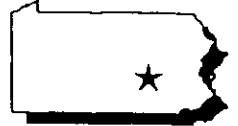




U.S. SENATOR • PENNSYLVANIA

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SENATE INTELLIGENCE COMMITTEE CHAIRMAN FINDS KHOBAR TOWERS BOMBING "NOT THE RESULT OF AN INTELLIGENCE FAILURE"

Washington, D.C.-----After a personal fact finding trip to Saudi Arabia and a comprehensive staff review of voluminous materials, U.S. Senator Arlen Specter (R-PA), Chairman of the Senate Select Committee on Intelligence, concludes there was no intelligence failure prior to the June 25 deadly bombing of the Khobar Towers complex. A new committee staff report, made available today, focused on the adequacy of intelligence information regarding the terrorist threat in Saudi Arabia.

"There was sufficient information available from the Intelligence Community which gave clear and continuous warning signals to our military commanders before the bombing occurred," Senator Specter said. "There was no failure of intelligence, but a failure to use intelligence."

Senator Specter traveled with committee staff to Dhahran, Riyadh and Jeddah, Saudi Arabia and other Middle East countries in August to investigate the terrorist attack. In Saudi Arabia, Senator Specter met with senior Saudi officials and interviewed field commanders and military personnel who had a critical role in force protection and security.

The Committee staff reviewed raw and finished intelligence produced from late 1994 through June, 1996. These products included reports from the Central Intelligence Agency, the Defense Intelligence Agency, the National Security Agency, the State Department and others. The staff also interviewed individuals in the Intelligence Community, the Defense Department, and the State Department.

Since the Khobar blast, the Senate Select Committee on Intelligence held seven hearings focusing on terrorism, Saudi Arabia, and support to the military in the region. The Committee received testimony from Secretary of Defense William J. Perry, CIA Director John Deutch, FBI Director Louis Freeh, academics and other experts.

The Committee report determined that the U.S. Intelligence Community in Saudi Arabia gave its highest priority to the terrorist target and aggressively collected against a range of internal and external threats from Iran, Hizballah and others. From April, 1995, through the time of the Khobar Towers bombing in June, 1996, the analytic community published more than 100 products on the topic of terrorism on the Arabian peninsula.

As early as June, 1995, U.S. officials in Saudi Arabia began briefing on a regular basis all U.S. diplomatic leaders and military commanders on intelligence threats and vulnerabilities concerning U.S. military installations and personnel in the Eastern Province.

Copies of the report are available at 211 Hart Senate Office Building.

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EXECUTIVE SUMMARY

In the wake of the June 25, 1996, deadly bombing at the Khobar Towers housing complex Saudi Arabia, the Senate Select Committee on Intelligence staff undertook an inquiry to determine the adequacy of the intelligence concerning the terrorist threat situation in Saudi Arabia. The Committee staff reviewed the collection posture, the analytical products available and the dissemination of threat information.

CONCLUSION

- **The Khobar Towers tragedy was not the result of an intelligence failure.**

THREAT LEVEL

- Intelligence regarding the terrorist threat in Saudi Arabia was sufficient to prompt the Defense Intelligence Agency (DIA), in July 1995, to raise the Terrorist Threat Level for Saudi Arabia from Low to Medium.
- Reporting from enhanced intelligence efforts following the November 13, 1995 bombing of the Office of the Program Manager, Saudi Arabian National Guard (OPM-SANG), in which 5 Americans were killed by a car bomb, prompted DIA to raise the Threat Level to High, where it stayed until the Khobar Towers bombing.
- The threat in Saudi Arabia is now considered Critical -- the highest Threat Level on the Department of Defense scale.

COLLECTION

- The U.S. intelligence Community in Saudi Arabia gave its highest priority to the terrorist target and aggressively collected against a range of internal and external threats including Iran, Hizballah, and others.

ANALYSIS

- From April 1995 through the time of the Khobar Towers bombing in June 1996 the intelligence analytic community published more than 100 products on the topic of terrorism on the Arabian peninsula. Among these were several CounterTerrorism Center Threat Assessments and DIA Threat indicators.
- Among the most significant analytical products were the June 13, 1996 Department of State, Bureau of Intelligence and Research report and the June 17, 1996 Military Intelligence Digest article outlining numerous suspicious incidents that had occurred at Khobar Towers, which noted that "a pattern appears to be developing that warrants improved security efforts."

- The above warnings incorporated intelligence such as (1) ongoing Iranian and radical Islamic fundamentalist groups' attempts to target American servicemen in the Eastern province of Saudi Arabia for terrorist acts; (2) the heightened threat that accompanied the execution, carried out on May 31, of the four suspects in the November OPM-SANG attack; and (3) well before the Khobar attack, there was reporting that Khobar might be the target of a bombing attempt.

VULNERABILITY ASSESSMENTS

- The Air Force Office of Special Investigations (AFOSI) conducted a vulnerability assessment of the Khobar Towers facility and published its findings in January 1996.
- This AFOSI assessment highlighted various weakness that could be exploited by terrorists, but emphasized the particular vulnerability of perimeter security given the proximity of the outside fence to many of the buildings as well as the lack of the protective coating Mylar on the windows of the Khobar Towers compound where Americans were housed.
- In fact, this weakness had already come to the attention of the base security personnel, who approached the Saudis with a request to move the perimeter 10 feet back. The request to move the fence, made initially in November 1995, was still pending in June 1996, but successive base commanders did not push hard enough for a meaningful movement of the fence for fear of offending host country sensibilities.
- The recommendation concerning Mylar was made part of a "five-year plan" for security enhancements on the compound and thus had been delayed indefinitely at the time of the June 25 attack.

DISSEMINATION

- Analytical products, threat and vulnerability assessments, and valuable raw intelligence were readily available to senior military commanders in Saudi Arabia and their civilian counterparts at the Pentagon.
- Among the most significant were monthly briefings prepared and presented in Saudi Arabia beginning in April 1995 that informed senior military commanders of the three most vulnerable U.S. installations in Saudi Arabia; of the three, two have been attacked (OPM-SANG and Khobar Towers) and the third (the PX Commissary in Riyadh) has been closed.

SENATE SELECT COMMITTEE ON INTELLIGENCE
STAFF REPORT ON THE
KHOBAR TOWERS TERRORIST ATTACK

SCOPE, OBJECTIVES, AND METHODOLOGY

The staff of the Senate Select Committee on Intelligence has conducted a preliminary inquiry into the United States Intelligence Community's collection, analysis and dissemination of intelligence concerning terrorist threats in Saudi Arabia prior to the June 25, 1996, bombing at the Khobar Towers housing complex in Dhahran, Saudi Arabia. The Committee staff reviewed raw and finished intelligence produced from late 1994 through June 1996. These products include reports from the Central Intelligence Agency, the Defense Intelligence Agency, the National Security Agency, the State Department and others. The staff also interviewed individuals in the Intelligence Community, the Defense Department, and the State Department and accompanied the Chairman of the Committee, Senator Arlen Specter, on a trip to Dhahran, Riyadh, and Jeddah, Saudi Arabia and other Middle East countries from August 24 - 29, 1996.

During and immediately following the visit to Saudi Arabia and the Middle East, Committee staff interviewed field commanders and military personnel who played a critical force protection and security role just prior to and immediately after the blast. The staff also interviewed the FBI lead investigator on the scene in Dhahran, as well as top ranking Intelligence Community personnel. Finally, the staff accompanied Senator Specter to meetings with Saudi Crown Prince Abdullah and Defense Minister Sultan while in Jeddah, as well as other Middle East leaders with unique insight into terrorist activity in the region such as Prime Minister Netanyahu of Israel, President Assad of Syria, and President Arafat of the Palestinian Authority.

Since the Khobar blast, the Senate Select Committee on Intelligence has held seven hearings focusing on terrorism, Saudi Arabia, and support to the military in the region. The Committee received testimony from Secretary of Defense William J. Perry, CIA Director John Deutch, FBI Director Louis Freeh, numerous other Administration officials, academicians and other experts.

BACKGROUND

On June 25, 1996, at approximately 10:00 p.m. local time, a massive explosion shook the Khobar Towers housing compound in Dhahran, Saudi Arabia. The blast killed 19 American military service personnel and at least one Saudi civilian, wounded more than 200 Americans and injured hundreds of other civilians. At the time, the Khobar Towers complex was home for the airmen of the U.S. Air Force's 4404th Fighter Wing (Provisional) under the operational command the U.S. Central Command (USCENTCOM). The complex also housed forces from the United Kingdom, France, and Saudi Arabia participating in the United Nations effort to enforce the "no-fly" zone in southern Iraq.

Before the explosion, American personnel at an observation post on the roof of Building 131 at the northeast corner of the Khobar complex reported seeing a fuel truck and a car approach the northwest end of the Khobar Towers compound from the north and turn east onto 31st Street just outside the perimeter fence separating the compound from a public parking lot. The truck and the car that it was following traveled along the perimeter fence toward the northeast corner of the compound and then stopped. A car already in place and facing the two approaching vehicles flashed its lights, presumably to signal to them that their approach was "all clear." The two companion vehicles then continued to travel along the perimeter fence. When the vehicles reached a point adjacent to Building 131, they turned left, pointing away from the building, and stopped. The fuel truck backed into the hedges along the perimeter fence directly in front of Building 131 as the third car idled and then departed. Two men exited from the truck and hurried into the remaining car, which then sped away.

Noting this suspicious activity, the U.S. personnel at the Building 131 observation post began an evacuation, but within three to four minutes the bomb exploded, completely demolishing the front facade of this eight-story building. The explosion severely damaged five adjacent buildings and blew out windows throughout the compound. According to a recent report by the House National Security Committee, the size of the blast indicates that the truck carried between 3,000 and 5,000 pounds of explosives. In addition to the American casualties, hundreds of Saudi and third country nationals living in the complex and immediate vicinity were also wounded. U.S. intelligence experts and 4404th Wing leaders have concluded that Americans were the target of the terrorist attack.

The attack at Khobar Towers was the second major terrorist incident directed at U.S. interests, and U.S. military presence specifically, in Saudi Arabia in the past year. On November 13, 1995, a car bomb containing approximately 250 pounds of

explosives detonated outside the headquarters of the Office of the Program Manager of the Saudi Arabian National Guard (OPM-SANG) in Riyadh. The building was used by American military forces as a training facility for Saudi military personnel. Five Americans died and 34 were wounded in this attack. Prior to this incident DIA categorized the threat to Americans in Saudi Arabia as medium. Six weeks after this incident, that threat level was raised to high.

ADEQUACY OF INTELLIGENCE

Collection

Pursuant to Presidential Decision Directive 35 (PDD-35), terrorism targets in the Middle East are Tier 1 targets and receive the highest priority for collection. Thus, current Director of Central Intelligence John Deutch has placed from the beginning of his tenure the utmost urgency on collection against these targets.

Even prior to the issuance of PDD-35, however, the U.S. intelligence collection posture in Saudi Arabia had shifted focus. In late 1994, the U.S. Intelligence Community in Saudi Arabia began reporting an increase in threatening activity directed against Americans in the region. Much of this heightened activity was carried out by agents of Iran, either alone or in cooperation with elements of regional radical Islamic fundamentalists. During a visit to Saudi Arabia in December 1994, DCI James Woolsey raised with senior Saudi officials the CIA concern over Iranian intentions and activities in the region.

Upon his confirmation in May 1995, Deutch concentrated immediately upon the issue of antiterrorism and force protection as a top priority. Deutch visited Saudi Arabia on October 22, 1995, and raised with senior Saudi officials his "serious concerns" over Iranian intentions in the region as he emphasized the commitment of the United States to fighting the terrorist threat. Deutch also dispatched other senior CIA officials to Saudi Arabia for detailed discussions of how to address this problem. Intelligence was focused during this period on Iranian operatives in the Eastern Province who were attempting to gather intelligence on the Dhahran Air Base.

After the OPM-SANG attack on November 13, 1995, collection against terrorist targets in general intensified. Intelligence Community personnel interviewed in Saudi Arabia said that almost all of their time was devoted to counterterrorism and force protection issues and much of this work was driven by the requirements of the military commanders in the theater.

Analysis

By March 1995, the Intelligence Community had determined that Iranian operations in Saudi Arabia were no longer simply intelligence gathering activities but contained the potential for the execution of terrorist acts. It had been previously learned that weapons and explosives had been moved in and stored in apparent support of these acts.

From the period beginning in April 1995 through the time of the Khobar Towers bombing in June 1996, the Intelligence Community issued finished analysis that clearly highlighted the ongoing and increasing terrorist threat in Saudi Arabia. The CIA and DCI's Counter Terrorism Center (CTC) issued at least 41 different reports on terrorism on the Arabian peninsula. Ten of these were specific threat assessments and six were CTC commentaries focused on the threat to U.S. personnel in Saudi Arabia.

During the same period, the Defense Intelligence Agency produced more than 60 intelligence products on the terrorist threat in Saudi Arabia. Many of these were factual in nature, reporting on terrorist incidents such as the OPM-SANG bombing, but many others reflected the Intelligence Community's analytical judgment of higher threat levels. In July 1995, DIA raised the terrorist threat level for Saudi Arabia from Low to Medium. After the OPM-SANG attack, the threat level was raised again to High where it stayed until the Khobar Towers bombing. The threat in Saudi Arabia is now considered Critical -- the highest threat level on the DIA scale. Perhaps the most significant single DIA analytical product was a June 17, 1996 Military Intelligence Digest article outlining numerous suspicious incidents that had occurred at Khobar Towers and noting that "a pattern appears to be developing that warrants improved security efforts." This report followed only four days after the Department of State, Bureau of Intelligence and Research published "Saudi Arabia/Terrorism: US Targets?" focusing attention on the same series of incidents occurring at the Khobar facility.

Some officials prior to June 25 bombing believed that the earlier events and planning for terrorist acts were actually leading up to a larger bombing campaign against U.S. forces in the Eastern province. These officials postulated after the June 25 attack that Khobar Towers was the likely end-game of the earlier bombing scheme.

Dissemination

The emphasis that the DCIs placed on providing intelligence for force protection was reflected by the U.S. intelligence officers in the field as well. As early as January 1995 intelligence officers briefed the commander of Joint Task Force/South West Asia (JTF/SWA) and the commander of the Air Base in Dhahran of the serious threat posed to U.S. forces in the Eastern province.

These briefings continued throughout 1995. The incoming JTF/SWA commander, Major General Franklin, and his Deputy, Admiral Irwin, were briefed on March 16, 1995 along with General Keck, Commander of the 4404th Air Wing, on the most recent intelligence.¹ Follow up briefings were ordered for JTF/SWA command and security personnel to alert them to the threat. By April 5, 1995, all senior military commanders in the region had received detailed briefings on the threat posed by the increased Iranian presence and activity in the area.

On April 20, 1995 the senior U.S. intelligence official in Saudi Arabia briefed the top military commanders in the region on the Iranian plotting against U.S. military personnel in Saudi Arabia. Discussions were held on actions to be taken to beef up security awareness at various installations throughout Saudi Arabia where a U.S. military presence existed. The intelligence official provided his assessments on the "softest targets" in the kingdom (OPM-SANG, Khobar Towers, and the PX-Commissary in Riyadh).² A decision was then made to brief all military commanders in the region on a more regular basis on the serious terrorist threat to U.S. military personnel in the region. The military, based upon these threats, sent out a general threat advisory to remain in effect through June 15, 1996. The plan was apparently to supplement this general threat notice with the regular briefings.

On April 30, 1995, the briefings were expanded to include the "working level" commanders in the various units in Saudi Arabia. As part of these briefings,

¹ An April 3, 1995, a U.S. intelligence cable noted that "U.S. military commanders here are very/very concerned about the Iranian efforts in Saudi Arabia."

² After this briefing, the Commander of OPM-SANG, General Nash, approached the same intelligence official to express concern for physical security at the OPM-SANG facility and to specifically ask the official to pass along his concern to U.S. and Saudi intelligence and security officials, which he did.

Major General Franklin put out an advisory to senior military commanders including the following:

“Our facilities and access procedures should be reexamined to ensure we are doing the necessary things to minimize unauthorized individuals or vehicles from entering our compounds. Of special concern are unattended vehicles parked near entrances and exits or close to our work and living areas.”

At the same time Major General Boice, Commander of the U.S. Military Training Mission increased the threat posture for the troops under his command from “no security threat” to “threat alpha.” On June 25, 1995 Security officers from across the Kingdom held the first monthly (and later weekly, after OPM-SANG) counter-intelligence/force protection meeting.

In sum, prior to the OPM-SANG bombing there was extensive information available to U.S. personnel in Saudi Arabia concerning the nature of the threat posed by Iranian and other terrorist groups. After the OPM-SANG bombing, more specific intelligence threat information became available. Notable among these are:

Well before the Khobar attack, there was reporting that Khobar might be the target of a bombing attempt;

There were a variety of reports in 1996 indicating that large quantities of explosive had been smuggled into the Eastern province of Saudi Arabia;

Threats from associates of those Saudi dissidents beheaded by the Saudi government on May 31, 1996 for their alleged role in the November 13, 1995 bombing of OPM-SANG;³

A Department of State, Bureau of Intelligence and Research report on June 13, 1996 focusing attention on

³ Between May 31 (the date of the execution of the alleged OPM-SANG co-conspirators) and the date of the Khobar bombing on June 25, a primary focus of intelligence was on the threat of associates of the executed individuals seeking revenge against U.S. persons.

a series of incidents around the Khobar facility;

A June 17, 1996 Pentagon intelligence report highlighting the same incidents at Khobar Towers concluding that a suspicious "pattern [of surveillance of the Khobar compound's perimeter and other similar incidents] seems to be developing that warrants improved security efforts;"

In addition, military commanders in the region were very familiar with the terrorism vulnerability assessment of the Khobar Towers compound conducted by the Air Force Office of Special Investigations (OSI) in January 1996. Included within the OSI vulnerability assessment is a "threat scenario," based upon a State Department threat warning system, that included:

an assessment that a "park and abandon" car bomb was a threat to the compound's security, and an additional assessment that moving back the perimeter fence would lessen the damage that would result from a "park and abandon" car bomb;⁴

a recommendation for the additional security measure of Mylar protective coating on the compound's windows to avoid shattering and fragmentation of glass; the Air Force made this recommendation part of a 5-year plan

⁴ Senator Specter and staff found the distance to be slightly less than 60 feet from the perimeter fence to the front of Building 131. This is significant because (a) the Defense Department had previously placed the distance at 80 feet; (b) according to the House National Security Committee in a recent study, the AFOSI report makes clear that targets closest to perimeter most vulnerable; and (c) the AFOSI report concluded that "every effort should be made to maximize the distance between a given structure and a potential threat."

It is also significant because the military commanders apparently never asked the Saudis to move the fence back 400 feet, as DoD had previously claimed. The request was instead to move the fence back 10 feet, which the Saudis quite correctly deemed a purely cosmetic and *de minimus* action and did not take seriously.

and thus delayed the addition of Mylar indefinitely.⁵

This intelligence and the vulnerability assessments were combined in three separate but related series of meetings. First, a monthly force protection meeting was convened, co-chaired by the Defense Attache and senior intelligence officer. These force protection meetings were made more frequent (once a week) following the OPM-SANG bombing. Second, regular political-military meetings were held at the U.S. Embassy, at which the threat intelligence and vulnerability assessments were discussed. Third, after the OPM-SANG bombing an Emergency Action Committee composed of the most senior military and intelligence officials in the region met regularly and discussed threat intelligence and vulnerability information as the major topic at each meeting.

As discussed above, senior military commanders in the region were fully briefed on the vulnerability and intelligence threat information. Further, General Shalikashvili, Chairman of the Joint Chiefs of Staff, was briefed at length on all intelligence and vulnerability assessments by the senior intelligence officer in Saudi Arabia in May 1996. This officer referred to his briefing of General Shalikashvili as "intense and to the point" concerning the threat and vulnerability information. Also, senior military commanders in the regions were quite familiar with the Long Commission Report of the Beirut bombing in 1983, which destroyed the U.S. Marine barracks, killing 241 Marines.⁶

THERE WAS NOT AN INTELLIGENCE FAILURE

Section 502 of the National Security Act of 1947 makes it incumbent upon the Director of Central Intelligence, as well as the heads of all departments, agencies,

⁵ According to tests conducted by military experts since the Khobar attack, even if a bomb the size of OPM-SANG had been used (250 pounds) rather than the 3000-5000 pound device that a House National Security Committee report said was used at Khobar Towers, there would still have been 12 fatalities because the glass on the windows of Building 131 were not treated with Mylar to prevent shattering (as had been recommended by the OSI report).

⁶ The Secretary of Defense has recently testified that the military was not prepared for a bomb the size of the Khobar device because an explosive that large was unheard of in the region. This testimony is inconsistent with the fact that the U.S. Marine barracks in Beirut was destroyed by a 12,000 pound bomb in 1983, killing 241 U.S. Marines.

and other entities of the United States Government involved in intelligence activities to:

keep the intelligence committees [House and Senate] fully and currently informed of all intelligence activities, . . . including any . . . *significant intelligence failure* ;
50 United States Code § 413a(1)(emphasis added)

The totality of the threat information available to the Department of Defense, as well as the posture of the Intelligence Community at the time of the Khobar Towers bombing makes clear that an intelligence failure, either in collection, dissemination or analysis, did not occur. Military commanders in the region and in Washington received highly relevant threat information for a year and a half prior to the Khobar Towers bombing. Intelligence personnel in the region briefed this information exhaustively throughout the region, and the DCI Counterterrorism Center ensured that senior policymakers in Washington were made aware of the threat and vulnerability information.

CONCLUSION

Regarding the question of the adequacy of the collection, analysis and dissemination of intelligence concerning terrorist threats in Saudi Arabia to Defense Department officials in Washington and military commanders in the field prior to the June 25, 1996, bombing at the Khobar Towers housing complex, the available information leads the Committee staff to conclude that the U.S. Intelligence Community provided sufficient information not only to suggest active terrorist targeting of U.S. personnel and facilities, but also to predict probable terrorist targets. Further, having concluded that the DCI was fully cognizant of and attentive to the force protection issues in the Eastern Province prior to the June 25 attack, and that consecutive DCIs ensured that this force protection information was disseminated to proper Defense Department recipients, the Committee staff concludes that an intelligence failure did not occur. Therefore, the Director of Central Intelligence is not obligated to report a significant intelligence failure to the intelligence oversight committees pursuant to Section 502(1) of the National Security Act of 1947.