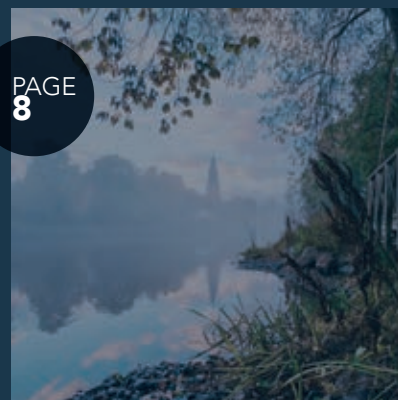


SU
PO

2017

PAGE
8



PAGE
4



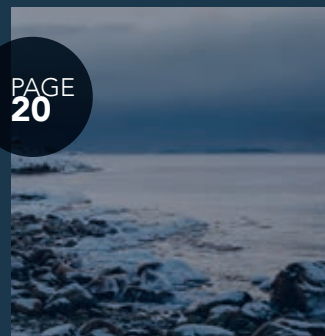
PAGE
22



PAGE
14



PAGE
20



CONTENT

- 4 Legality, reliability and quality are the cornerstones of Finnish intelligence
- 6 Supo's special role
- 8 Syrian-Iraqi conflict still affecting Europe, including Finland
- 10 The threat of terrorism in Finland is higher than ever before
- 12 Trends of radical Islamist terrorism
- 14 A quiet year for extremist movements
- 16 Supo in figures in 2017
- 18 Supo maintains a presence throughout Finland
- 20 NATO debate, Baltic Sea and intelligence legislation attract foreign interest
- 22 Cyberespionage threatens the future of businesses
- 24 Ten questions about security clearance vetting
- 26 Citizens' confidence in Supo unprecedentedly high



Legality, reliability and quality are the cornerstones of Finnish intelligence

Legality, reliability and quality are the cornerstones of Finnish intelligence. The operating conditions of the Finnish Security Intelligence Service (Supo) have evolved rapidly in recent years, and sadly there are no signs of any easing in this unprecedented rate of change. Supo must accordingly change its own operations rapidly to keep pace.

The first terrorist attack committed on Finnish soil is now under investigation in Finland. The Turku stabbings of August 2017 came only a couple of months after Supo had already been forced to raise its threat level for the third time, and we had also announced that the terrorist threat to Finland was more severe than ever.

At least it should be clear to everybody now that national security faces the same threats in Finland as elsewhere in Europe, and that some threats are even more serious in Finland than in comparable countries. Supo has stressed the importance of empowering the Finnish security authorities to prevent and counter these threats in ways that match the powers available in other EU countries. Proposals for new intelligence legislation have been submitted to Parliament following elaborate preparatory work. These preparations were amicable, with painstaking debate. The drafting process has significantly improved appreciation of the nature of intelligence work and of how it should function under the new Act. A fairly broad consensus has already emerged on the content of the legislative package – especially considering the character of debate in the early stages of the process. Swift approval of the legislative package is now of the utmost importance to Supo, as our instruments are inadequate for current operating conditions. The present trend of rapid change seems set to continue, and the entry into force of new legislation is accordingly a matter of urgency from our perspective.

Supo’s basic values are legality, reliability and quality, and these are also the cornerstones of our work. We cannot afford to compromise these values under any circumstances, either now or in future. We warmly welcome the comprehensive elements of legal control and parliamentary oversight that have been incorporated in the new intelligence legislation. It is never possible to disclose everything to the public in the world of intelligence, but continual transparent oversight of Supo’s work is essential for public confidence.

Intelligence is often the best and sometimes the only way to obtain first-hand information on new kinds of threat emerging from beyond the horizon. Intelligence is at least not yet understood in Finland as an independent operation, but rather as a precursor or extension to criminal intelligence. Information obtained through intelligence has been an essential part of the foundations of public policymaking in many countries, especially in the field of foreign policy. Supo’s future success in its work will not be measured only by combating concrete threats to national security, but also in terms of how the agency is able to process forward-looking and significant intelligence to support the decisions of national leaders.

Agencies must also evolve internally in the new era, and this process has already begun at Supo, which is recruiting new staff and considering ways of changing the present, established ways of operating. Planning of modernised operating facilities has begun by organising an ideas competition for architects. Evolution from a security police department into a future security and intelligence service has begun, benefiting security in Finland as a whole. Despite these internal changes, the traditional role of Supo in safeguarding the rule of law and democracy in Finland will remain unchanged.

Antti Pelttari
Director of the Finnish Security Intelligence Service



SITUATION AWARENESS AND REPORTING

Supo gathers intelligence concerning national security especially through its operational work. It also gathers intelligence from open sources, from police registers, and through national and international co-operation. This intelligence is used for producing analyses that are further refined into operational reports, broader strategic reports, and threat assessments. The reports are circulated to national leaders, government ministries, senior police officers and other police units for information or substantiating decisions.

The duties of Supo also include assessing and reporting threats to national leaders.

Supo’s special role

The duties and operations of Supo differ from those of other police units, because Supo focuses on preventing threats to national security. Supo also provides security information to substantiate the decisions of national leaders and other public authorities. Supo differs from other police units insofar as its work does not prioritise preliminary investigations or gathering of intelligence for the purpose of launching such investigations.

Supo is the only Finnish civilian and police authority that co-operates and exchanges information with foreign security and intelligence services. Intelligence principles are emphasised in the work of Supo.

Supo’s operations and intelligence gathering also target activities of foreign powers that enjoy immunity from criminal prosecution under international law.

Supo exercises police powers, but as its work is essentially preventative, it emphasises the use of competencies prescribed under the Police Act specifically for preventing and disclosing crimes. Supo uses the powers conferred under the Coercive Measures Act and the Criminal Investigation Act when investigating the offences of treason or high treason referred to in chapters 12 and 13 of the Criminal Code of Finland.

Even though the interests of national security might sometimes so require, Supo is not currently empowered to extend its intelligence gathering activity beyond the borders of Finland or into data networks. Finland currently has no statutory instruments governing intelligence operations, but such legislation is currently being prepared.

Syrian-Iraqi conflict still affecting Europe, including Finland

The act of violence that took place in Turku on the afternoon of Friday 18 August 2017 is – for the first time in Finland – being investigated as a criminal terrorist act. The offences under investigation are murder and attempted murder committed with terrorist intent. The incident exemplifies the shift that has occurred in Finland’s security and counter-terrorism environment. This serious change had already been observed previously, leading Supo to release an updated terrorist threat assessment on 14 June 2017 indicating that the terrorist threat in Finland is currently elevated. A four-level scale was introduced at this time to describe the terrorist threat and its progress, both in Finland and against Finnish interests abroad. The factors considered when assessing the threat include domestic and international intelligence, the activities and motivation of terrorist organisations or of individuals and groups linked to them, and the time frame of possible attack plans. The threat level is constantly reassessed and updated when necessary.

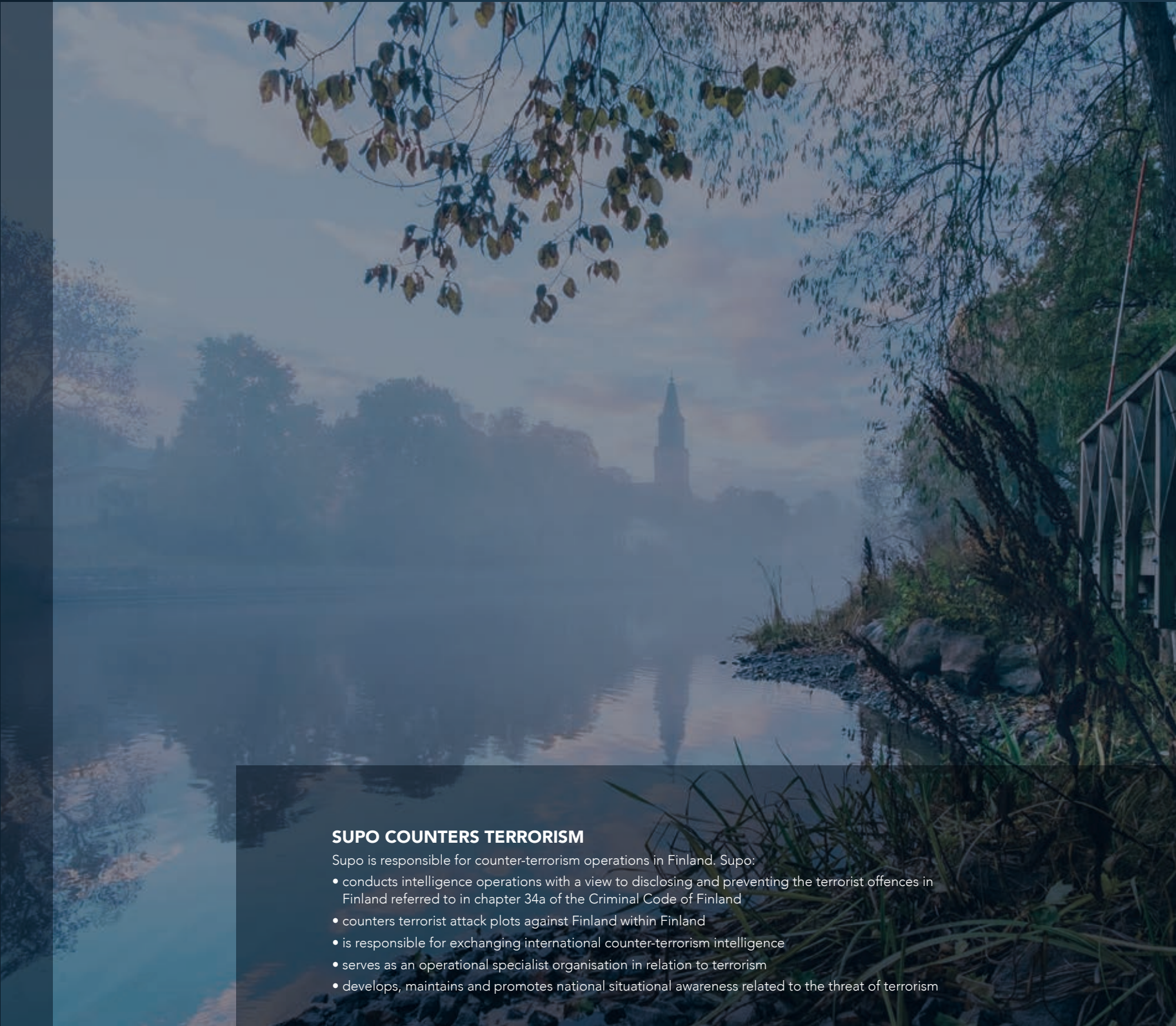
The conflict affecting Syria, Iraq and the entire Middle East still casts a shadow over Europe, and has a strong impact on the global terrorist threat. The “Islamic State”, or ISIL terrorist organisation has effectively lost control of nearly all of the regions that it previously held, and has suffered substantial losses. The ability of ISIL to direct and carry out terrorist attacks is currently impaired, but the organisation’s ideology and the battle training given to its members in the conflict area nevertheless create a long-term security threat in Europe. Networks that have emerged in the conflict area or in prisons, individuals inspired by ISIL propaganda and children exposed to the organisation’s influence will maintain the threat, even if ISIL itself takes on a different form.

Dissemination of radical Islamist propaganda continues online, particularly through messenger services that are hard to monitor and regulate. Owing to territorial losses and the increased difficulty of travelling to conflict zones, ISIL has incited its supporters to commit independent terror attacks in their home countries. Attacks committed by propaganda-inspired lone actors using simple means have accordingly become more frequent in Europe.

Most of the approximately 20 terrorist attacks in Europe that were linked to radical Islamist ideology employed easily acquired knives or vehicles as weapons, but the threat of massive, complex attacks using explosives or firearms still remains. Public authorities in Europe have been able to detect and prevent several complex terror plots that sought to manufacture homemade explosives.

Most of Europe’s terrorist attacks in 2017 took place in France and the United Kingdom. They mostly targeted public authorities, such as military and police personnel, but several dozen civilians were also killed in violent acts around Europe.

Travel to conflict areas in the Middle East has decreased notably in recent years. Approximately 5,000 people have travelled to a conflict area from Europe, and most of them are still there. Foreign terrorist fighters originating in Europe have not yet been returning in considerable numbers, but even a small number of individual returnees supporting the radical Islamist ideology, who have participated in the conflict for an extended period and received battle training, pose a significant terrorist threat. Supo assesses the measures applied to each returnee on a case-by-case basis.



SUPO COUNTERS TERRORISM

- Supo is responsible for counter-terrorism operations in Finland. Supo:
- conducts intelligence operations with a view to disclosing and preventing the terrorist offences in Finland referred to in chapter 34a of the Criminal Code of Finland
 - counters terrorist attack plots against Finland within Finland
 - is responsible for exchanging international counter-terrorism intelligence
 - serves as an operational specialist organisation in relation to terrorism
 - develops, maintains and promotes national situational awareness related to the threat of terrorism

The threat of terrorism in Finland is higher than ever before

The most significant terrorist threat in Finland is still posed by individual actors or small groups motivated by radical Islamist propaganda or by the encouragement of terrorist organisations. These persons are likely to have either direct or indirect links to radical Islamist networks or organisations. The Finnish Security Intelligence Service (Supo) has learned of more serious terrorism-related plans and projects in Finland. Foreign terrorist fighters departing from Finland have gained significant positions within ISIL in particular, and have an extensive network of relations in the organisation.

Supo has some 370 counter-terrorism (CT) targets. The number of CT targets has risen especially in recent years. This growth reflects several factors, but especially the foreign terrorist fighter phenomenon and the conflicts in Syria and Iraq have strongly contributed to it. This trend is expected to continue as a consequence of radicalisation and detection of new networks. In addition to rising numbers, the links of CT targets to terrorist activity are also increasingly direct and serious. An increasing proportion have taken part in armed conflict, expressed willingness to participate in armed activity, or received terrorist training.

The profile of Finland in radical Islamist propaganda has strengthened. Finland is viewed as a Western country and part of the anti-ISIL coalition, and propaganda is produced in the Finnish language and directed against Finland. This propaganda incites attacks in Finland. Efforts have been made to direct attacks against all states and groups that are considered hostile. This increases the threat of attacks in Finland.

Active members of radical Islamist networks take part in the operations of terrorist organisations, especially in the conflict zone in Syria and Iraq. Factions operating in Finland have so far focused on support activities and spreading the ideology. The networks seek growth both by radicalisation and by finding new members in other ways. Radical networks operating in Finland may also be affected by changes and strategic choices taking place in the conflict zone and in the leadership of terrorist organisations. Tensions between various ethnic groups are also likely to be reflected in the diasporas in Finland. This may facilitate radicalisation.

Finland also has sites representing other countries and various religious interests, and international events that face a heightened threat both from terrorist organisations and individual radical actors.

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

Who are counterterrorism target individuals?

CT targets actively promote terrorism or pro-terrorist ideology. This may include participating in terrorist activity, receiving or imparting training, producing or spreading propaganda, recruiting new individuals, and financing or supporting a terrorist organisation.

An individual may be identified as a CT target through a specific assessment process if Supo is aware or learns of such links to terrorism or terrorist activity. The assessment is always based on broadly gathered information that is evaluated against precise criteria on a case-by-case basis. Each individual assessment is updated as necessary in the light of new information.



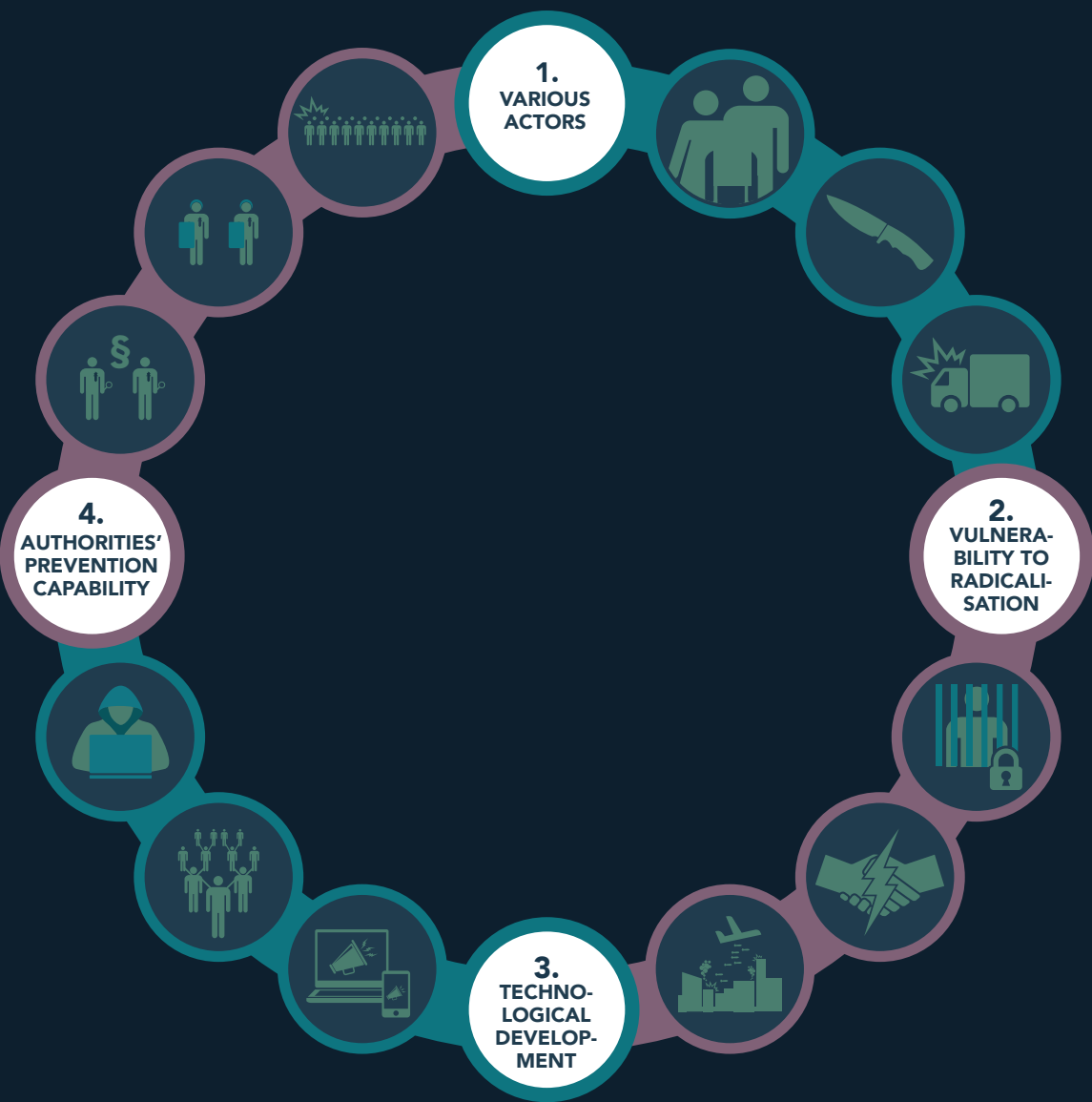
THREAT LEVELS

Threat levels are used to describe the terrorist threat against Finland and Finnish interests. The factors considered when assessing the threat level are available intelligence, the operational capacity and motivation of terrorist organisations or individuals and groups linked to them, and the time frame of possible attack plans. The aim of the classification is to provide a clear picture of the nature of the threat against Finland, and to determine whether the threat level has changed since the previous assessment.

TERRORIST THREAT IN FINLAND

- 4. SEVERE
- 3. HIGH
- 2. ELEVATED
- 1. LOW

Trends of radical islamist terrorism



1. VARIOUS ACTORS

Simple attack means have become more popular and attack targets more diverse. Terrorist activities are carried out by individuals from many different backgrounds, also by women and children.

2. VULNERABILITY TO RADICALISATION

Prolonged conflicts and weak states enable terrorist organisations' activities. The tensions between different populations and religions contribute to radicalisation.

3. TECHNOLOGICAL DEVELOPMENT

The use of encrypted channels for communicating and disseminating propaganda give terrorists better chances to operate. The ability to conduct cyber attacks is currently low.

4. AUTHORITIES' PREVENTION CAPABILITY

Even the enhanced resources of the security authorities are not enough to monitor all CT targets, and all strikes cannot be prevented. International cooperation has increased, but tackling the root causes of terrorism is difficult.

A quiet year for extremist movements

2017 was calm for Finnish extremism, and no activity significantly endangering national security was detected.

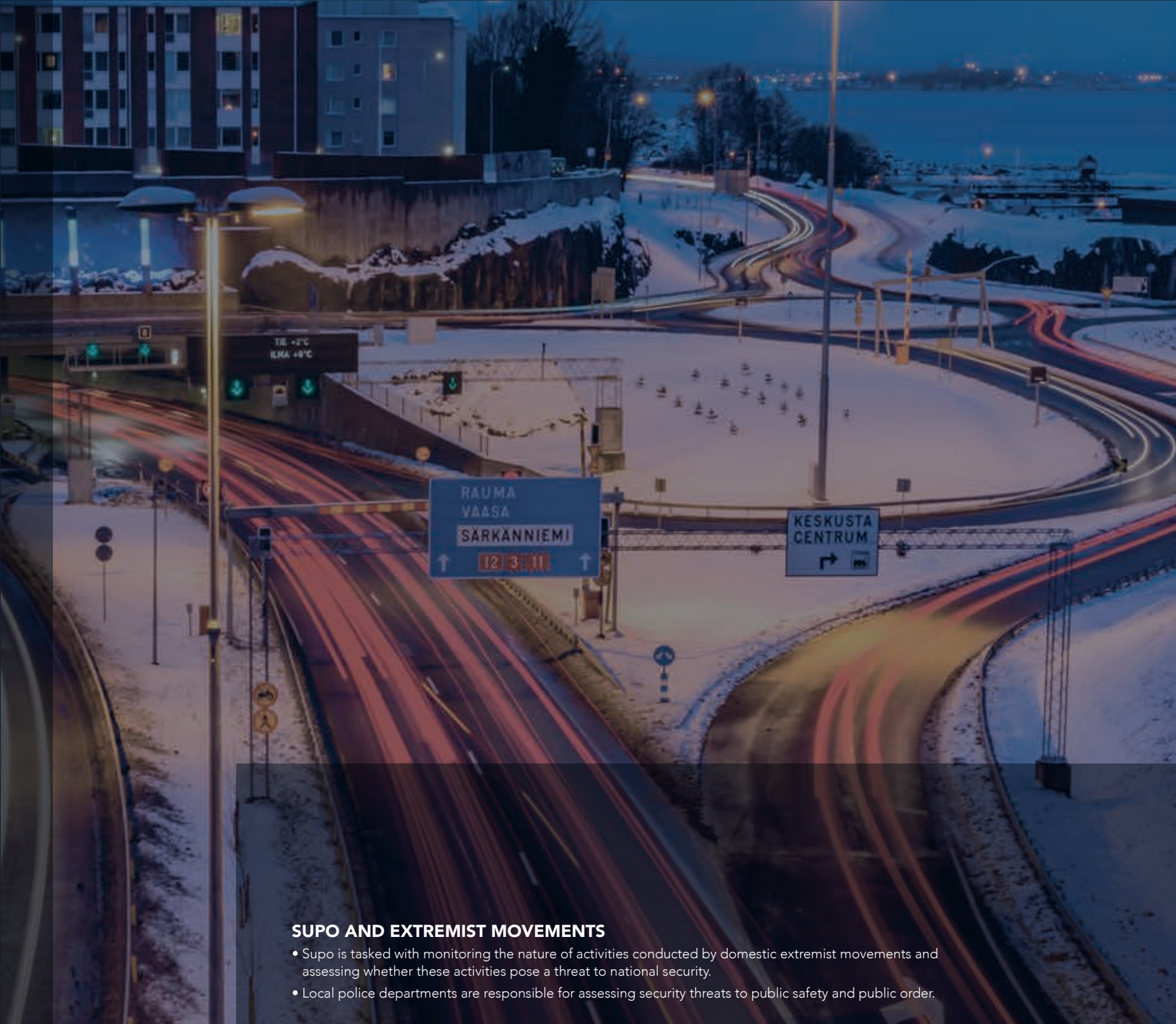
The Nordic Resistance Movement had the highest visibility, with the National Police Board filing legal action in March seeking its disbandment. The organisation campaigned against the measure actively throughout the year, with hundreds of demonstrators gathering in the streets of Tampere on the week-end preceding the main hearing, both in support of the Movement and opposing it. Although some counter-demonstrators behaved violently, the police managed to prevent wider clashes. The Pirkanmaa District Court issued a judgment at the end of November disbanding the organisation's Finnish branch and all of its sub-branches and subordinate associations. This judgment is not yet legally final.

The Turku knife attack in August had no significant impact on Finnish extremism. The attack provoked debate and heated statements among radical movements, but did not lead to direct action by extremist movements.

An act of arson directed against four trucks in Tampere brought animal rights activism briefly to public attention in November. An anonymous cell defending animal rights claimed responsibility for the act of aggravated criminal damage, which was valued at hundreds of thousands of euros, but no broader indications of radical animal rights activism were detected.

An act of arson directed against three passenger motor vehicles in Vantaa just before Finnish Independence Day (6 December) increased tensions between the extreme right and antifascists. The cars belonged to the owner of a local pub that had advertised the intention to host an ultranationalist after-party following the Independence Day celebration. Anonymous members of the antifascist movement claimed responsibility for the act, explaining that it was directed against the extreme right.

Extreme right and ultranationalist public events organised on Independence Day were mainly peaceful, as was the antifascist counter-protest directed against them, although there were signs of heightened polarisation. Effective precautions enabled the police to prevent wider clashes.



SUPO AND EXTREMIST MOVEMENTS

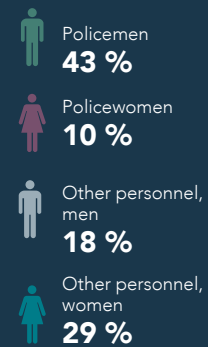
- Supo is tasked with monitoring the nature of activities conducted by domestic extremist movements and assessing whether these activities pose a threat to national security.
- Local police departments are responsible for assessing security threats to public safety and public order.

Supo in figures in 2017

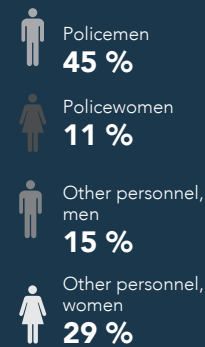
DIVISION OF PERSONNEL

Personnel 2017

324 employees
Men 61 %
Women 39 %
Average age 44

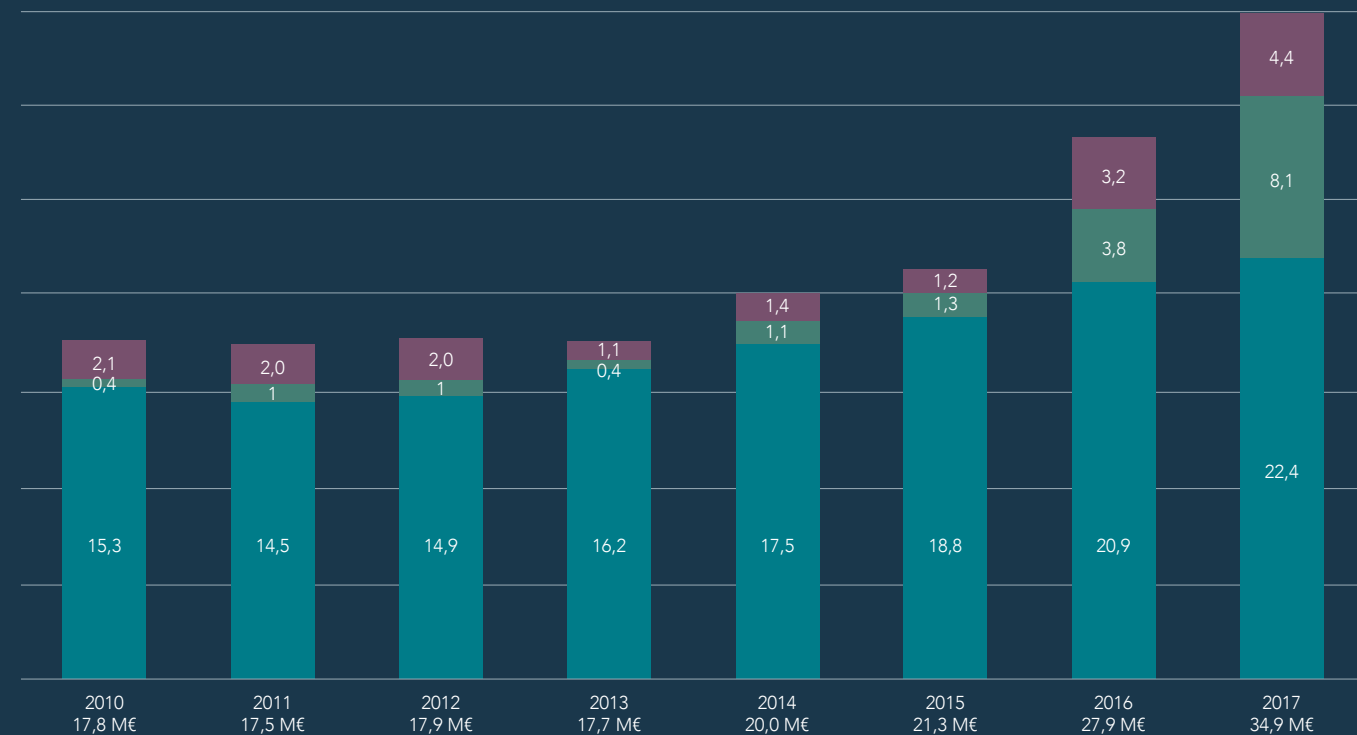


Personnel 2016

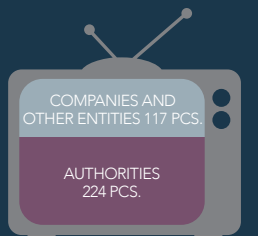
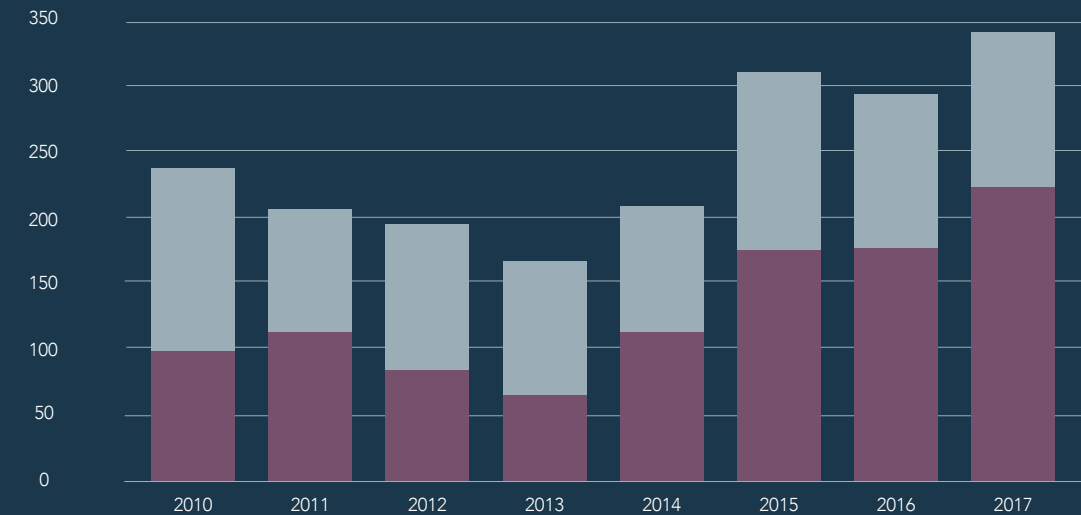


ECONOMY

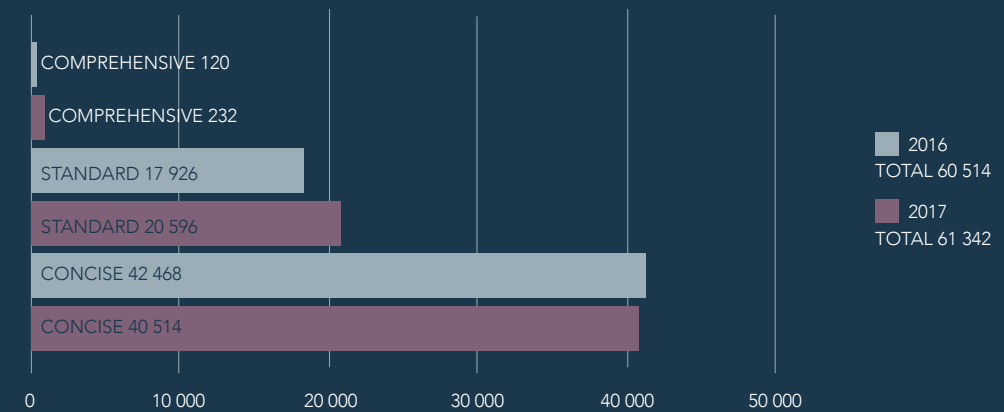
REVENUES PROJECT FINANCING ALLOCATIONS



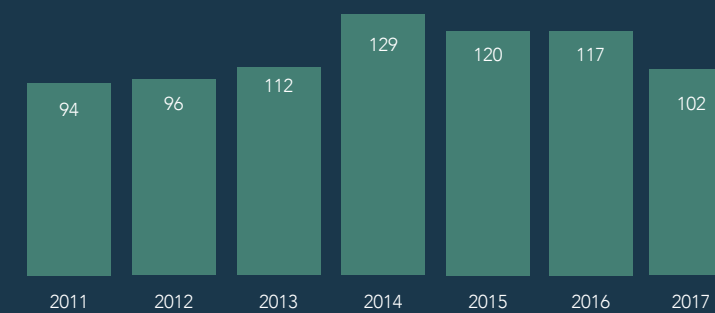
BRIEFINGS HELD BY SUPO



SECURITY CLEARANCES



REPORTS BY SUPO





Supo maintains a presence throughout Finland

Supo's regional department is responsible for operations outside the Helsinki Metropolitan Area. Offices in various parts of Finland perform the same duties as the headquarters in Helsinki. The work of regional offices also involves a great deal of co-operation with public authorities and partners. A significant number of Supo security information events are held outside Helsinki.

The work of regional offices also reflects the rapid evolution and globalisation of operating conditions for terrorism.

Although the regional department mainly co-operates with local police and the National Bureau of Investigation (NBI) in day-to-day work, Supo has also been involved in investigating high profile cases. Supo supported the Southwestern Finland Police Department and the NBI in investigating the violent act perpetrated in Turku in August, while in the Tampere region it assisted the NBI in investigating the Camp Speicher massacre in Iraq. Pirkanmaa District Court issued a judgement in May discharging the Iraqi twin brothers suspected of involvement in the massacre.

There are also interests requiring counter-espionage protection throughout Finland, and Supo is responsible for detecting and combating the intelligence-gathering and influencing operations of foreign organisations outside Helsinki.

Geopolitics remains a factor in the intelligence activities of foreign powers targeting Finland. For example, interest in the Arctic region remains high in northern Finland, whereas to the east Supo monitors and assesses potentially illegal intelligence activities concerning the eastern external border of the European Union.

Supo also assists companies and communities in combating illegal intelligence-gathering. For example, Supo has a sustained significant interest in safeguarding the Oulu region technology cluster.



NATO debate, Baltic Sea and intelligence legislation attract foreign interest

Foreign intelligence activities targeting Finland continued in 2017. The number of foreign intelligence service representatives stationed in Finland is quite high in relation to the size of the country. These intelligence operations are sustained and ongoing. Finland is of interest in intelligence terms particularly to Russia, but also to some other great powers.

While intelligence-gathering themes concerning topical phenomena vary, they reflect a long-term interest in Finland. Primary intelligence aims include forecasting Finland's policies in various fields and influencing political decisions. Foreign intelligence services are also interested in Finnish technology and associated expertise.

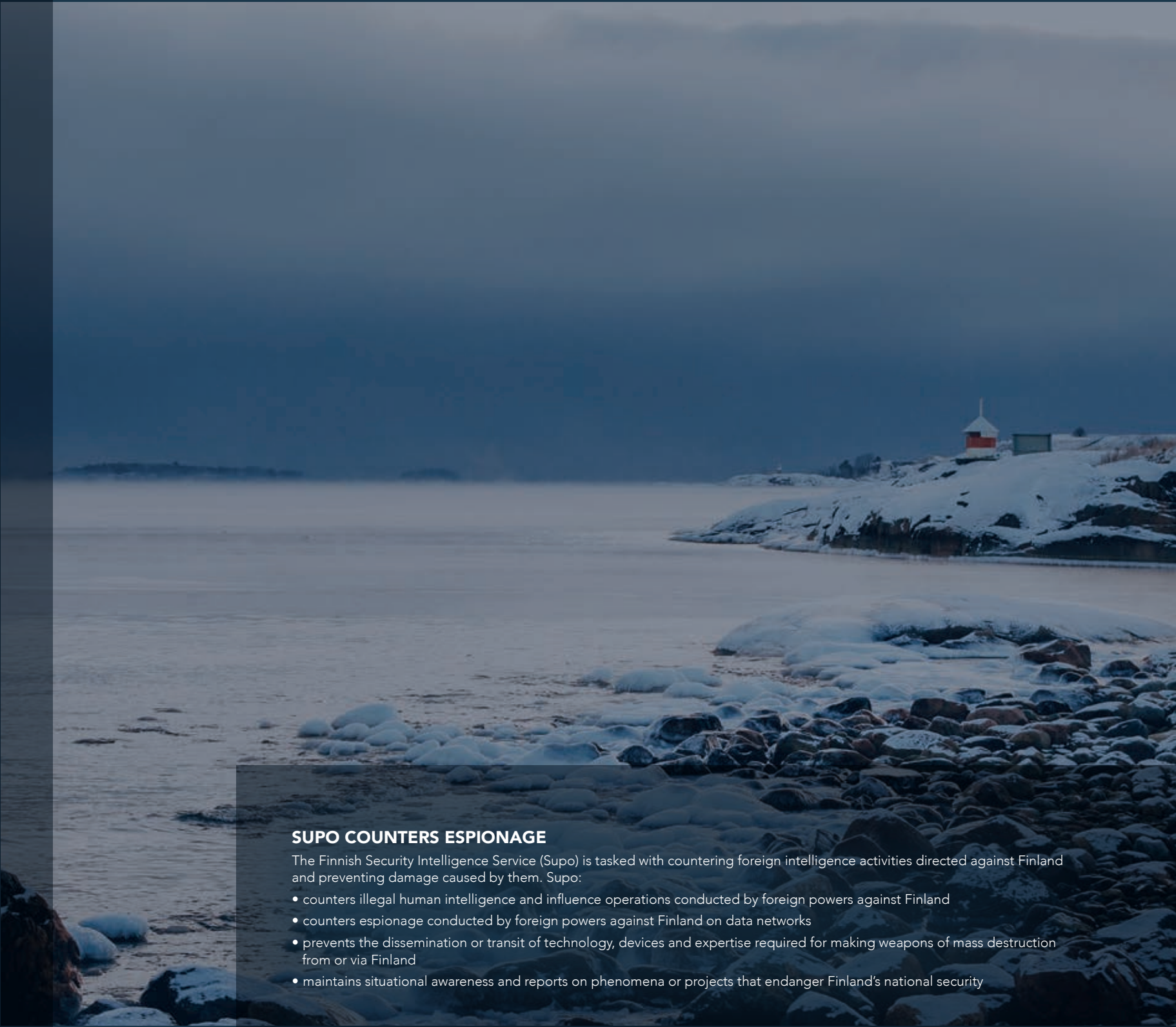
During 2017 Supo became aware of concrete efforts by foreign intelligence services to recruit clandestine human sources in Finland with a view to obtaining information that is not publicly available. Foreign intelligence organisations also sought to recruit individuals to assist in providing either direct or indirect influence over political decisions and public opinion.

The primary topics of interest for foreign intelligence in Finland were the debate on NATO, Finland's chairmanship of the Arctic Council, its position on EU sanctions policy, the security situation in the Baltic Sea region, and especially technology that can be used for military purposes. Supo observed that foreign intelligence organisations were also interested in the ongoing process of drafting new national intelligence legislation, Finland's cyber security infrastructure, and its measures for combating the information operations of foreign powers.

As in previous years, the intelligence services of certain countries again sought to control the citizens of these countries residing permanently or temporarily in Finland. This reflects the efforts of intelligence services to recruit human sources and to monitor political opponents and dissidents on Finnish soil. Unlike other countries in the Nordic Region and beyond, the phenomenon of refugee espionage has not been criminalised in Finland.

Counter-proliferation

Supo is also responsible for counter-proliferation, i.e. preventing the export of dual-use goods into countries that may develop weapons of mass destruction. Supo investigated some cases in 2017 in which technology that could be used for military purposes was exported via Finland. The seller had been misled about the end-user in these cases. The problems of counter-proliferation work primarily involve complex international arrangements and secrecy that seeks to conceal the real end-users. Counter-proliferation operations at Supo are conducted in close collaboration with other national and international public authorities.



SUPO COUNTERS ESPIONAGE

The Finnish Security Intelligence Service (Supo) is tasked with countering foreign intelligence activities directed against Finland and preventing damage caused by them. Supo:

- counters illegal human intelligence and influence operations conducted by foreign powers against Finland
- counters espionage conducted by foreign powers against Finland on data networks
- prevents the dissemination or transit of technology, devices and expertise required for making weapons of mass destruction from or via Finland
- maintains situational awareness and reports on phenomena or projects that endanger Finland's national security

Cyberespionage threatens the future of businesses

The threat of state-backed espionage does not merely concern government policymaking mechanisms in Finland, but also affects private businesses. Supo became aware of several cases in 2017 in which it was obvious that an intrusion had the systematic backing of a foreign power.

The key role of information as a production factor is hampering the operating conditions of a growing number of companies, increasing the scale of potential losses. Where a traditional burglary can only cause limited economic damage to a business, cyberespionage can at worst take away its entire future.

Data networks eliminate the significance of distance, and an espionage operation can apply increasingly efficient means with diminishing risk. Intruding into a Finnish data system does not require any physical presence in Finland, and such operations can even be carried out in the source country during office hours with the assistance of specialists in various fields.

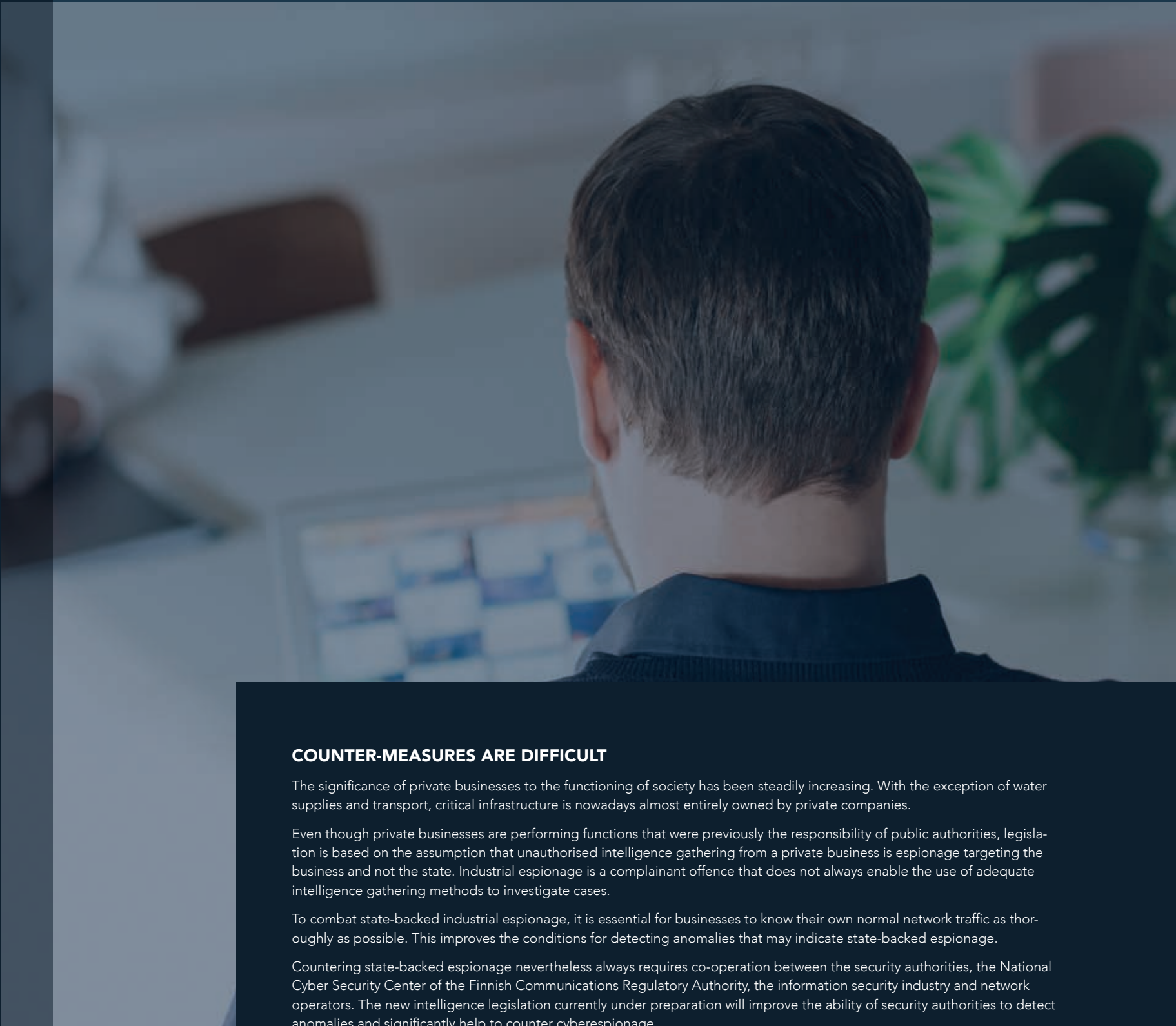
Countering the espionage threat is increasingly difficult, because companies have often outsourced parts of their information management. Subcontractor chains easily become complex, making anomalies hard to detect.

What makes companies interesting?

Technology companies engaged in R&D and the businesses that serve them are vulnerable to espionage. The range of industries is broad, stretching from the mechanical engineering and equipment industry to health care technology. A Finnish company that has fallen victim to industrial espionage loses the competitive edge that it gained through in-house R&D work.

It is the view of Supo that this type of industrial espionage often enjoys the backing of a foreign power seeking to make R&D findings available to its own industrial base without the required investment and with no great risk of being caught.

The Finnish energy sector and its associated R&D companies are also vulnerable to espionage, and are continuous targets of state-backed surveillance. It is the view of Supo that the aim of this surveillance is not to steal information from these companies, but to find vulnerabilities and features in critical infrastructure that could be exploited to paralyse that infrastructure in a time of crisis.



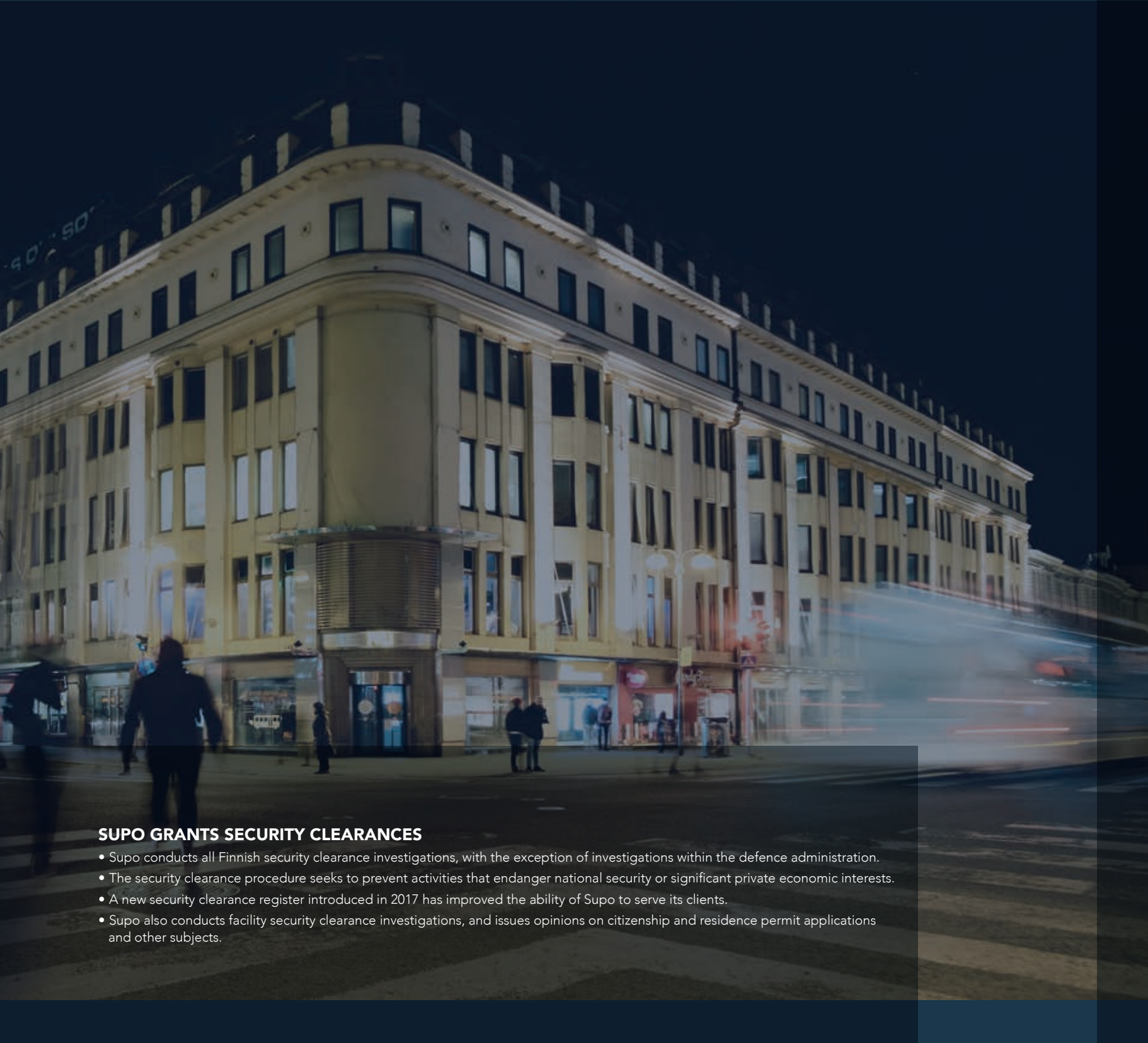
COUNTER-MEASURES ARE DIFFICULT

The significance of private businesses to the functioning of society has been steadily increasing. With the exception of water supplies and transport, critical infrastructure is nowadays almost entirely owned by private companies.

Even though private businesses are performing functions that were previously the responsibility of public authorities, legislation is based on the assumption that unauthorised intelligence gathering from a private business is espionage targeting the business and not the state. Industrial espionage is a complainant offence that does not always enable the use of adequate intelligence gathering methods to investigate cases.

To combat state-backed industrial espionage, it is essential for businesses to know their own normal network traffic as thoroughly as possible. This improves the conditions for detecting anomalies that may indicate state-backed espionage.

Countering state-backed espionage nevertheless always requires co-operation between the security authorities, the National Cyber Security Center of the Finnish Communications Regulatory Authority, the information security industry and network operators. The new intelligence legislation currently under preparation will improve the ability of security authorities to detect anomalies and significantly help to counter cyberespionage.



SUPO GRANTS SECURITY CLEARANCES

- Supo conducts all Finnish security clearance investigations, with the exception of investigations within the defence administration.
- The security clearance procedure seeks to prevent activities that endanger national security or significant private economic interests.
- A new security clearance register introduced in 2017 has improved the ability of Supo to serve its clients.
- Supo also conducts facility security clearance investigations, and issues opinions on citizenship and residence permit applications and other subjects.

Ten questions about security clearance vetting

1.

Why conduct security clearance vetting?

Security clearance vetting is a means of safeguarding national security. The vetting procedure is governed by the Security Clearance Act. It seeks to prevent activities that could be detrimental to national security, national defence, Finland's international relations, public safety or some other comparable public interest. The aim may also be to protect a very significant private economic interest.
2.

Who can be subject to security clearance vetting?

Examples of individuals subject to security clearance vetting include applicants for a post or position who:

 - A. are authorised to handle security classified documents of a public authority, otherwise than occasionally,
 - B. perform functions that directly serve national leaders,
 - C. perform functions capable of damaging the operation of infrastructure that is essential for the functioning of society or for the continuity of critical production, or
 - D. discharge duties in which the individual may endanger national security, national defence or Finland's international relations by disclosing secret information or by some other unlawful conduct.
3.

How do I know whether I have been subject to security clearance vetting?

Nobody may be subject to security clearance vetting without written consent. The prior written consent of the vetting subject is a requirement for conducting security clearance vetting.
4.

Which employers request security clearance vetting?

Most security clearance investigations are conducted for various state authorities. The largest applicant is the Interior Affairs administration.

Most security clearance investigations in the private sector are conducted for export businesses in which the employee is capable of causing serious damage to the national economy or to business operations that are significant to the national interest by disclosing confidential information.
5.

What kind of register information is examined in security clearance vetting?

Security clearance vetting may only be based on the register data specified in the Security Clearance Act. The vetting subject may also be interviewed.

Key registers include criminal records, the register of fines and the police information system.
6.

Do previous criminal convictions affect security clearance vetting?

Each security clearance vetting and its outcome is a matter of individual discretion. A vetting will assess whether any register entries are relevant to the duties in question. The time that has elapsed since an offence occurred and the age of the vetting subject at the time of the offence are also relevant considerations.
7.

How often does vetting disclose adverse information?

Although the Finnish Security Intelligence Service (Supo) issues a written statement in just over 2 per cent of cases, it never assesses the suitability of the vetting subject for a position as such. The employer always makes the eventual recruitment decision.
8.

Slightly more personnel security clearance investigations were conducted in 2017 than in 2016. What explains the increase?

New public authorities and businesses requiring security clearance vetting of their own staff or of service provider personnel are included in Supo security clearance vetting procedures every year.
9.

Is it possible to prevent all threats through security clearance vetting?

While security clearance vetting is a good way of seeking to combat threats, public authorities and businesses cannot outsource security merely by commissioning security clearance vetting. Technical and other measures must first be taken to restrict access to protected information and premises. A culture of security must also be maintained through training and communication.
10.

How does Supo promote enterprise security?

Supo advises businesses on security questions by organising special security briefings and in other ways.

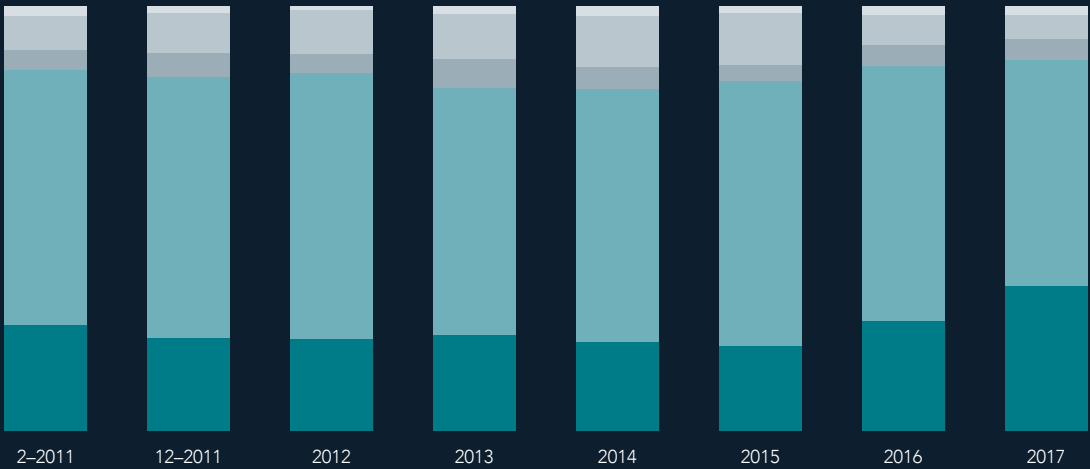


Citizens' confidence in Supo unprecedentedly high

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 27 November – 8 December 2017. The sample was drawn from people aged 15–79 living in continental Finland.

CONFIDENCE IN SUPO:

- HIGH
- RATHER HIGH
- CANNOT SAY
- NOT VERY HIGH
- NON-EXISTENT



A total of 1003 interviews were carried out.
The margin of error of the results is +/- 3 percentage points.



Painotuote
4041 0017



FINNISH SECURITY INTELLIGENCE SERVICE

Ratakatu 12, FI-00121 Helsinki, Finland // +358 295 480 131 // www.supo.fi