legislation against double nationals. They use it to force double nationals into clandestine intelligence cooperation against the country the double national lives in.



EXAMPLES OF INTELLIGENCE CATEGORIES

Human intelligence (HUMINT) – intelligence gathering in which human sources are instructed either to acquire information or to provide information in their possession to the intelligence authority.

Signal intelligence (SIGINT) – gathering, storing and handling of information in electronic or radio signal form for intelligence purposes.

Open source intelligence (OSINT) – gathering publicly available material and handling it for intelligence purposes.



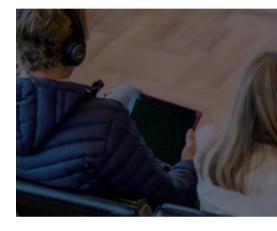
Cyber espionage increased

For a state with hostile intentions, breaking into information systems through data networks is a cost-effective and almost risk-free way of gathering large amounts of information on the decision-making apparatus of the target country. Three clear trends could be observed in the cyber espionage situation in 2016: a sharp increase in visible activity against Finland's foreign and security policy, comprehensive espionage priorities, and the abuse of Finnish data networks in espionage targeting third countries.

Such phenomena as foreign states' illegitimate intelligence gathering against product development companies and cyber threats against critical infrastructure have not disappeared but less such cases were observed in 2016 than cyber espionage cases related to foreign and security policy.

The number of observations on cyber espionage against the Finnish foreign and security policy increased in 2016. The Finnish Security Intelligence Service became aware of significantly more cases of attempted espionage against security authorities and foreign and security political actors than before. Most observations were related to an APT28/Sofacy attack in which no particular effort was made to conceal the activity. Cyber espionage is state-run activity and the global political situation affects its activeness. It is justified to assume that also the number of cases which have not come to the authorities' knowledge has increased.

In 2016, several cases were observed in which illegitimate intelligence gathering in a data network was targeted against both the professional and private identity of a key person, who was subject to espionage by a foreign state. This risk only concerns a small part of the Finnish population but the key persons ought to be also aware of risks related to their personal addresses and communication devices. An employer organisation is not able to protect the private identity of its personnel. Furthermore, Finnish authorities do not have the competence to identify or counter such information gathering systematically.



In addition to cyber espionage against Finnish information systems, several cases of Finnish data networks being exploited in espionage campaigns against third countries were observed in 2016. Information stolen from the target countries was transferred through Finnish data networks, making it seem at first that Finland was targeting espionage against the affected countries. In all the disclosed cases, Finnish authorities warned the authorities of the country in question.

Recruiting an agent

The recruitment of an agent is a process. An intelligence officer specifically trained for the task tries to achieve, through several phases, a state in which the definitive recruitment and supplying of useful information can start.

An agent is an individual recruited by an intelligence officer who provides the officer with information or otherwise operates according to assignments given by the intelligence officer.

An intelligence officer is a trained employee of a foreign intelligence service who is tasked with gathering information beneficial to the country he or she represents through intelligence activity or promoting the aims of the represented country or agency.



1. Analysis

The first phase of the process is that a foreign intelligence service analyses its intelligence needs.



2. Selecting the target

The analysis provides the basis for selecting the intelligence target. The selected target is a person who either holds the necessary information or has access to such information.





3. Assessment of the target person

An assessment is made of the selected individual. His or her characteristics, strengths, weaknesses, as well as financial circumstances and family situation are evaluated in order to find out what the chances are for persuading him or her to operate for the benefit of a foreign state.



4. Contact

In case the intelligence officer finds the assessed person suitable for recruitment, the person will be approached. The approach is most often planned to look spontaneous and natural. The first meeting can take place at a sports event or a work-related seminar, or at a hobby. The meeting is nevertheless not coincidental but always thoroughly planned in advance, based on the assessment of the target individual.



5. Friendship

After a successful first contact, the intelligence officer starts cultivating the relationship with the target individual. The aim is to build up a friendship, in the framework of which the target is accustomed to doing innocent, lawful favours, such as passing open source information to the intelligence officer. In this phase, the target is often given various gifts and done some favours in return. The friendship phase can last for several years, during which the target usually becomes less and less reserved, finally abandoning his or her reserved attitude completely.

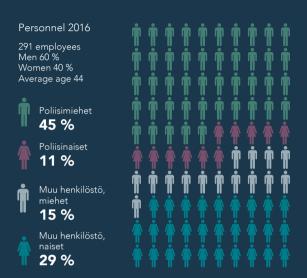


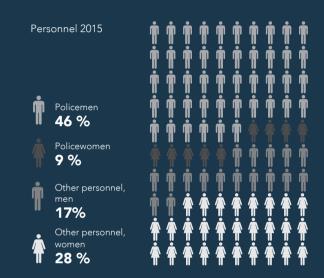
6. Recruitment

In the last phase, the intelligence officer puts the target individual in a situation where the target has to pass on classified or sensitive information. This phase is often the most difficult for both parties. After disclosing the asked classified information, the target individual becomes an agent of a foreign intelligence service.

Supo in figures in 2016

DIVISION OF PERSONNEL





ECONOMY



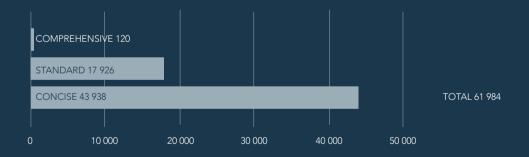


BRIEFINGS HELD BY SUPO

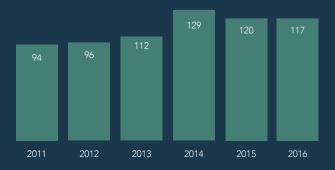




SECURITY CLEARANCES 2016



REPORTS BY SUPO







Supo counters terrorism and safeguards national security

The Finnish Security Intelligence Service is responsible for countering terrorism in Finland. Although there have been no terrorist attacks, Finland is not isolated from the developments taking place in Europe or elsewhere in the world. Structures supporting terrorist activity have emerged in Finland. The operating environment will continue to change in the next few years, which is also increasingly reflected in the work done by Supo.

Foreign terrorist organisations strive to use violence and cause fear in order to achieve their aims and increase their support base both locally and globally.

Terrorist intent is defined in the Finnish Criminal Code. The national legislature wants to protect the population or parts of it against fear caused by terrorism, and safeguard the operating conditions of the state, society, and international organisations. The attacks perpetrated in Europe have shown how profoundly these crimes affect the surrounding society.

Supo's intelligence gathering aims at identifying individuals and structures that seek to operate in terrorist networks, create contacts to them, support their actions, or recruit and radicalise others. Intelligence gathering is carried out by using different methods. The intelligence legislation currently under preparation would enable more efficient intelligence collection especially in data networks.

Supo is continuously evaluating the extent and activities of terrorist networks as well as the situation in Finland. The number of counterterrorism target individuals in Finland has significantly risen in the last few years.

The importance of international cooperation and efficient information exchange has kept increasing. It is nevertheless hard to intervene in developments occurring in Finnish society only through international cooperation. The aim is to reduce risk factors of radicalisation leading to terrorist activity in Finland and prevent undesirable developments in time.

Supo considers it crucial to improve the national ability to identify individuals with connections to terrorism and interfere in their activity. Supo is continuously developing its preventive activity and cooperation between authorities and takes part in the preparation of legislation.



EXTREMIST MOVEMENTS

One of Supo's core tasks is to assess the threat to Finland's national security or social order posed by domestic extremism.

Some extremist movements oppose the Finnish social system and parliamentary democracy. Although our social order is not under threat from extremist action, the movements may endanger domestic security through illegal activity.

Possible modi operandi of extremist movements include violent demonstrations, rioting, sabotage, and political violence. Supo is striving to prevent these actions.

Terrorism in 2016: Several attacks in Europe

The operating environment of counterterrorism became even more multidimensional in 2016. The terrorist threat assessment issued by the Finnish Security Intelligence Service in November 2015 is still valid. According to the assessment, the threat of single violent acts in Finland, like also elsewhere in Europe, has grown.

The terrorist attacks committed in 2016 in Nice, Brussels, as well as the German cities of Würzburg and Ansbach are indications of the increased terrorist threat against Europe. The vast majority of terrorist attacks are nevertheless still committed in the Middle East and in African and Asian countries.

The biggest terrorist threat is posed by radical Islamic terrorism and activities supporting it, such as the global network of al-Qaeda and the terrorist group ISIL which has declared itself an "Islamic caliphate" and competes against al-Qaeda. Individuals and small groups operating on ideological basis have emerged alongside them. The perpetrators of the attacks committed in Europe in the summer 2016 acted alone. It is also possible to commit attacks by using very simple modi operandi, which might encourage possible perpetrators.

Europeans were concerned by terrorism also in the attacks committed against foreign nationals in Turkey and Bangladesh. Several citizens of EU countries lost their lives in them.

In 2016, Supo was busy dealing with individuals who have travelled to the conflict zone in Syria and Iraq and returned to Finland. At least 80 adults and dozens of children had travelled to the region by the

end of the year. This jihadist travel concerns even a much larger group in Finland if also the sphere of influence of those having resided in the conflict zone for a long time is taken into account.

The conflict will influence security in Finland for a long time to come. A new generation of Jihadists, among them also Finns, is growing up in the regions controlled by terrorist organisations operating in Syria and Iraq. Due to fighters originating from Finland, also foreign radical Islamists have a better knowledge of Finland than before. In late 2016, the National Bureau of Investigation forwarded for consideration of charges a case in which the concerned individuals are suspected of travelling to Syria to take part in the conflict.

Many asylum seekers have arrived in Finland from the same war zones where terrorist organisations take part in the conflict. Together with other authorities and international partners, Supo strives to screen out those likely to pose a risk to national security among the asylum seekers. A pre-trial investigation was launched in 2016 in which persons residing in Finland are suspected of being involved in a mass murder committed by ISIL in Iraq. The District Court also convicted two persons of war crimes committed in Iraq. Supo assesses that the number of persons interested in violent radical Islamism might increase also in Finland, as a result of more and more people arriving from the conflict zone.

The number of individuals subject to Supo's intelligence gathering has grown in the last few years. Radical ideologies and activism often spread through social networks and the number of target individuals is expected to keep rising.

In 2016, Supo handed several terrorism-related cases over for pre-trial investigation to the National Bureau of Investigation.



TERRORIST THREAT ASSESSMENT

THE FINNISH SECURITY INTELLIGENCE SERVICE LAST REVISED ITS TERRORIST THREAT ASSESSMENT IN LATE 2015. THE ASSESSMENT REMAINS VALID.

The threat of single radical Islamic violent acts has increased both in Finland and elsewhere in Europe. Possible attacks may be perpetrated by radicalised individuals or small groups. The perpetrators operate either fully independently or may have links to violent networks abroad. Attacks may be carried out within a very short time span.

The number of individuals taking part in armed activities in foreign conflicts – especially in Syria and Iraq – and subsequently returning to Finland is significant. Due to fighters originating from Finland also foreign radical Islamists have a better knowledge of Finland than before.

Groups supporting terrorism, trying to radicalise and recruit individuals and increase the support for radical Islamist ideology have emerged in Finland. If these support groups grow and become more powerful, they may also take operational action. Supo assesses that the support activity will likely continue to increase.

A large number of asylum seekers has arrived in Finland from countries with ongoing conflicts that involve terrorist groups. There are individuals with connections to violent groups operating in the conflict zones also among those having lately arrived in Finland.

The conflict in Syria and Iraq and the related foreign terrorist fighter phenomenon have created tensions within ethnic communities. The tensions are caused by political and ethnic disagreements as community members take sides in the conflict.

In Finland, there are also entities representing various countries and religions, as well as international events that face a heightened threat.

The threat of terrorist attacks against tourist attractions and Western interests has likewise increased. Finns may also become victims of attacks targeting Western countries.



Extremist movements in 2016: rioting and street violence

In 2016, Finnish extremism again took the form of rioting, sabotage and street violence during demonstrations. No mobilisation significantly endangering national security came to light.

The refugee crisis in Europe abated at least temporarily and the number of asylum seekers decreased considerably. Anti-immigration protests declined and acts of sabotage against reception centres stopped. The social tension, which increased in 2015, seems to have eased to some extent. Due to the refugee crisis, however, there is in Europe still a more suitable breeding ground than before for increased extreme right-wing and xenophobic mobilisation.

The low threshold of Neo-Nazis to use violence had fatal consequences in Helsinki in October when a person beaten up by a member of the Nordic Resistance Movement was seriously hurt on the head and died later. This case was a tragic reminder of what the aggressive attitude and spontaneous street violence typical for racist skinheads and Neo-Nazis – or violence in general – may at worst lead to.

In 2016, extreme left-wing activists tried again to disturb public events organised by extreme right and nationalist groupings in Helsinki on Finland's Independence Day. The good preparedness of the police prevented bigger and more serious clashes. After the police intervened in the activity of anarchists and radical anti-fascists, the situation escalated in momentary rioting and violence against the police.

Radical anti-nuclear mobilisation continued in the spring after a calmer period in the winter. In March, vehicles were set on fire in Helsinki as a protest to the construction of a new nuclear power plant. Demonstrations near the construction site of the nuclear power plant in Pyhäjoki intensified in April. This time, violent rioting, several violent resistances to public officials, and an aggravated act of sabotage, among others, were reported in addition to dozens of suspected minor offences. After this exceptionally violent incident, protesting against the nuclear power plant project calmed down. It is nevertheless assessed that protesting by illegal means will continue in the near future.

After many dormant years, radical animal rights activism made headlines again when the Animal Liberation Front claimed responsibility for an aggravated act of sabotage committed in Vantaa in June. Several buses were set on fire, which also endangered the security of the employees on the scene.

From the perspective of the Finnish Security Intelligence Service, lone actors constitute the biggest threat to internal security. In this connection, the term lone actor refers to an individual who independently perpetrates a terrorist attack or another serious, politically motivated act of violence. No such crimes or actual preparations thereof came to light in Finland in 2016.

Supo conducts security clearances

The security clearance procedure aims at preventing actions that endanger national security or significant private economic interests. The Finnish Security Intelligence Service supports employers by checking the backgrounds of applicants for positions that may compromise the interests to be protected. Supo may also require that the organisation requesting the clearance takes sufficient action to protect critical information.

Since 2016, Supo has also carried out all concise security clearances previously done by local police. Furthermore, Supo conducts standard and comprehensive security clearances. Security clearances within the defence administration continue to be conducted by the Defence Command. Security clearances and the clearance procedure are provided for in the Security Clearance Act.

Centralizing security clearances in Supo improved the quality of the clearances, and harmonized the procedures and practical application. Also the treatment of the subjects and requesting bodies became harmonized in the whole country, which is considered important by Supo. Responding to the changes occurring in the operating environment of national security also calls for well-functioning and efficient preventive security work through which citizens' legal security is guaranteed.

FACILITY SECURITY CLEARANCES

Supo's facility security section carries out facility security clearances and does research to support facility security work. The purpose of a facility security clearance is to enable Finnish companies to participate in international trade which includes dealing with documents classified by another state. A facility security clearance may also be conducted on the basis of a national need in case an authority and a company are about to make an agreement whereby the company gains access to classified information of the authority.

ALIEN STATEMENTS

Supo also issues statements concerning foreign nationals' applications for citizenship, residence permit, asylum or visa. At the request of the Finnish Immigration Service, Supo may also issue a statement on the refusal of entry or residence. The increased number of asylum seekers in 2015 is somewhat reflected in the alien statements.

LEGAL SECURITY

It is crucial that the basic rights and legal security of the subject are guaranteed in the security clearance procedure. Sharing sensitive information on a person is interference in data protection and it affects the person's possibilities to find employment and earn his or her living. The legal security of the subject of the clearance is ensured by internal and external legal control over Supo. No objections have been raised to them in 2016 or before.

The subject has the right to inspect the conducted security clearance, which gives the subject the possibility to assess the correctness of the given information. However, the subject of the clearance has no right of inspection of Supo's operational information system, register of suspected offenders, or national security records. If necessary, the Data Protection Ombudsman uses the right of inspection of these registers on behalf of the subject.

Security clearances are mainly based on data received from the police, prosecutor and courts of justice, information about the subject's financial circumstances and information received from foreign authorities, as well as on the data included in Supo's operational database, register of suspected offenders maintained by the NBI, and the national security records of the Defence Command. Furthermore, Supo can interview the subject of the clearance if necessary.

When conducting security clearances, Supo exercises overall discretion taking the significance of each interest to be protected and individual elements of the disclosed facts, which often are criminal acts, into consideration. Not all information revealed in the clearance will be submitted to the requesting body.

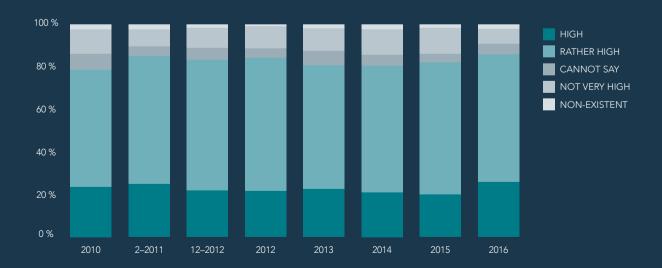




Citizens' confidence in Supo unprecedentedly high

CONFIDENCE IN SUPO:

A survey concerning the views of the citizens on Supo's activity is carried out yearly at Supo's request. The latest survey was conducted on 28 November – 7 December 2016. The sample was drawn from people aged 15–79 living in continental Finland.



A total of 1002 interviews were carried out.

The margin of error of the results is +/- 3 percentage points.



