



Department of Justice

STATEMENT

OF

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BEFORE THE

**COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE**

CONCERNING

DIPLOMACY AND THE WAR AGAINST TERRORISM

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**Testimony of
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Deputy Assistant Director, Counterterrorism Division
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**Before the
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“Diplomacy and the War Against Terrorism”

Good morning Chairman Lugar, Senator Biden, and other distinguished Members of the Committee. I would like to express my gratitude to the Committee for your thoughtful consideration of this weighty topic, as well as for the opportunity to testify today. I am honored to be included in this distinguished panel of executives from the Department of State (DOS) and the Department of Treasury. I am accompanied today by Roderick L. Beverly, the Special Agent in Charge of the FBI's Office of International Operations.

The FBI's Office of International Operations oversees our Legal Attache (Legat) program, which represents a vital component in our counterterrorism efforts. It is primarily through the Legat program that we coordinate investigative efforts and share information with our international law enforcement and intelligence partners.

With the assistance of Congress and the DOS, the FBI has established 45 Legat offices. A Legat presence throughout the world has enhanced the FBI's ability to bring investigative resources to bear quickly in the aftermath of terrorist acts. For instance, in response to the events of September 11, 2001, Legat offices facilitated the rapid deployment of approximately 700 FBI personnel overseas. Legats were also able to react immediately and lend assistance in the October 2002 shooting of U.S. AID Officer Laurence Foley in Amman; the bombing earlier this year of a disco in Bali; and the recent bombing of the airport at Davao City in the Philippines where 21 people were killed, including one American.

Through a Memorandum of Understanding (MOU) with the DOS, FBI Legats are part of the embassy community. The MOU acknowledges the Ambassador as Chief of Mission. In addition to investigative and host country liaison responsibilities, Legats work with the Administrative Officer of the embassy regarding their needs within the embassy itself. They respond to requests from other DOS employees, provide regular briefings to the Ambassador and/or Deputy Chief of Mission, and participate in all other in house activities, such as emergency action meetings and weekly country team meetings. As a result of the FBI's efforts to identify and dismantle terrorist networks, the Legats work in close coordination with Regional Security Officers and other embassy staff to prevent future terrorist incidents from occurring both overseas and in the U.S. From fiscal year (FY) 2001 to FY 2002, the number of leads (investigative requests) covered by Legats increased from 41,211 to 53,105 (a 29% increase).

The FBI's 45 Legats are staffed by 126 Special Agents and 74 support personnel. By the end of this fiscal year, it is proposed that the staffing level increase to 145 Special Agents and 83

support personnel as a result of new offices in: Abu Dhabi, United Arab Emirates (U.A.E.); Kuala Lumpur, Malaysia; Sanaa, Yemen; Tbilisi, Georgia; and Tunis, Tunisia. In addition, there will be three sub-offices created in: Bonn (Berlin, Germany); Milan (Rome, Italy) and Toronto (Ottawa, Canada). Six existing Legat Offices will also receive additional personnel. Those offices are: Amman, Jordan; Cairo, Egypt; Islamabad, Pakistan; Manila, Philippines; Ottawa, Canada; and, Riyadh, Saudi Arabia. Of the additional \$44.7 million that the FBI was allotted for its Counterterrorism mission overseas, approximately \$23.7 million was earmarked for Legat expansion.

I would like to share a few specific examples which demonstrate how FBI Legats are facilitating efforts to address international terrorism. The FBI's Criminal Justice Information Services Division (CJIS), located in Clarksburg, West Virginia, has responsibility for the oversight of the Integrated Automated Fingerprint Identification System (IAFIS). A recent priority CJIS effort was facilitated by the ability to leverage professional relationships developed by Legats with Pakistani law enforcement personnel. CJIS sent numerous teams to Pakistan for the purpose of providing equipment and training relating to the computerized capture of fingerprints. This method consists of using inkless portable fingerprinting stations that can be used onsite during an investigation. Subject fingerprints are loaded directly into the system where they are analyzed and classified for future reference and comparison with existing databases. CJIS personnel have trained Pakistani law enforcement personnel in the use of this equipment as well as providing them with equipment.

The FBI Laboratory also has been engaged with Legats to ensure that numerous international law enforcement partners are aware of the availability of the FBI's Combined DNA Index System (CODIS), for assisting in the identification through DNA data of terrorists subjects and other criminal suspects.

The FBI, through the assistance and coordination of the DOS, has made progress in disrupting the flow of funds being used to finance terrorists and their operations. The FBI Counterterrorism Division's Terrorist Financing Operations Section (TFOS), has worked hand in hand with the DOS, and other agencies, to identify countries that are critical to the FBI's counterterrorism efforts and to provide crucial terrorist financing training and investigative assistance. This includes providing assistance in drafting antiterrorism financing legislation and training for the banking industry, local prosecutors and criminal investigators. The DOS has facilitated access to foreign financial information for TFOS as the FBI tracks terrorist financing worldwide. The DOS has also rendered assistance by facilitating the assignment of terrorist finance investigators to international terrorist finance task forces and by coordinating the FBI's participation in major international conferences on terrorist financing.

The FBI utilizes the DOS's Antiterrorism Training Assistance Program to provide specialized counterterrorism training courses on topics such as hostage negotiations, crime scene processing, major case investigations, cyber crime and terrorist financing, in countries involved in the war against terrorism. The FBI is also a participant in other DOS programs, including: the inter-agency Technical Support Work Group (TSWG), which develops and prototypes

counterterrorism technologies to provide protections against terrorist attacks; the Foreign Emergency Support Team (FEST), which responds to international terrorist-related crisis incidents and supports the U.S. ambassador and host government in dealing with incidents; and, the Top Officials exercise (TOPOFF 2) which tests the nation's domestic readiness for responding to a terrorist incident involving chemical, biological, radiological and nuclear agents or devices. In addition, the FBI supports the DOS's Rewards for Justice Program, which offers rewards of up to \$5 million for information leading to an arrest or conviction of any person for conspiring, aiding, abetting or committing an act of international terrorism against U.S. persons or property.

Working in conjunction with DOS foreign assistance expertise and authorities in this way helps the FBI build relationships with other countries' law enforcement agencies to contain criminal threats. For example, the FBI is the lead agency for the International Law Enforcement Academy (ILEA) in Budapest, Hungary. The four ILEAs around the world have greatly strengthened instruction on law enforcement approaches to fighting terrorism since the attacks against our country on September 11, 2001.

The FBI and the DOS are coordinating, better than ever, the information we both possess regarding known and suspected terrorists. The FBI is sharing information we maintain in our National Crime Information Center (NCIC) index, and the Violent Gang Terrorist Organization File (VGTOF), with the State Department's TIPOFF system. The DOS is also a full participant in the Counterterrorism Division's National Joint Terrorism Task Force (NJTTF) at FBIHQ.

Last month, Director Mueller testified before the Senate Select Committee on Intelligence that the Al-Qaeda network will remain for the foreseeable future the most immediate and serious threat facing this country. While this remains true, the recent arrest of Khalid Shaikh Mohammed, or KSM, and the arrest just this past Saturday of Yassir al-Jaziri, represent significant blows to the leadership of the Al-Qaeda network. Our Pakistani partners were instrumental in these successes and I would like to thank them and congratulate them. I assure you that any and all resources of the FBI are being brought to bear to exploit the intelligence information obtained as a result of these arrests.

Despite the arrests of Khalid Shaikh Mohammed and Yassir al-Jaziri, Al-Qaeda and other terrorist networks are adept at defending their organizations from US and international law enforcement efforts. As these terrorist organizations evolve and change their tactics, we, too, must evolve. Accordingly, the past 18 months have brought momentous changes to the FBI, including the incorporation of an enhanced intelligence function that will better enable us to defend against the terrorist threat.

I would now like to briefly discuss, from a broader perspective, efforts and initiatives to identify and dismantle terrorist networks over the past 18 months. The FBI Legat Program and our partnerships with agencies such as the DOS and the Department of Treasury have played an

integral role in these efforts. More than 200 suspected terrorists have been charged with crimes, half of whom have been convicted. The rest are awaiting trial. Moreover, our efforts have damaged terrorist networks and disrupted terrorist plots across the country. In the past month alone, the FBI has arrested 36 international and 14 domestic suspected terrorists.

The FBI has reorganized to effectively meet the challenges of the nation's war on terrorism. For one, the FBI has augmented our counterterrorism resources and is making organizational enhancements to focus our counterterrorism priorities. I would like to review some of those changes with the Committee, beginning with the FBI's analytical program.

Last year, we began the process of focusing on the analysis program by creating an Analysis Branch within the Counterterrorism Division (CTD). This new Analysis Branch was assigned the mission of producing strategic assessments of the terrorism threat to the United States. To date, the Analysis Branch has produced nearly 30 in-depth analytical assessments.

Through FY 2004, the FBI's proposed increase in analysts will result in quadruple the number than we had prior to September 11, 2001. The FY 2004 proposal represents a 156% increase in funding for analysts in comparison to the FY 2002 budget. Recognizing that we could not get to where we needed to be overnight, the CIA detailed 25 of their analysts to the FBI to provide an immediate infusion of expertise into our program while our hiring initiative is underway.

We have also implemented a number of initiatives aimed at enhancing training for our analytical workforce; which included creating the College of Analytical Studies. The FBI, in conjunction with the CIA, has begun training our new intelligence analysts at the College of Analytical Studies. By the end of this year, we expect more than 200 analysts to have completed the six-week training course.

These improvements to our analytic program had to be made quickly to address our immediate needs. The FBI has also taken steps to ensure the ability to collect and analyze intelligence for the long term. The centerpiece of this effort is the establishment of an Executive Assistant Director for Intelligence (EAD/I) who will have direct authority and responsibility for the FBI's national intelligence program. Specifically, the EAD/I will be responsible foremost for our counterterrorism mission. The EAD/I will oversee the intelligence programs for our counterintelligence, criminal, and cyber divisions.

The EAD/I will also ensure that we are sharing information with our federal, state, local and international partners. Furthermore, intelligence units staffed with Reports Officers will be established in every field office and will function under the authority of the EAD/I. The Reports Officers will be responsible for identifying, extracting, and collecting intelligence from FBI investigations and sharing that information throughout the FBI and to other national and international law enforcement and intelligence entities.

The FBI has also reorganized its system for threat warnings by establishing a number of

specialized counterterrorism units. I would like to outline for the Committee a number of these specialized units. CT Watch, a 24-hour Counterterrorism Watch Center, was created to serve as the FBI's focal point for all incoming terrorist threats. The Communications Analysis Section was established to analyze terrorist electronic and telephone communications and identify terrorist associations and networks. The Document Exploitation Unit was initiated to identify and disseminate intelligence gleaned from millions of pages of documents or computers seized overseas by intelligence agencies. The Special Technologies and Applications Section was formed to provide technical support for field office investigations requiring specialized computer technology expertise and support. And finally, the previously mentioned TFOS was established; TFOS is devoted entirely to the financial aspects of terrorism investigations and liaison with the financial services industry, both at home and abroad. All of these recently created, specialized counterterrorism units have streamlined the FBI's resources to more effectively target terrorism threats.

If we are to defeat terrorists and their supporters, a wide range of organizations must work together. The FBI is committed to the closest possible cooperation with the Intelligence Community, other Federal government agencies, international partners, and our essential partners at the State and local level. Toward that end, the FBI has developed numerous information sharing and operational coordination initiatives. We have expanded the number of Joint Terrorism Task Forces (JTTFs) from 35, two years ago, to 66 today. The JTTFs partner FBI personnel with hundreds of investigators from various Federal, State, and local agencies in field offices across the country and are important force multipliers aiding our fight against terrorism. In addition, over a 90-day period beginning this month, we will provide 500 JTTF agents and State, and local law enforcement personnel with specialized counterterrorism training. By the end of FY 2003, basic counterterrorism training will be provided to an estimated 14,000 Federal, State, and local law enforcement officers. Beginning in FY 2004, the FBI proposes to provide this training to 27,000 Federal, State and local law enforcement officers per year.

In July 2002, we established the National JTTF (NJTTF) at FBI Headquarters, staffed by representatives from 30 federal, state, and local agencies. The NJTTF acts as a "point of fusion" for terrorism information by coordinating the flow of information between Headquarters and the other JTTFs located across the country and between the agencies represented on the NJTTF and other government agencies. The DOS is an integral partner in this endeavor and is a full participant in the National JTTF.

The Office of Law Enforcement Coordination (OLEC) was created to enhance the ability of the FBI to forge cooperation and substantive relationships with all of our State and local law enforcement counterparts. The OLEC, which is run by a former Chief of Police, also has liaison responsibilities with the White House Homeland Security Council.

The FBI Intelligence Bulletin ("The Bulletin") is disseminated weekly to more than 17,000 law enforcement agencies and to 60 Federal agencies. The Bulletin provides information about terrorism issues and threats to patrol officers and other local law enforcement personnel. The recipients of The Bulletin have direct daily contacts with the general public. These contacts could result in the discovery of critical information regarding counterterrorism issues and threats.

With regard to outreach, the FBI is making unprecedented efforts to communicate effectively with the intelligence, law enforcement, government, and public sector communities. To prevent terrorists from acquiring weapons of mass destruction (WMD), we are coordinating with suppliers and manufacturers of WMD materials in an effort to facilitate their voluntarily reporting of any suspicious purchases or inquiries. In addition to enhancing our relationships with agencies related to WMD, we have established working relationships with a host of non-traditional agencies, including the Army Corps of Engineers and Bureau of Land Reclamation. We have also expanded our relationship with such groups as the Transportation Security Administration (TSA) and the U.S. Coast Guard (USCG).

To augment local field office investigative capabilities, Flying Squads were established to provide for specialized personnel to respond to fast-breaking situations and provide a surge capacity in support of FBI Rapid Deployment Teams.

Before closing, I would like to briefly discuss the fusion of intelligence information for analysis. The FBI strongly supports the President's initiative to establish a Terrorist Threat Information Center (TTIC) that will merge and analyze terrorist-related information collected domestically and abroad. The TTIC will provide all-source, integrated analysis to the FBI, CIA, Department of Homeland Security (DHS), and other Federal agencies (including the DOS), which, in turn, can quickly share the analysis with State and local law enforcement. The two-way flow of information between Federal and local law enforcement is necessary to sharpen both the collection and analysis of threat-related information. The FBI JTTFs will provide an effective channel to share the TTIC's analytical products with our partners in State and local law enforcement. The FBI is committed to working with the DHS to push information and analysis out of the TTIC to other Federal agencies, and to State and local officials.

Let me conclude by saying that the nature of the threats facing the U.S. homeland continues to evolve and so does the FBI. We have made significant strides toward enhancing our operations, both domestically and overseas, through valuable partnerships such as the one we enjoy with the DOS. Let me again express my gratitude to you, Mr. Chairman, and the Committee for your invitation and I look forward to responding to any questions.