



# INTELLIGENCE AND SECURITY COMMITTEE OF PARLIAMENT



## PRESS NOTICE

### **Intelligence and Security Committee of Parliament publish predecessor's Russia Report**

“This Report is the result of an extensive Inquiry by the previous Committee. We would like to take this opportunity to thank the Chair of that Committee, Dominic Grieve QC, and the former members of the ISC for all their work: it is a matter of great regret that it was not published last November, ahead of the General Election. The following press notice is that written by the previous Committee.

**Intelligence and Security Committee questions whether Government took its eye off the ball on Russia, finds that they underestimated the response required to the Russian threat and are still playing catch up:**

- **Russian influence in the UK is the new normal. Successive Governments have welcomed the oligarchs and their money with open arms, providing them with a means of recycling illicit finance through the London ‘laundromat’, and connections at the highest levels with access to UK companies and political figures.**
- **This has led to a growth industry of ‘enablers’ including lawyers, accountants, and estate agents who are – wittingly or unwittingly – de facto agents of the Russian state.**
- **It clearly demonstrates the inherent tension between the Government’s prosperity agenda and the need to protect national security. While we cannot now shut the stable door, greater powers and transparency are needed urgently.**
- **UK is clearly a target for Russian disinformation. While the mechanics of our paper-based voting system are largely sound, we cannot be complacent about a hostile state taking deliberate action with the aim of influencing our democratic processes.**
- **Yet the defence of those democratic processes has appeared something of a ‘hot potato’, with no one organisation considering itself to be in the lead, or apparently willing to conduct an assessment of such interference. This must change.**
- **Social media companies must take action and remove covert hostile state material: Government must ‘name and shame’ those who fail to act.**
- **We need other countries to step up with the UK and attach a cost to Putin’s actions. Salisbury must not be allowed to become the high water mark in international unity over the Russia threat.**
- **A number of issues addressed in this published version of the Russia Report are covered in more depth in the Classified Annex. We are not able to discuss these aspects on the grounds of national security.**

“The UK is one of Russia’s top Western intelligence targets: particularly given the UK’s firm stance against recent Russian aggression and the UK-led international response to the 2018 Salisbury attack. Russia’s intelligence services are disproportionately large and powerful and, given the lack of rule of law, are able to act without constraint. The fusion between state, business, and serious and organised crime provides further weight and leverage: Russia is able to pose an all-encompassing security threat – which is fuelled by paranoia about the West and a desire to be seen as a resurgent great power.

“Russia is a highly capable cyber actor, employing organised crime groups to supplement its cyber skills. Russia carries out malicious cyber activity in order to assert itself aggressively - for example, attempting to interfere in other countries’ elections. It has also undertaken cyber pre-positioning on other countries’ Critical National Infrastructure. Given the immediate threat this poses to our national security, we are concerned that there is no clear coordination of the numerous organisations across the UK intelligence community working on this issue, this is reinforced by an unnecessarily complicated wiring diagram of responsibilities amongst Ministers.

“We do however welcome the Government’s increasingly assertive approach when it comes to identifying, and laying blame on, the perpetrators of cyber attacks and the UK should encourage other countries to adopt a similar approach to ‘naming and shaming’. The same is true in relation to an international doctrine on the use of Offensive Cyber: this is now essential and the UK – as a leading proponent of the Rules Based International Order – should be promoting and shaping Rules of Engagement, working with our allies.

“Russia’s promotion of disinformation and attempts at political influence overseas - whether through the use of social media, hack and leak operations, or its state-owned traditional media - have been widely reported. In the UK, the use of a highly-dispersed paper-based voting and counting system makes actual interference with the mechanism difficult, but we should not be complacent about other forms of interference: the UK is clearly a target and must equip itself to counter such efforts.

“Yet this Inquiry found it surprisingly difficult to establish who has responsibility: the defence of the UK’s democratic processes has appeared to be something of a ‘hot potato’, with no single organisation identifying itself as having an overall lead. We understand the nervousness around any suggestion that the intelligence Agencies might be involved in the mechanics of the democratic process, but that does not apply when it comes to the protection of those processes. And without seeking to imply that those organisations currently responsible are not capable, the Committee have questioned whether DCMS and the Electoral Commission have the weight and access required to tackle a major hostile state threat. Democracy is intrinsic to our country’s success and well-being. Protecting it must be a ministerial priority, with the Office for Security and Counter-Terrorism taking the policy lead and the operational role sitting with MI5.

“In terms of responsibility, it was noted that – as with so many other issues currently – it is the social media companies who hold the key but are failing to play their part. The Government must establish a protocol with these companies to ensure that they take covert hostile state use of their platforms seriously, with agreed deadlines within which such material will be removed, and Government should ‘name and shame’ those which fail to act.

“There have been widespread allegations that Russia sought to influence voters in the 2016 referendum on the UK’s membership of the EU: studies have pointed to the preponderance of pro-Brexit or anti-EU stories on RT and Sputnik, and the use of ‘bots’ and ‘trolls’, as evidence. The actual impact of such attempts on the result itself would be difficult – if not impossible – to prove. However what is clear is that the Government was slow to recognise the existence of the threat – only understanding it after the ‘hack and leak’ operation against

the Democratic National Committee, when it should have been seen as early as 2014. As a result the Government did not take action to protect the UK's process in 2016. The Committee has not been provided with any post-referendum assessment - in stark contrast to the US response to reports of interference in the 2016 presidential election. In our view there must be an analogous assessment of Russian interference in the EU referendum.

“What is clear is that Russian influence in the UK is ‘the new normal’: successive Governments have welcomed the Russian oligarchy with open arms, and there are a lot of Russians with very close links to Putin who are well integrated into the UK business, political and social scene - in ‘Londongrad’ in particular. Yet few, if any, questions have been asked regarding the provenance of their considerable wealth and this ‘open door’ approach provided ideal mechanisms by which illicit finance could be recycled through the London ‘laundromat’. It is not just the oligarchs either - the arrival of Russian money has resulted in a growth industry of ‘enablers’: lawyers, accountants, and estate agents have all played a role, wittingly or unwittingly, and formed a “buffer” of Westerners who are de facto agents of the Russian state.

“There is an obvious inherent tension between the Government’s prosperity agenda and the need to protect national security. To a certain extent, this cannot be untangled and the priority now must be to mitigate the risk, and ensure that where hostile activity is uncovered, the proper tools exist to tackle it at source and to challenge the impunity of Putin-linked elites. It is notable, for example, that a number of Members of the House of Lords have business interests linked to Russia, or work directly for major Russian companies linked to the Russian state – these relationships should be carefully scrutinised, given the potential for the Russian state to exploit them.

“In addition to the Putin-linked elites, the UK is also home to a number of Putin’s critics who have sought sanctuary in the UK fearing politically-motivated charges and harassment, and the events of 4 March 2018 showed the vulnerability of former Russian intelligence officers who have settled in the UK – one of the issues we address in the Classified Annex to our Report.

“It has been clear for some time that Russia under Putin has moved from potential partner to established threat, fundamentally unwilling to adhere to international law – the murder of Alexander Litvinenko in 2006 and the annexation of Crimea in 2014 were stark indicators of this. We therefore question whether the Government took its eye off the ball because of its focus on counter-terrorism: it was the opinion of the Committee that until recently the Government had badly underestimated the response required to the Russian threat –and is still playing catch up. Russia poses a tough intelligence challenge and our intelligence Agencies must have the tools they need to tackle it. In particular, new legislation must be introduced to tackle foreign spies: the Official Secrets Act is not fit for purpose and while this goes unrectified the UK intelligence community’s hands are tied.

“More broadly, we need a continuing international consensus against Russian aggressive action. Effective constraint of nefarious Russian activities in the future will rely on making sure that the price the Russians pay for such interference is sufficiently high: the West is strongest when it acts collectively, and the UK has shown it can lead the international response. The expulsion of 153 ‘diplomats’ from 29 countries and NATO following the use of chemical weapons on UK soil in the Salisbury attack was unprecedented and, together with the subsequent exposure of the GRU agents responsible, sent a strong message that such actions would not be tolerated. But Salisbury must not be allowed to become the high water mark in international unity over the Russia threat: we must build on this effort to ensure momentum is not lost.”

## NOTES TO EDITORS

1. The Intelligence and Security Committee of Parliament (ISC) is a statutory committee of Parliament that has responsibility for oversight of the UK Intelligence Community. The Committee was originally established by the Intelligence Services Act 1994, and was reformed, and its powers reinforced, by the Justice and Security Act 2013.
2. The Committee oversees the intelligence and security activities of the UK, including the policies, expenditure, administration and operations of MI5, MI6 (the Secret Intelligence Service or SIS) and the Government Communications Headquarters (GCHQ). The Committee also scrutinises the work of the other parts of the Intelligence Community, including the Joint Intelligence Organisation and the National Security Secretariat in the Cabinet Office; Defence Intelligence in the Ministry of Defence; and the Office for Security and Counter-Terrorism in the Home Office.
3. The Committee consists of nine members drawn from both Houses of Parliament, and appointed by Parliament. The Chair is elected by its Members. The Members of the Committee are subject to Section 1(1)(b) of the Official Secrets Act 1989 and are routinely given access to highly classified material in carrying out their duties.
4. This Report was prepared by the previous Committee:
  - The Rt Hon. Dominic Grieve QC MP (Chair)
  - The Rt Hon. Richard Benyon MP
  - Stewart Hosie MP
  - The Rt Hon. Caroline Flint MP
  - The Rt Hon. David Hanson MP
  - The Rt Hon. the Lord Janvrin GCB GCVO QSO
  - The Rt Hon. Kevan Jones MP
  - The Most Hon. the Marquess of Lothian QC PC
  - The Rt Hon. Keith Simpson MP
5. The present Committee Members are:
  - The Rt Hon. Dr Julian Lewis MP (Chair)
  - The Rt Hon. Chris Grayling MP
  - The Rt Hon. Sir John Hayes CBE MP
  - Stewart Hosie MP
  - Dame Diana Johnson DBE MP
  - The Rt Hon. Kevan Jones MP
  - Mark Pritchard MP
  - The Rt Hon. Theresa Villiers MP
  - The Rt Hon. Admiral Lord West of Spithead GCB DSC
6. The Committee sets its own agenda and work programme. It takes evidence from Government Ministers, the Heads of the intelligence and security Agencies, officials from UKIC, and other witnesses as required. The Committee makes an Annual Report on the discharge of its functions and also produces Reports on specific issues.
7. The Committee receives highly classified evidence, much of which cannot be published without damaging the operational capabilities of the intelligence Agencies. There is therefore a lengthy process to prepare the Committee's reports ready for publication, which consists of four stages and takes around four months. The fourth stage is for the Prime Minister to confirm under the Justice and Security Act that there is no material remaining in the report which would prejudice the discharge of the functions of the Agencies (by this point this has already been confirmed by the Agencies themselves). It has previously been agreed that the Prime Minister would have ten working days in which to provide this confirmation, before the Report is laid before Parliament. The Committee's report on Russia was sent to the Prime Minister on 17 October 2019.