

RESTRICTED

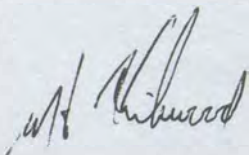
FROM: H KIRKWOOD
PERSONNEL SERVICES
1 MAY 1996

TO: MR LACKIE
OFFICE SERVICES

cc Mr O'Mahony

NATIONAL CAVEATS

- 1 Thank you for your note of 29 March and the accompanying enclosures.
- 2 It was decided that we should not respond to the Cabinet Office paper.
- 3 In principle I agree with issuing a circular along the lines you have proposed although there is no doubt in my mind that it's reference to dual nationals could cause a certain amount of irritation in some NICS quarters. To reduce the extent of that annoyance the circular should be issued only to Grade 5s who then can decide just how widely it should be distributed within their own commands. It is likely that knowledge of "core caveats" would be limited to that group and there is therefore little point in issuing the circular to the rest of the Department.
- 4 Does any consideration need to be given to including a definition of the term "dual national"? I realise that that may well increase the level of annoyance which, of course, is the very thing which should be avoided but I am sure that we will receive some enquiries if it's meaning is not clearly spelt out. Those enquiries could be mischievous but that is something which cannot be avoided.
- 5 We would usually issue the circular as a Personnel Services Circular although I note that you propose to publish it as a Security Notice. We do not have Security Notices as a separate series of circulars but that is a matter we can resolve nearer the time of publication.
- 6 I look forward to hearing from you in due course.



WH KIRKWOOD

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FROM : H KIRKWOOD
10 APRIL 1996

TO : MR MUSSEN

NATIONAL CAVEATS

I undertook to examine together with Brendan O'Mahony the attached Cabinet Office paper issued on 21 March and to let you see our response. Stuart Lackie also has forwarded a draft circular on this subject for comments.

The proposals in the paper and reflected in the draft circular will remove certain anomalies in the present system. Currently a member of NICS would not be allowed to see documents endorsed UK EYES to which HCS colleagues in the same office have full access. This situation has caused some problems in the past for the likes of SPOB and at least the absolute bar on NICS will be removed by the new caveats 'Discretion' or 'approval of the originator' elements.

However the double standards will still exist since all NICS will be classed as "dual nationals" - I cannot think of anyone else within the UK-wide civil service to whom the term might apply - and implications about our integrity remain within the new core caveats procedure. While we may resent that we must acknowledge that the loyalty of some dual nationals leans more in the direction of their non-UK nationality and to be safe therefore all dual nationals have been placed in the same category.

I have concluded that there is nothing to be gained by responding to the Cabinet Office paper - in any event their deadline for comments is 12 April.

These papers were copied to John Hanna DFP and it would have been interesting to have had his thoughts on them. Unfortunately he was not in his office when I called and none of his staff were familiar with the documents. If you agree I will send him a copy of this note to apprise him of our views.

There is no doubt in my mind that the proposed associated circular with it's reference to dual nationals could cause annoyance in some NICS quarters. Nonetheless I think it should be issued although circulation perhaps should be limited to Grade 5s and those selected by them. That might reduce the extent of the annoyance and also it is logical since only those in that group are likely to use core caveats or even be aware that such things exist. A definition of the term "dual nationals" may need to be inserted.

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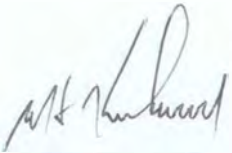
NOTE

Before to John Hanna DFP - they do not intend sending a reply to Stuart Lackie

1/5/96

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On a separate point - it should be published as a Personnel Notice, under your signature, although I understand London traditionally have issued this type of circular under a separate series entitled Security Notices. The question of whether the system of separate security notices should continue should be left until a decision about the management of security within the Department has been made.



WH KIRKWOOD

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COVERING RESTRICTED

FROM: S C LACKIE
OFFICE SERVICES (L)
29 MARCH 1996


cc Mr Blackwell
Mr Hassall
Mrs Newman o/r

MR HANNA - DFP
MR KIRKWOOD - SECURITY BRANCH

NATIONAL CAVEATS

I attach a draft Security Notice on National Caveats for your comments.

2. The main bulk of the text has been taken from the Cabinet Office Inter-Departmental Committee on Protective Security note by the Secretaries of 21 March 1996. Unless written comments to the contrary reach the Secretaries by Friday 12 April 1996, the Committee's endorsement of the guidance will be assumed. We therefore need to embargo the SN until formal endorsement has been received.


S C LACKIE
OFFICE SERVICES (L)
29 MARCH 1996
OAB EXT 6563

COVERING RESTRICTED

DU/TYP/5398

NIO (HCS) SECURITY NOTICE /96
NIO (NICS) SECURITY NOTICE /96

NATIONAL CAVEATS

The report on the Review of Protective Security recognised that the definitions in Physical Security Notice (S(PH)N) 85/3 of the caveats UK EYES A and UK EYES B had caused difficulties in the dissemination of information, especially in Northern Ireland and in the transfer of information to contractors. An inter-departmental review of the principles underpinning the purpose of national caveats has recommended that the use of the above markings should now be discontinued.

2. Another key proposal to emerge from the review was the need to introduce two, new core caveats - UK EYES DISCRETION and UK EYES ONLY. This is to establish a clear distinction between:-

- i. UK EYES DISCRETION information, which may be disclosed on a discretionary basis to dual nationals and non-UK nationals without the prior approval of the originator; and
- ii. UK EYES ONLY or any composite caveated information, which may be disclosed to dual nationals and non-UK nationals only with the prior approval of the originator.

3. Any comments regarding this notice should be addressed to Security Section (L), OAB Ext 6561/2/3, Security Branch (B) CH Ext 28547 or ~~DFP Security~~ Ext 26505.

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DU/TYP/5398

Mr. Hanna
Mr. Kirkwood
14/4/96

RESTRICTED

ICPS(96) 2

21 March 1996

1. c.c: Mr Hanna } By Fax
Mr Kirkwood }

COPY NO 32

*At last! Please pass on any
comments before Friday 12 April.*

INTER-DEPARTMENTAL COMMITTEE ON PROTECTIVE SECURITY

29/3

Mr. Hanna

For information.

*If you are content Brendan O'Leary
+ I will consider our response +
copy to you*
14/4/96

NATIONAL CAVEATS

Note by the Secretaries

2. Mr Blackwell - this
may make life a
little easier in places
like SPOB.

1. The report on the Review of Protective Security recognised that the definitions in Physical Security Notice (S(PH)N) 85/3 of the caveats UK EYES A and UK EYES B had caused difficulties in the dissemination of information, especially in Northern Ireland and in the transfer of information to contractors. It emphasised the need for the main generators and users of nationally caveated information to consider how those problems could be overcome. An inter-departmental review of the principles underpinning the purpose of national caveats has recommended that the use of the above markings should now be discontinued.

2. Another key proposal to emerge from the review was the need to introduce two, new core caveats - UK EYES DISCRETION and UK EYES ONLY. This is to establish a clear distinction between:

- UK EYES DISCRETION information, which may be disclosed on a discretionary basis to dual nationals and non-UK nationals without the prior approval of the originator; and
- UK EYES ONLY or any composite caveated information, which may be disclosed to dual nationals and non-UK nationals only with the prior approval of the originator.

3. Members of the Committee are invited to comment on the attached revised guidance about the purpose and use of national caveats, which will supersede S(PH)N 85/3. When approved, the guidance will be issued as Section A4 to the Handbook on Protective Marking and the Control and Carriage of Protectively-Marked Assets. The effectiveness of these new arrangements will be reviewed two years after their implementation. Unless written comments to the contrary reach the Secretaries by FRIDAY 12 APRIL 1996, the Committee's endorsement of the guidance will be assumed.

Signed G E T GREEN
S REINSTADTLER

Cabinet Office

21 March 1996

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Section A4: National Caveats

Purpose and use of national caveats

A4.1 National caveats are available for use on information which is sensitive vis à vis other countries, particularly the UK's closest allies. The aim of such caveats is to alert recipients to the need to exercise care to ensure that the relevant information is not disclosed inadvertently to anyone other than those who are permitted to have access to it. National caveats tend to be used most widely in areas where the exchange of sensitive information is commonplace (eg in the intelligence field) and the need to identify to whom the information can be released is therefore vitally important.

A4.2 It is the responsibility of the originator of information to decide whether or not it needs to be marked with a caveat specifically to bar its disclosure to certain allies and, if so, which ones. The vast majority of protectively-marked information is, however, intended for circulation only within the United Kingdom government service or, where appropriate, to contractors. The question of release, or the risk of inadvertent disclosure, to other countries does not therefore arise, and it is not necessary to consider marking the information with a caveat. It follows that the absence of a national caveat on information does not mean that it may be released to other countries. If there is any doubt whether non-caveated information may be disclosed to another country, the originator should always be consulted.

A4.3 This guidance covers the national caveats that are in general use and described as core national caveats. Some departments and agencies may need to generate other national caveats to meet specific international, commercial or intelligence considerations. In such circumstances, departments and agencies should ensure that the appropriate access and handling arrangements are in place to match the security requirements, including any local sensitivities.

Core national caveats

A4.4 The core national caveats are detailed in the annex to this Section. With the exception of UK EYES DISCRETION and UK EYES ONLY, all of these caveats are composite (ie they involve more than one country). In each column, "Yes" means that the information can be released to nationals of the countries concerned, subject to the requirements of paragraph 5 below. "No" means that information must not be released to such nationals, subject to paragraphs 6 and 7 below.

Access to nationally caveated information

A4.5 UK nationals may have access to all information bearing a national caveat provided their employing organisation is satisfied that they:

- (i) have an essential need to know the information;
- (ii) hold a security clearance appropriate to the protective marking which accompanies the caveat;
- (iii) have been briefed on the arrangements for safeguarding such information and the local sensitivities; and
- (iv) can otherwise be entrusted with the information.

A4.6 UK nationals who are also nationals of another country (ie individuals who hold dual nationality), and non-UK nationals, may exceptionally be granted access to caveated information. Recipient organisations may exercise their discretion to permit such access to UK EYES DISCRETION information. This discretion should be applied sparingly and subject to the requirements of sub-paragraphs 5(i) to (iv) above being fulfilled. It is likely to be exercised primarily in respect of those serving in integrated or exchange posts. Before allowing contractors access to UK EYES DISCRETION material, departments and agencies should consider whether their contractors need to satisfy any separate, local conditions as regards making that material available to other parties. In cases where information bears either the caveat UK EYES ONLY or any composite caveat, recipient organisations must seek the permission of the originator of the material before granting access to dual nationals and non-UK nationals.

A4.7 Originating departments and agencies should, when asked to permit discretionary access to caveated material by those not normally entitled to see it, consider whether they can grant broad access to information rather than to restrict permission to a single individual or document. This is especially important in cases where information is held on and accessed via IT systems. For example, it might be possible to grant discretionary access to a defined group of foreign nationals such as exchange officers, or to all documents relating to a particular subject. Such permissions will continue to be subject to appropriate access controls and user profiles; for IT systems, guidance can be found in CESG Memorandum No. 10 annexed to the Guide to the Security of IT Systems.

Marking, handling and transmission of nationally caveated information

A4.8 Information that attracts a national caveat should always also be marked with an appropriate protective marking, which is unlikely to be lower than CONFIDENTIAL, and, when necessary, a descriptor. The sequence of these markings should be protective marking, descriptor, national caveat.

A4.9 National caveats must not appear on envelopes. Double envelopes must always be used for the transmission of information bearing a national caveat. The information should be addressed to either a named individual or a specific post. The inner envelope should be marked EXCLUSIVE. This will ensure that in an addressee's absence, special local arrangements will enable a designated officer to gain access to the information and act accordingly.

A4.10 Departments and agencies should issue instructions designed to ensure that all information attracting a national caveat which is transmitted across a communications network can be accessed only by either those who satisfy the requirements of paragraph 5 above or nationals of other countries to which the caveat authorises release. Specific guidance should be issued in respect of IT systems which provide desk-to-desk messaging facilities.

A4.11 Telegrams and signal messages bearing any of the core national caveats (see the annex to this Section) require special cipher security treatment. Departments and agencies must therefore adhere to the relevant CESG cipher security instructions.

CORE NATIONAL CAVEATS

Core national caveats	Release to nationals of				
	United States	Canada	Australia	New Zealand	Other countries
UK EYES DISCRETION	No	No	No	No	No
UK EYES ONLY	No	No	No	No	No
UKUS EYES ONLY	Yes	No	No	No	No
CANUKUS EYES ONLY	Yes	Yes	No	No	No
CANAUSUKUS EYES ONLY	Yes	Yes	Yes	No	No
CANAUSNZUK EYES ONLY	No	Yes	Yes	Yes	No
CANAUSNZUKUS EYES ONLY *	Yes	Yes	Yes	Yes	No
AUSNZUKUS EYES ONLY	Yes	No	Yes	Yes	No
AUSUKUS EYES ONLY	Yes	No	Yes	No	No

* In certain arenas, primarily the intelligence domain, the exchange of information with all of the allies mentioned in the table above is routine. In such circumstances, it may be a department's or agency's normal, authorised practice to allow the holders of information discretion to share it with those countries, with the caveat CANAUSNZUKUS EYES ONLY being assumed rather than explicit. Originators should therefore ensure that they apply the appropriate national caveat to information when it is necessary to constrain dissemination of information within the community of allied countries.