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**Report to the Director
of Central Intelligence**

**DCI Task Force
on
The National Reconnaissance Office**

Final Report

APRIL 1992

(With Cover Letters)

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~~(S)~~ NATIONAL RECONNAISSANCE OFFICE
WASHINGTON, D.C.

OFFICE OF THE DIRECTOR

May 19, 1992

MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: DCI Task Force on the NRO - INFORMATION MEMORANDUM

Attached is the final report of the Task Force on the National Reconnaissance Office commissioned by the Director of Central Intelligence on March 5, 1992. We in the NRO greatly appreciate the work of Bob Fuhrman and his task force--it was a brilliant effort done on a tight time line.

The Task Force provided me and other senior NRO managers ample opportunity to express our views, and we did so with candor. Nevertheless, it was clear from the start that the Task Force would come to its own conclusions. The enclosed final report contains their views. I agree with most, although not all, of their findings.

Based on the presentation of the Task Force results to you and our conversation on March 23, and a similar presentation to and discussion with the Director of Central Intelligence on March 20, I am taking action to implement a functional ("INT") realignment of the NRO as directed by the President in NSD-67. I am also planning to collocate most elements of the NRO in the Washington, D.C. area as soon as practical if Congressional concurrence is obtained. An implementation team is in place, and within the next few weeks I will formally change the NRO organizational structure and the reporting chains for individual program managers. We hope to begin collocating elements of the NRO this summer, first by establishing new programs here in the Washington area, and eventually by 1996, almost the entire NRO is planned to be collocated at our new Westfields facility near Dulles Airport. We will continue to inform appropriate executive and legislative elements as we move through the restructure process.

I am implementing several other recommendations of the Task Force. I have adopted a new NRO Mission Statement. I have initiated a study and directed preparation of an implementation plan on how to declassify the "fact of" and other key facts

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about the NRO, as well as studies of what further product or system information can be disseminated outside compartmented channels. When a Director of the new Central Imagery Organization is named, I will initiate action to expand membership of the National Reconnaissance Review Board (NRRB) accordingly.

Some of the Task Force recommendations are not within my decision authority and would have significant impact on other organizations. I don't plan to take any action in these areas unless directed by you and the Director of Central Intelligence. These recommendations include:

a. A more proactive role for the National Foreign Intelligence Program in supporting operational military users to lower echelons of command.

b. Merger of the National Reconnaissance Program, the Defense Reconnaissance Support Program, and the Airborne Reconnaissance Support Program into a single Overhead Reconnaissance Program.

c. Specific changes in the Intelligence Community requirements processes for systems acquisition and for tasking. The intelligence reorganization the Director of Central Intelligence has underway will make some of these changes.

d. Incorporating operational issues into the NRRB mandate.

I believe the changes that are being implemented will provide for an NRO that is strong, efficient, and effective.

Martin C. Faga

MARTIN C. FAGA

1 Attachment
Final Report
~~Cy 1 of 3~~

THIS SAME MEMO, WITH APPROPRIATE LANGUAGE CHANGES, WENT TO THE DCI.

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MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: DCI Task Force on the NRO

Attached is the final report of the Task Force on the National Reconnaissance Office (NRO) commissioned by the Director of Central Intelligence on March 5, 1992. It updates the preliminary findings and recommendations briefed to you by Marty Faga on March 23, 1992. Our recommendations are unanimous.

Our Task Force reviewed prior studies concerning the NRO, especially those in the 1988-89 time frame, and used them as a point of departure. Some of our recommendations flow naturally from the actions taken as a result of those studies.

At the time of our deliberations, another task force was considering the management of imagery within the Intelligence Community. We assumed the creation of an Imagery Authority (IA) responsible for top-level management of the total Community imagery effort and for establishing standards and protocols.

Our key recommendations for the Secretary of Defense, the Director of Central Intelligence, and the Director of the NRO (DNRO) include the following:

- Retain the NRO as the single US government organization for development, procurement, and operation of overhead intelligence collection systems.
- Organize the NRO along functional ("INT") lines.
- Collocate the NRO in the Washington area by the end of 1993.
- Affirm a proactive role for the Intelligence Community in responding to operational as well as national needs. Adopt a new NRO mission statement reflecting this role.
- Combine the three budget Programs currently managed by the DNRO into a single, integrated Overhead Reconnaissance Program.
- Strengthen the Intelligence Community's requirements process for system acquisition and for tasking.
- Declassify the "fact of" the NRO.

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- Review the classification guidelines for NRO system characteristics and related intelligence products to improve the flow of information to those who need it.
- Encourage operational users and the Intelligence Community to employ actual overhead systems in realistic exercises.
- Strengthen the National Reconnaissance Review Board and include operational issues in its mandate.

Members of the Task Force are grateful for having the opportunity to participate in this decision process.

/S/

ROBERT A. FUHRMAN
Chairman
DCI Task Force on the NRO

1 Attachment
Final Report (S ~~SECRET~~); 

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Final Report**

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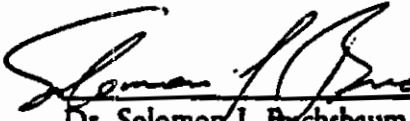
FINAL REPORT: DCI TASK FORCE
ON
THE NATIONAL RECONNAISSANCE OFFICE

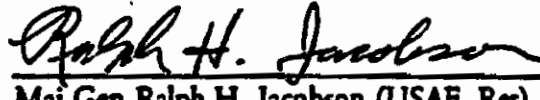
I. INTRODUCTION

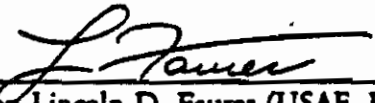
A. MEMBERSHIP. This DCI-appointed Task Force consisted of six members and two advisors. The two advisors acted as integral members of our team. Ours is a unanimous report.

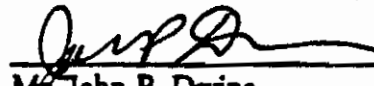

Mr. Robert A. Fuhrman
Task Force Chairman
Former President and COO,
Lockheed Corporation

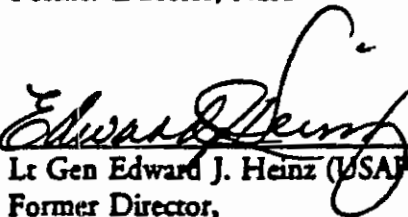

Mr. R. Evans Hineman
Former Deputy Director for
Science & Technology, CIA
Former Director, NRO Program B

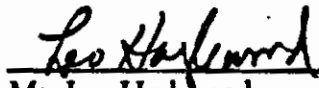

Dr. Solomon J. Buchsbaum
Senior Vice President,
AT&T Bell Laboratories


Maj Gen Ralph H. Jacobson (USAF, Ret)
President and CEO,
The Charles Stark Draper Laboratory
Former Director, NRO Program A


Lt Gen Lincoln D. Faurer (USAF, Ret)
Former Director, NSA


Mr. John P. Devine
Deputy Director for Research
and Engineering, NSA


Lt Gen Edward J. Heinz (USAF, Ret)
Former Director,
Intelligence Community Staff


Mr. Leo Hazlewood
Director, National Photographic
Interpretation Center

B. PURPOSE OF THE TASK FORCE. The Terms of Reference (Attachment 1) asked us to advise the DCI concerning the future of the National Reconnaissance Office (NRO), specifically including issues related to current studies concerning reorganization of the US Intelligence Community (IC). The fundamental question we addressed was a simple one: How should the US government organize to acquire and operate overhead reconnaissance systems?

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C. TASK FORCE APPROACH. The NRO has served the nation well for some 30 years. Its streamlined management approach to acquisition and the dedication and creativity of NRO personnel have built a record of unparalleled success. We attempted to make recommendations not only to preserve the effectiveness of the US overhead reconnaissance program but also to enhance its ability to meet challenges of the future.

D. TASK FORCE METHODOLOGY. We reviewed the current status of the NRO and its programs, examined the most recent studies concerning the effectiveness and operations of the NRO, and conducted in-depth interviews with the Director of the NRO (DNRO), the Deputy Director of the NRO (DDNRO), and Deputy Director for Military Support (DDMS); the Directors of Programs A, B, and C; and the Director of Plans and Analysis. We also discussed issues with the Staff Director of the Senate Select Committee on Intelligence and with staff members of the House Permanent Select Committee on Intelligence. Additionally, individual Task Force members contacted a number of past and current officials of the Department of Defense and the Intelligence Community in the course of considering specific issues. Administrative support and research into specific questions were provided by an NRO team headed by Colonel [REDACTED]

E. ASSUMPTION: CREATION OF AN IMAGERY AUTHORITY. Because there was another task force studying imagery issues, it was necessary to make a basic assumption that the Secretary of Defense (SECDEF) and the DCI would establish an Imagery Authority (IA) to adjudicate and prioritize imagery requirements and to establish standards and protocols.

F. ARRANGEMENT OF THIS REPORT. This report consists of 9 Sections and 4 attachments:

SECTIONS

- I. Introduction
- II. Need for the National Reconnaissance Office
- III. The NRO Mission
- IV. NRO Organizational Structure
- V. The Intelligence Community Requirements Process
- VI. Program and Budget Issues
- VII. Security and Classification Issues
- VIII. The National Reconnaissance Review Board (NRRB)
- IX. Operation of Satellite Reconnaissance Systems

ATTACHMENTS

- 1. Terms of Reference
- 2. Criticisms of the NRO
- 3. Recommended Intelligence Community Requirements Process
- 4. Summary of Recommendations

declining budgets, we cannot continue past practice of allowing new ideas to compete only for new money. Instead, we need a method within the Community to allow new ideas to compete on their merits with baseline programs and ongoing initiatives.

D. REPRIORITIZING BASELINE PROGRAMS. Our recommendation to overcome the present "tyranny of the baseline" is an annual community reprioritization of all baseline programs throughout the NFIP, together with consideration of new initiatives. The new Community Management Staff would lead this effort, which would require not only highly qualified staffing but also strong DCI support. The end result would be a DCI/SECDEF approved ranking that would drive the NFIP Program Managers' budget processes. We recognize this is not a trivial task, but it should be pursued with vigor. At the least, it should be applied to the individual NFIP programs, and specifically to the ORP.

RECOMMENDATION #14. The DCI should initiate an annual Community-wide reprioritization of all NFIP baseline programs, with explicit consideration of new initiatives.

E. FENCED FUNDING FOR NEW IDEAS. In order to ensure that new ideas can be studied and designed to a point sufficient to allow them to compete against baseline programs, the DNRO needs a "fenced" funding line dedicated to new ideas. This would be in addition to today's Reconnaissance Technology/Advanced Development (RT/AD) lines, and would be used for new starts up to the demonstration or prototype stage to get them ready for the Community reprioritizing process. Plans and Analysis would provide corporate NRO oversight for this program, in consultation with the NRO's customers.

RECOMMENDATION #15. The DNRO, with support of the SECDEF and the DCI, should establish a separate, fenced funding line dedicated to new ideas.

F. NEED FOR STRATEGIC PLANNING. The ability to select the new ideas that should be supported is strongly dependent on the availability of a long-term Strategic Plan. The NRO has a strategic planning process already, with mechanisms to link the overall strategic plan to individual INT roadmaps and eventually to budgets. We believe the NRO should retain and strengthen its strategic planning process and carry that process through to completion of a Strategic Plan that should be updated at least every two years and promulgated.

RECOMMENDATION #16. The NRO should retain and strengthen its internal strategic planning process and carry it through to completion of a written Strategic Plan.

VII. SECURITY AND CLASSIFICATION ISSUES

A. BACKGROUND. The Task Force reviewed current security and classification guidelines for the nation's satellite reconnaissance efforts, which are based largely on National Security Directive (NSD) 30. These guidelines, which require that the existence of the NRO be protected within Sensitive Compartmented Information channels and drastically restrict the discussion of space-based intelligence capabilities outside of those channels, have long historical precedent. Changes over the past few years convinced us that serious study with an eye towards

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significant modification of these guidelines should be conducted. We see the need to review the guidelines in three areas: the covert nature of the NRO, and the amount of information about satellite capabilities releasable at non-compartmented levels, and the amount of product releasable at non-compartmented levels.

B. RATIONALE FOR AN OVERT NRO. While current guidelines require the existence of the NRO to be maintained within SCI channels, the fact of an NRO is an "open secret," with many references in open literature. We believe that attempting to preserve such "open secrets" without strong and compelling rationale is inconsistent with the DCI's push for greater openness, weakens the case for preserving "real" secrets, and needlessly angers congressional and other critics. By admitting the "fact of" the NRO, we remove many needless points of controversy. Of course, simply admitting "fact of" without providing additional information accomplishes little. Rather, we believe that certain "facts about" should be declassified to improve the NRO's ability to interact with customers and users. These would include items such as:

- Mission Statement
- Names of DNRO, DDNRO, DDMS
- Fact of joint DoD and Intelligence Community staffing
- Headquarters Locations

C. IMPLEMENTING AN OVERT NRO. Detailed study and a comprehensive implementation plan are imperative before any public announcement about the NRO is made. Appropriate coordination with the Departments of Defense and State would be required, as well as Presidential approval to modify NSD 30. A support staff must be ready to handle inquiries at the Pentagon, and revised security guidelines must be made available to SCI-briefed personnel worldwide. Ongoing projects must be reviewed to ensure that the transition to an overt NRO will not endanger any current or future sources or methods. Of course, critical details on NRO system development and capabilities should remain within SCI channels.

RECOMMENDATION #17. The SECDEF and the DCI should direct the DNRO to begin the process of declassifying the "fact of" the NRO and certain additional information by conducting a detailed study and developing an implementation plan.

D. NEED FOR MORE INFORMATION OUTSIDE SCI CHANNELS. While proper protection of sources and methods is an unarguable priority, our Task Force concluded that many NRO customers and users perceive that security unduly constrains the flow of intelligence to policymakers and military commanders, and impedes the basic understanding and utility of overhead systems.

Our Task Force found evidence that current security practice impedes the flow of needed intelligence information to current and potential users. In some cases, the existing guidelines permit material to be decompartmented and distributed—but only after a conscious decision by an appropriate SCI authority in the field and removal of certain markings and data. In practice, the field personnel need simplified guidance, encouragement, and the resources to make and implement the declassification decisions. We believe that an effort to improve the flow

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of intelligence product throughout the user community is appropriate and are recommending a study to that effect. The study should also address methods and resources for improving the flow of intelligence information to coalition forces, in the event that policymakers determine that such dissemination is needed in crisis or war.

RECOMMENDATION #18. The DCI should direct a joint study by NRO, NSA, and IA to determine how to disseminate more product from overhead systems to appropriate users worldwide, particularly at the non-compartmented SECRET level.

Particularly within DoD, the need to store and discuss information about overhead systems characteristics and capabilities only within SCI areas seriously limits training and education of key personnel and the active consideration of those capabilities during mission planning. We believe that a determined effort should be made to describe the basic system characteristics and products to customers and users at a security level they can comfortably work with. Our assessment is that the proper level is SECRET/NOFORN/WNINTEL, not requiring SCI handling.

RECOMMENDATION #19. The DCI should direct a study by NRO, NSA, and the IA to determine what overhead system characteristics and capabilities can be released outside SCI channels, with the goal of significantly increasing the amount of system capability information available at the SECRET/NOFORN/WNINTEL level.

E. OUTREACH PROGRAMS. The Task Force is concerned that current and potential NRO users are not adequately familiar with NRO capabilities and products, and thus do not make full use of what is available. This is particularly a problem in the DoD, especially at the lower operational command levels. We believe that expanded outreach program by NRO (led by the DDMS), NSA, and IA should be instituted, with the following specific elements:

Create and maintain a cadre of SI/TK cleared personnel, fully trained on overhead system capabilities and tasking. These personnel should be located at levels consistent with DoD operational concepts and doctrine.

Encourage IA to assign "resident experts" to operational military commands, as NSA currently does.

Undertake routine briefings on overhead system characteristics and products to key flag officers and civilian officials.

Make a joint DCI-SECDEF commitment to use actual overhead systems (including the tasking and dissemination mechanisms that would be used in wartime) in realistic military exercises.

RECOMMENDATION #20. The DCI and the SECDEF should direct expanded outreach programs to current and potential users of overhead intelligence products, with special emphasis on operational military needs. This initiative should include use of actual NRO satellite collectors in realistic military exercises.