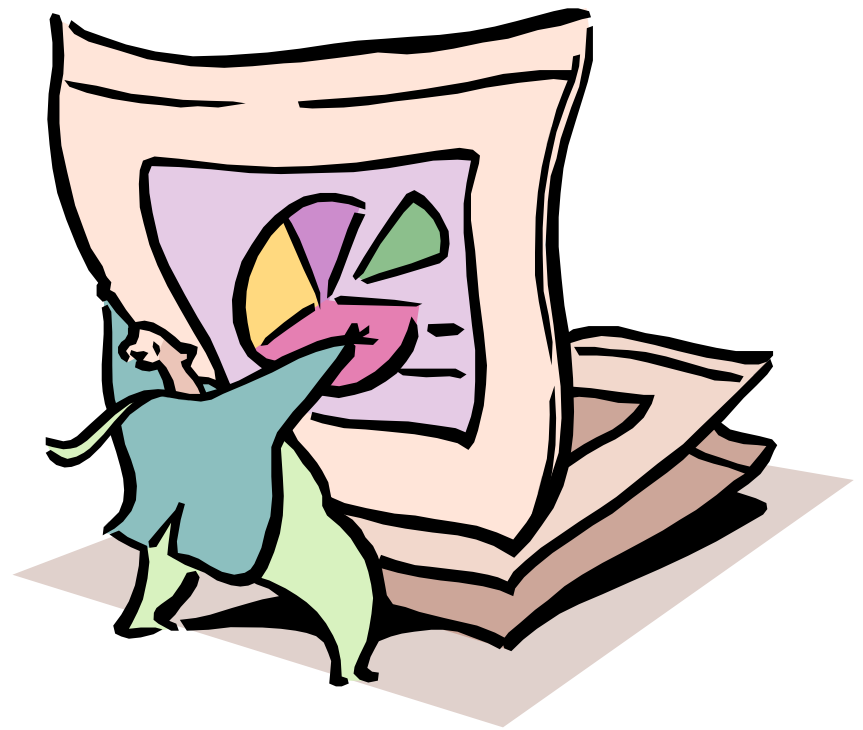


The risk intelligence conundrum and its impact on governance

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Corporate Objective

To make a profit!



Security Objective

To protect those assets
critical to the achievement
of the corporate objective.



Risk Intelligence

What is at Risk?



Attacks upon or manipulation of:

Infrastructure
and assets

Information
(real and
logical)

Personnel

Finances

What is critical infrastructure?

“those physical facilities, supply chains, information technologies and communication networks which, if destroyed, degraded or rendered unavailable for an extended period, would adversely impact on the social or economic well-being of the nation or affect Australia’s ability to ensure national security”.

(power, water, health services, communications systems and banking).



Intelligence and Risk



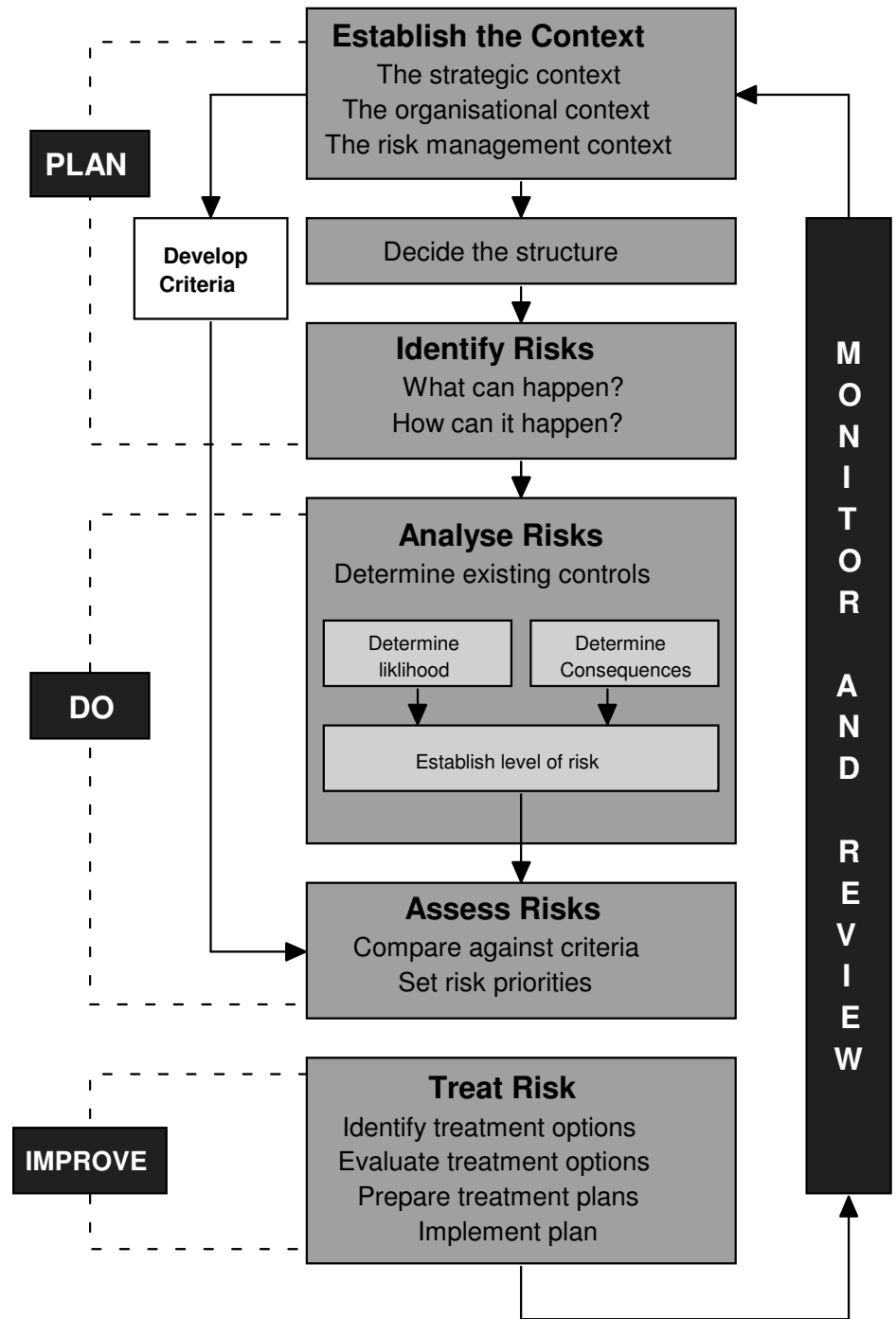
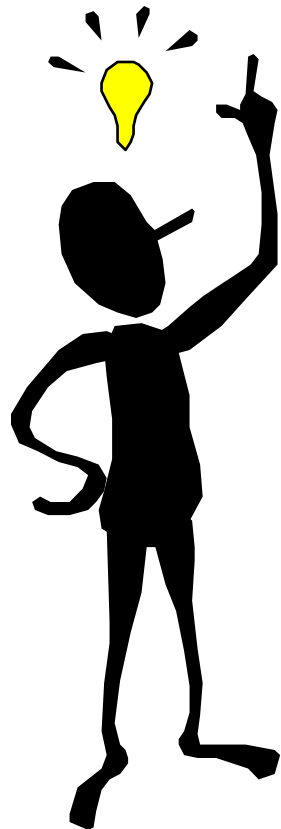
Risk

The chance of something happening that will impact on objectives.

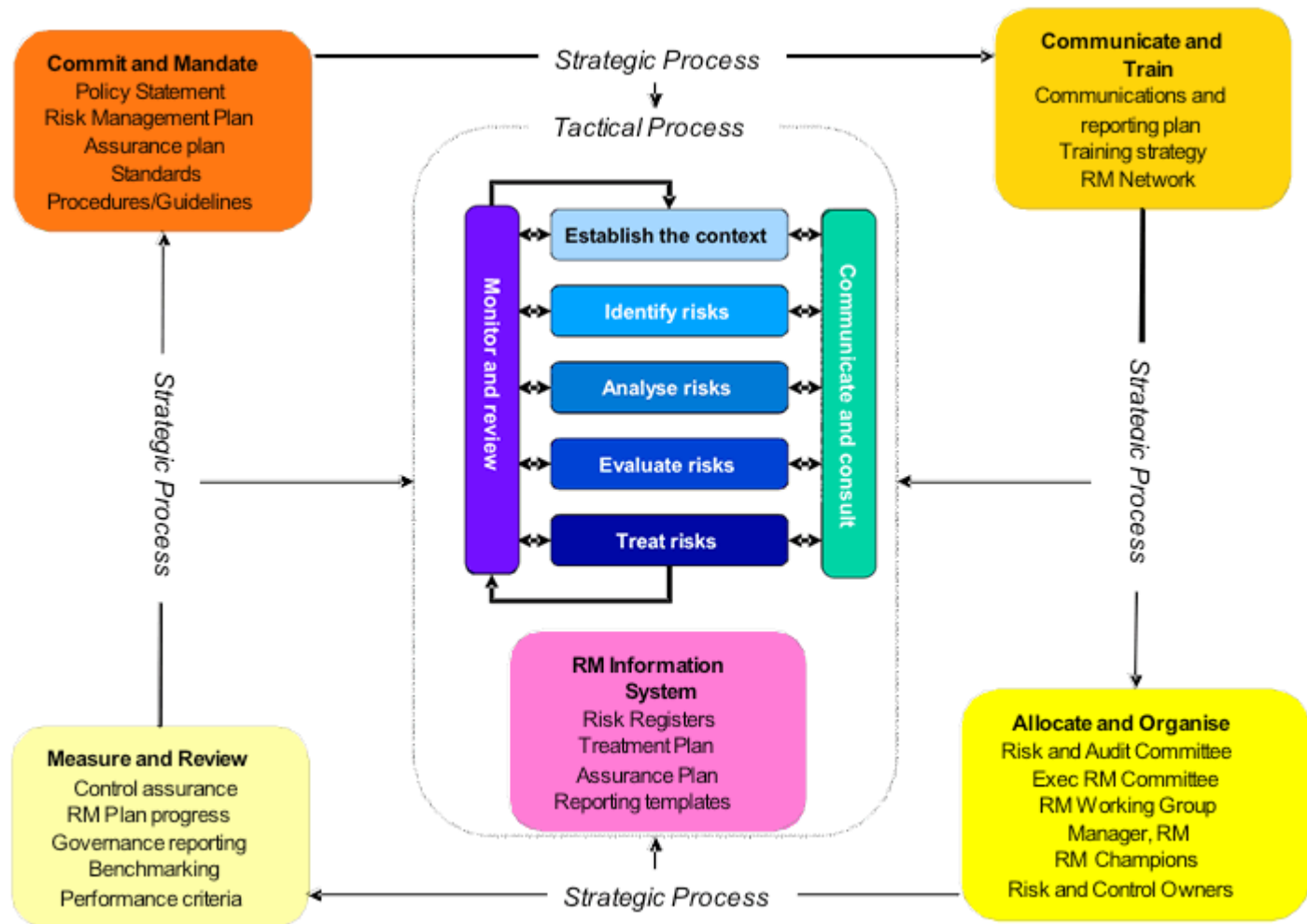
Measured in terms of impact & Likelihood.



AS/NZS 4360



Draft international risk management standard ISO31000



Intelligence

Intelligence is all about INFORMATION

- Acquisition
- Processing
- Dissemination
- Value adding



Intelligence Defined

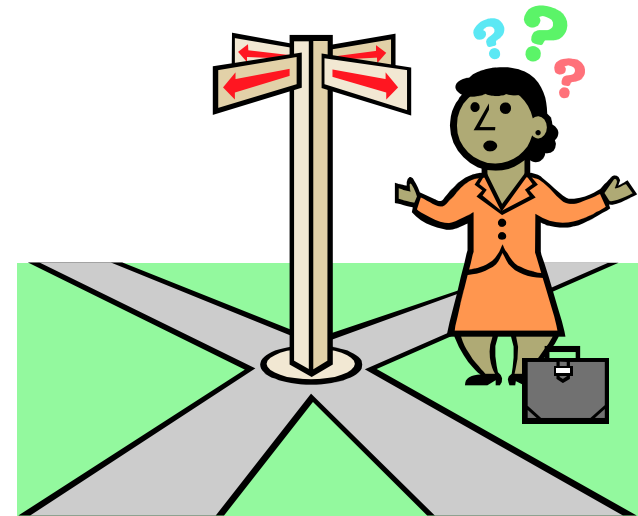
A value-added product, derived from the collection and processing of all relevant information relating to the clients needs, which is immediately or potentially significant to client decision-making



Australian Customs Service
Intelligence Doctrine

Purpose of Intelligence is to:

- Improve decision making by acquiring knowledge that is:
 - Accurate
 - Timely
 - Relevant



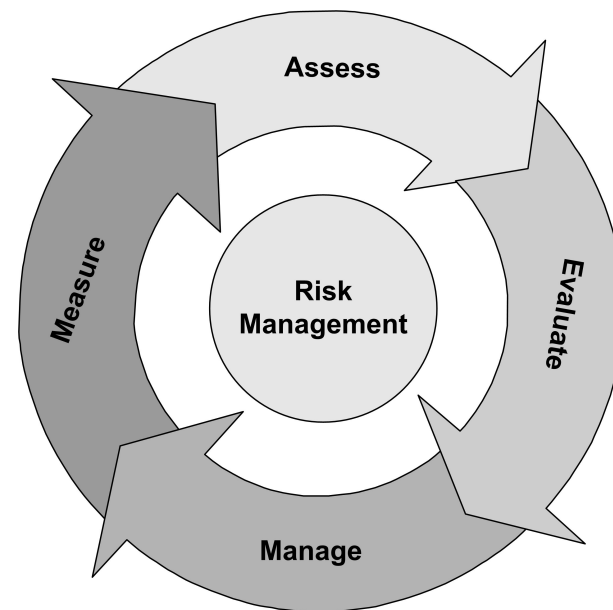
Intelligence Support for Risk Management?

What is the decision to be made?

How much risk is the decision maker willing to
Accept?

How confident are we about our assessment?

What additional knowledge would make us more
Confident?



Intelligence Gaps.

Intelligence gaps represent knowledge we Don't possess - its non availability increases The level of uncertainty in our decision making, And consequently the level of risk to the Decision maker.

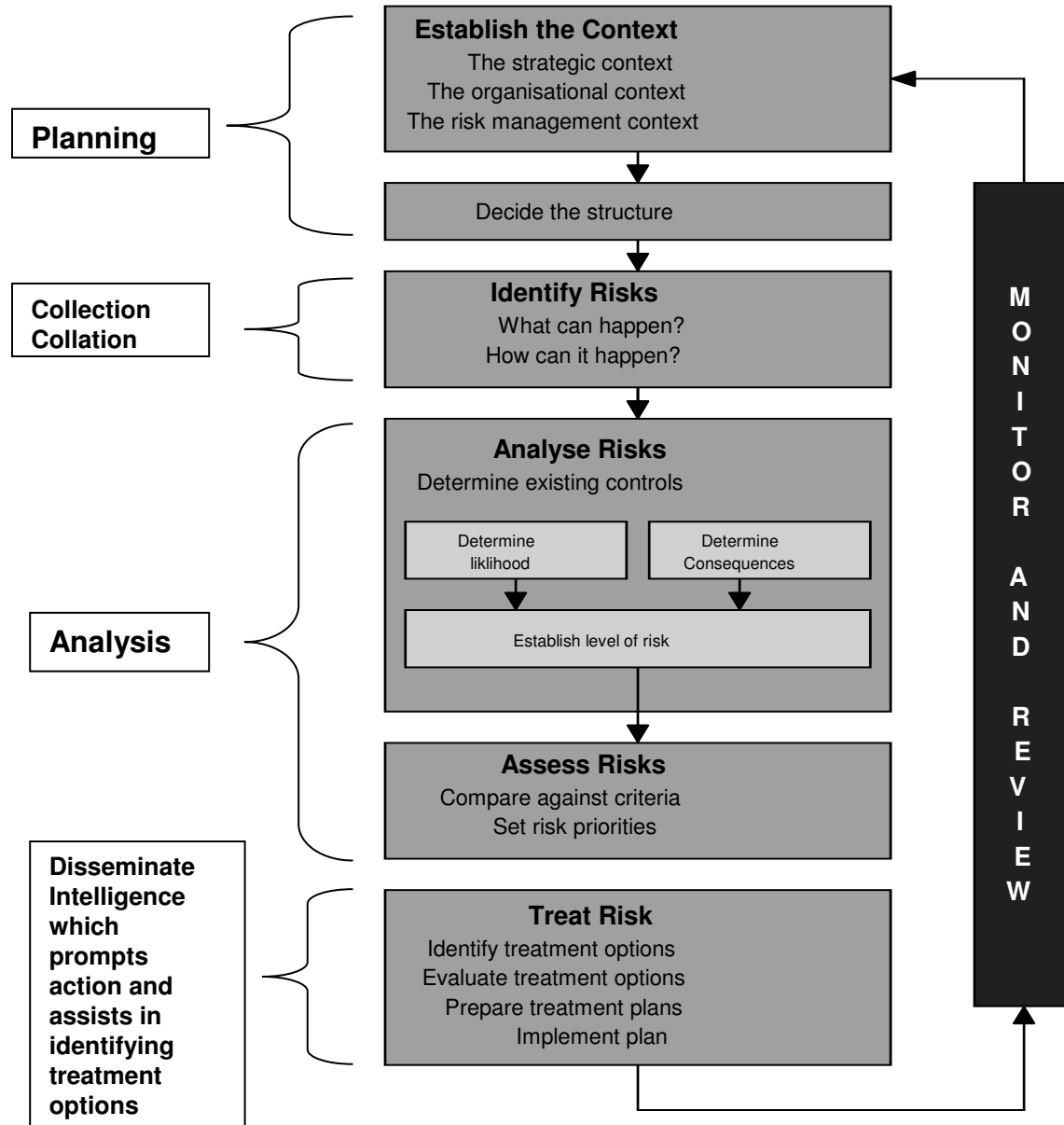


The Value of Intelligence (THE KEY)

There is no benefit if the intelligence is not used to make a timely decision. Dissemination is the catalyst which promotes action.



The Relationship Between Risk Management And Intelligence

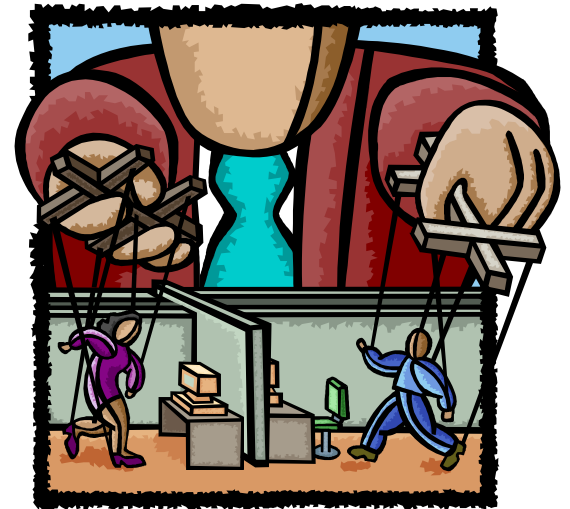


GOVERNANCE, RISK and INTELLIGENCE

Governance:

“The planning, influencing and conducting of the policy and affairs of an organization”.

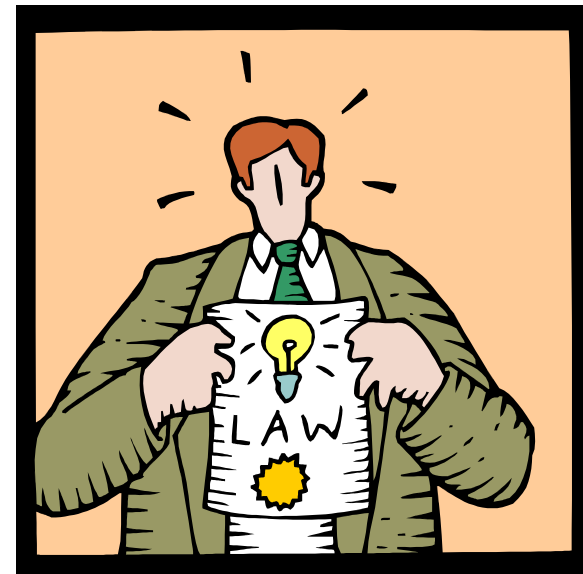
Ohio State University



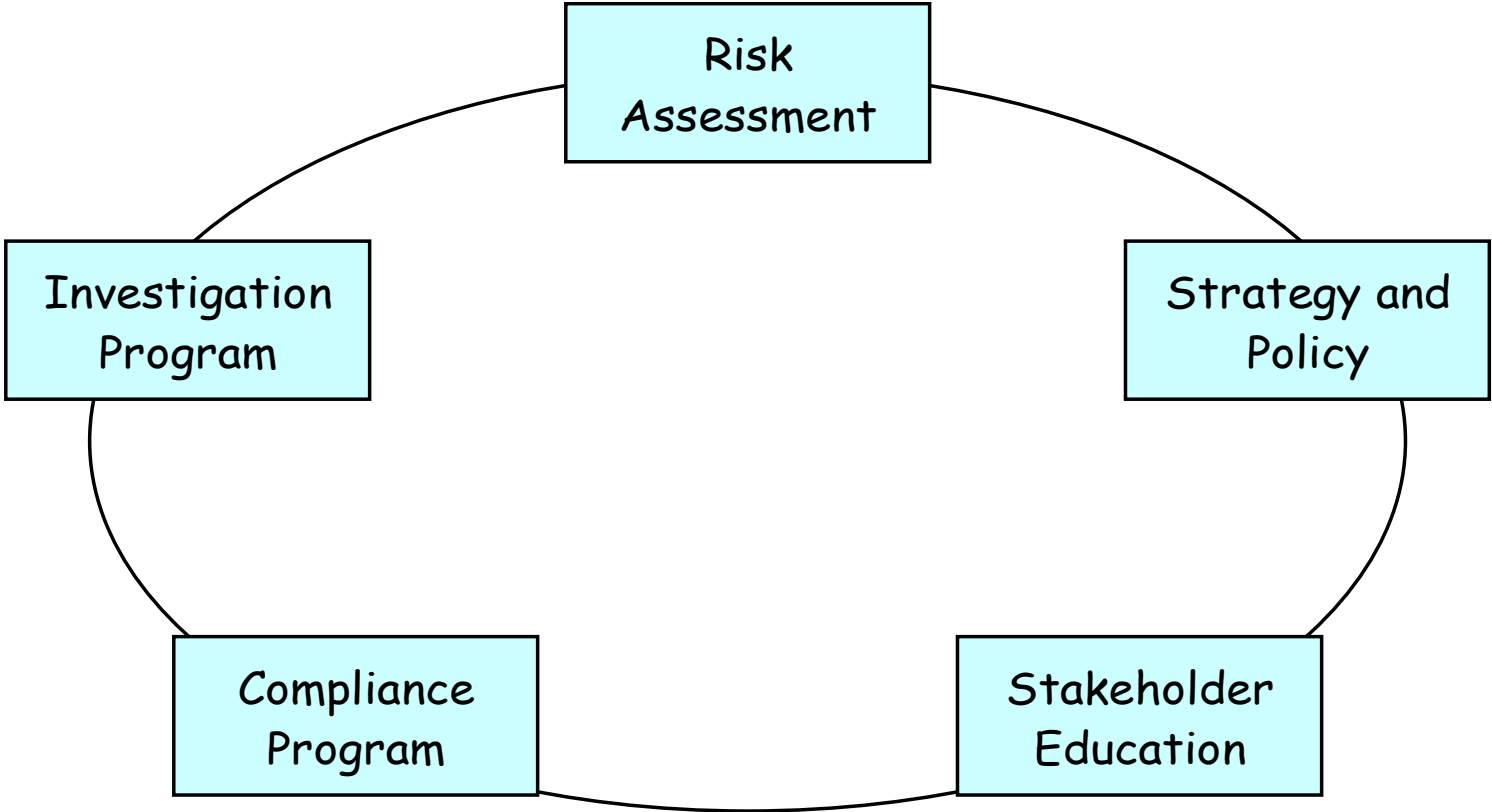
GOVERNANCE, RISK and INTELLIGENCE

“..... doing the right things, in the right way, for the right people in a timely inclusive, open, honest and accountable manner. “

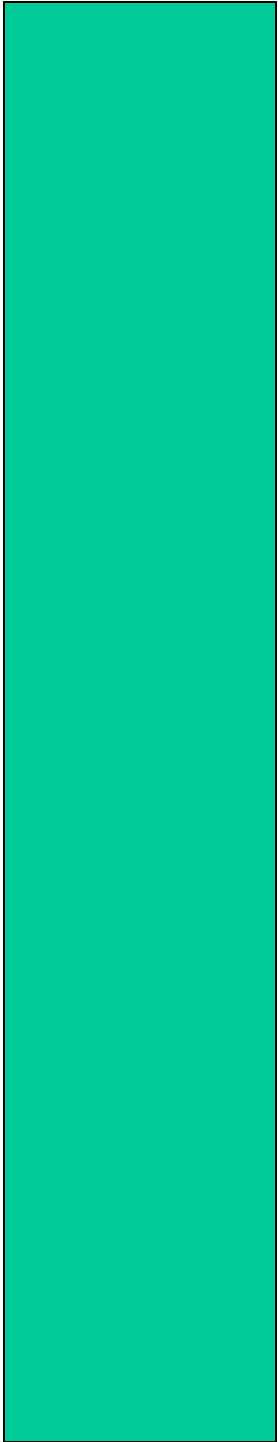
Improvement Network.gov.uk



Loves' Risk Based Governance Model



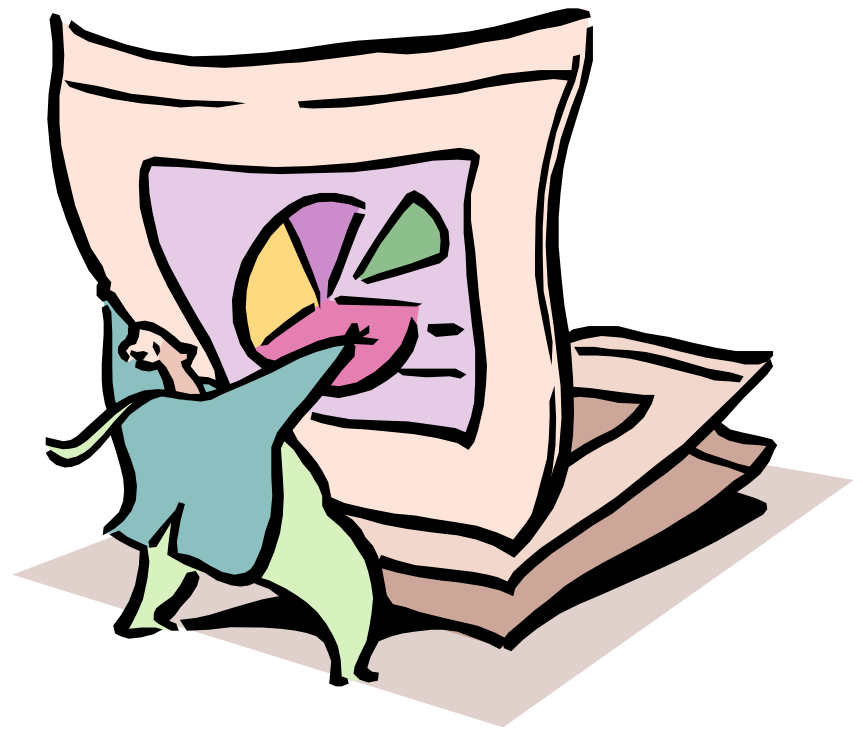
NEXT SESSION



Policy implications of convergence in the new security environment

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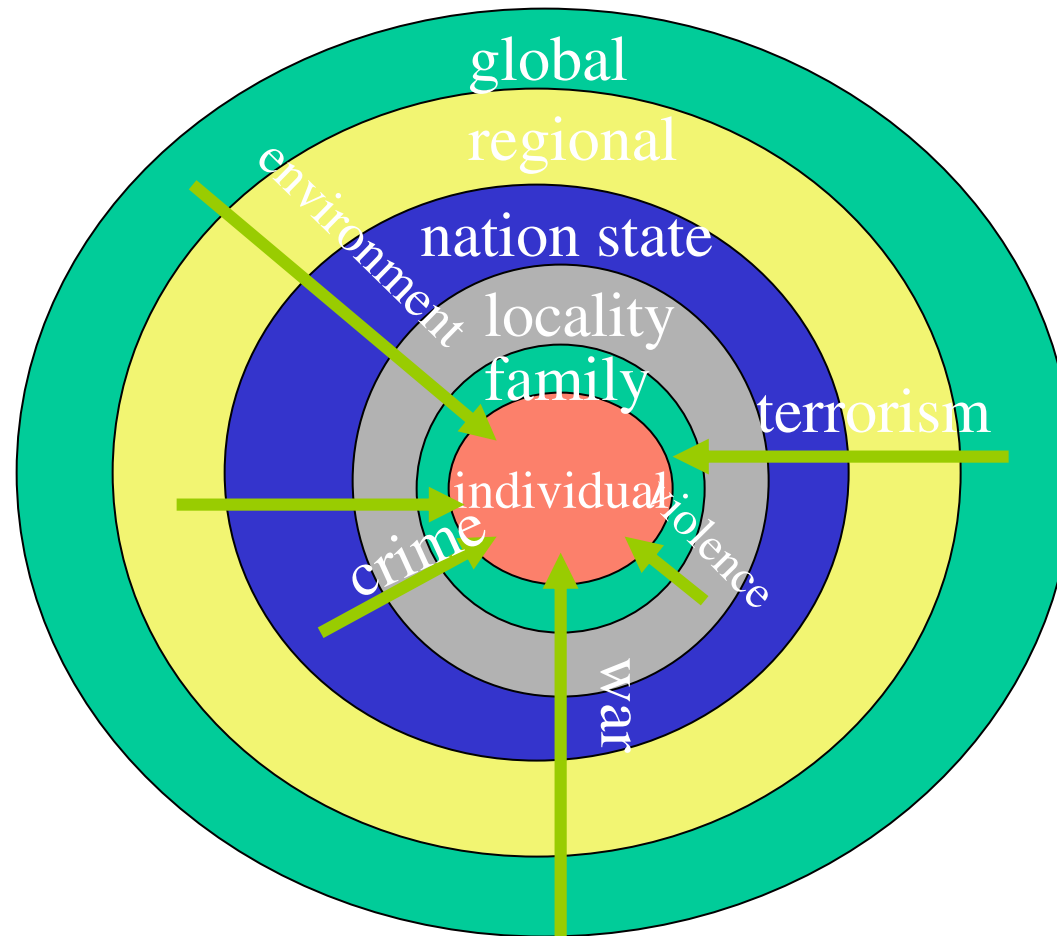


Globalisation - current situation

- Globalisation
 - communications
 - Travel - 30 million a month enter US alone
 - trade - up 300% in 15 years - every day 15 million containers are in global circulation
 - Moving money - US\$1.3 trillion crosses national boundaries per day
 - Media
- Places '**asymmetric**' power in hands of sub-state actors rather than just governments and their armies, particularly through WMD
- Mega-states can even be attacked by relatively few, and weak, non-state actors - 9/11



The 'security continuum'



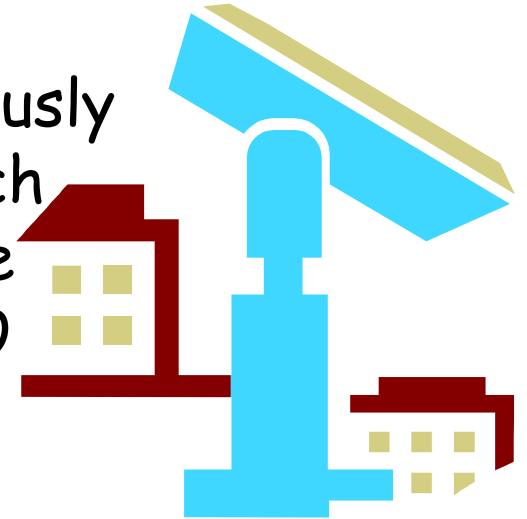
Note that globalisation means that effects on global arena transferred to individual sphere and *vice versa*.

SECURITY INTELLIGENCE

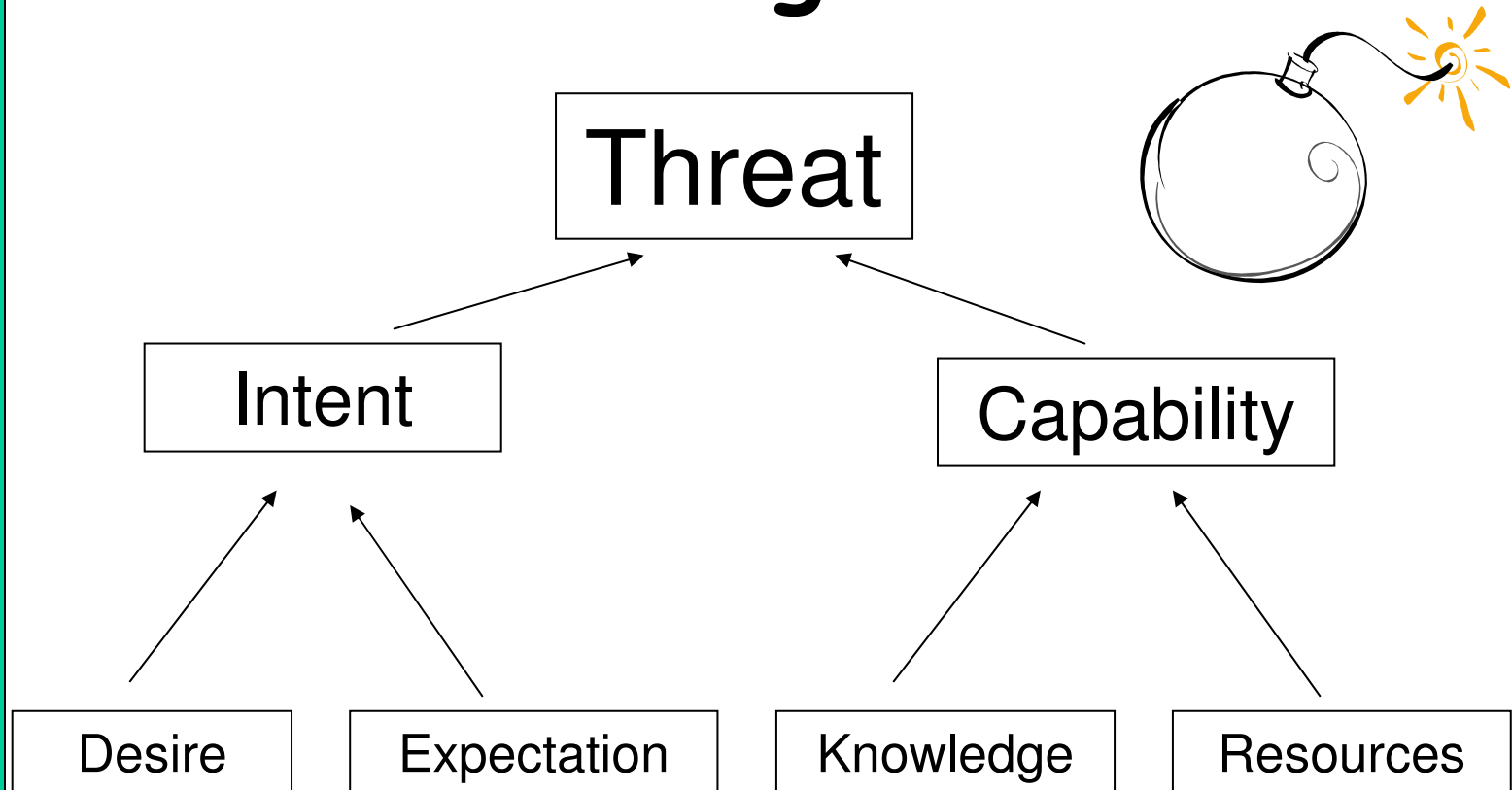
Intelligence in relation to terrorism and other non-military threats is 'security intelligence'

It deals with politically or religiously motivated violence, threat of such violence and other threats to the *security* of the population (ASIO definition)

Military intelligence mainly deals with threats from other countries.



T4 Model for Assessing Threat



Implications for intelligence / risk

- A need of fusion between domestic and international intelligence services, between military and security intelligence and between services in different countries.



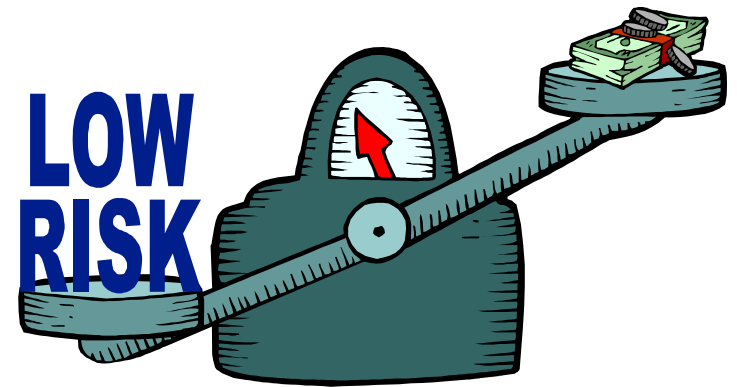
Implications for intelligence / risk

- needs to be able to move from warning to action extremely quickly
- intelligence needs to be in a constant relationship with decision makers and operational personnel



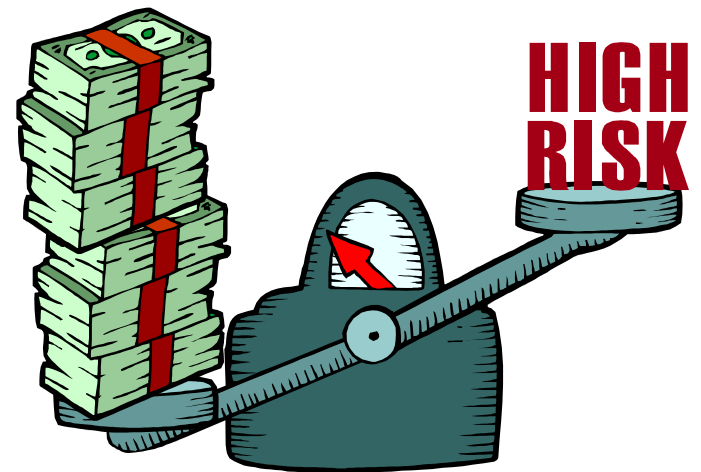
Policy implications of convergence of risk and intelligence

- Intelligence driven analysis detects specific enabling activity and other indicators that allow prediction of new threats.
- This can be used in traditional **risk** assessment to better choose policy / controls and provide justification for budget and resource decisions.



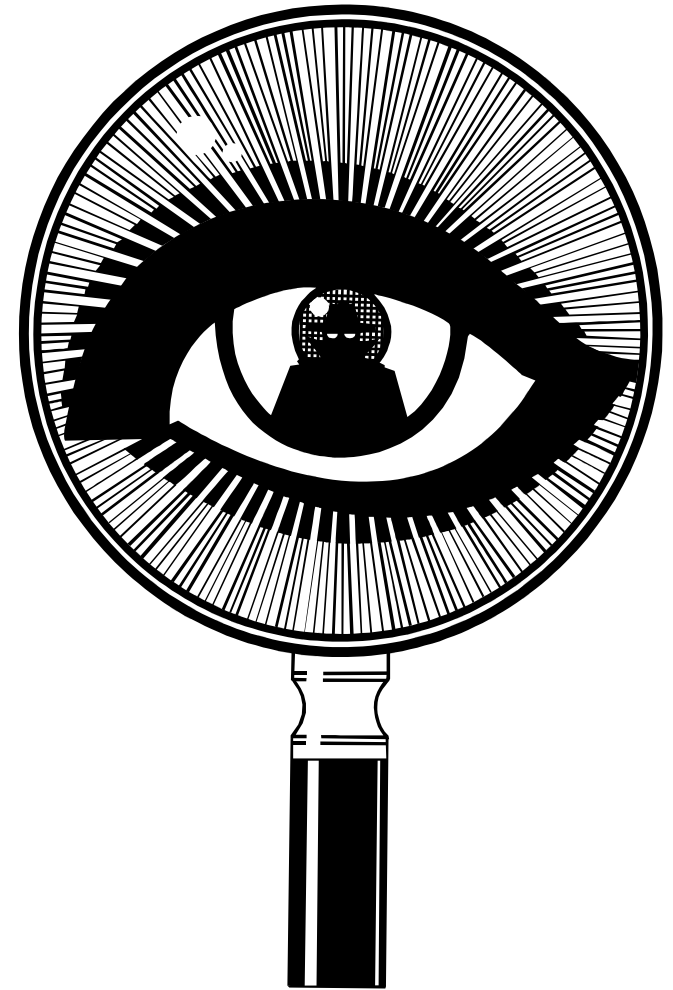
Policy implications of convergence of risk and intelligence

- Risk and threat assessment must be recognised as a distinct and ongoing process.
- Requires a continuous data gathering and analysis (**intelligence**) process to
- identify new and changing threats effectively.



Policy implications of convergence of risk and intelligence

- Provides potential to base intelligence on a more quantitative assessment rather than traditional qualitative assessment methods.



END

