

## Intelligence Community Capability Requirements Process

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**A. AUTHORITY:** The National Security Act of 1947, as amended; Executive Order (EO) 12333, as amended; and other applicable provisions of law.

### **B. PURPOSE**

1. This Intelligence Community Directive (ICD) establishes a framework for the development, documentation, assessment, validation, and approval of Intelligence Community Capability Requirements (ICCR). It provides, in part, the procedures called for in EO 12333, Section 1.3(b)(22).

2. This Directive rescinds Director of National Intelligence (DNI) Memorandum E/S 01301, *IC Capability Requirements*, 4 December 2009.

### **C. APPLICABILITY**

1. This Directive applies to the Intelligence Community (IC) as defined by the National Security Act of 1947, as amended, and to such elements of any other department or agency as may be designated an element of the IC by the President, or jointly by the DNI and the head of the department or agency concerned.

2. This Directive applies to the development of capability requirements for IC Major System Acquisitions (MSA) (as defined in 41 USC 109), funded in whole or in majority part by the National Intelligence Program (NIP) (hereinafter *NIP-funded acquisitions*) including those MSAs where the DNI has delegated Milestone Decision Authority (MDA) to an IC element. For existing MSAs, future milestone decisions should be taken and executed consistent with the provisions of this Directive.

3. This Directive also applies to the development of capability requirements for acquisitions funded in whole or in majority part by the NIP that do not meet the definition of MSA but are designated by the DNI to be of special interest (*hereinafter* DNI Program of Special Interest).<sup>1</sup>

4. For the development of capability requirements for acquisitions executed by IC elements within the Department of Defense (DoD), this Directive shall be implemented consistent with the DNI - Secretary of Defense Memorandum of Agreement, *Management of Acquisition Programs Executed at the Department of Defense Intelligence Community Elements*, 25 March 2008 (See Appendix A, Reference 1) or successor agreements, and the memorandum between the Assistant DNI for Systems and Resource Analyses (ADNI/SRA) and the Director for Force Structure,

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<sup>1</sup> DNI Program of Special Interest, as used here, is also referred to as Special Interest Acquisition



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DIRECTIVE

115

Resources, and Assessments (JS/J-8) concerning *Procedures for a Common Intelligence Community Capability Requirements (ICCR)-Joint Capabilities Integration Development System (JCIDS) Gatekeeper Function*, 28 July 2010 (See Appendix A, Reference 2, or successor agreements).

5. To the extent formally agreed upon by the relevant parties, this Directive may also apply to other capability requirements for acquisitions funded jointly by the NIP and other funding programs.

#### **D. POLICY**

1. It is IC policy to develop, document, assess, validate, and approve capability requirements for NIP-funded acquisitions through the ICCR process.

2. The ICCR process examines and determines whether a need can be met by an existing material capability or by requiring a new or modified material solution. The process consists of five distinct, yet interdependent, phases:

- a. Understanding IC mission and enterprise needs;
- b. Assessing alternatives;
- c. Developing capability requirements;
- d. Validating and approving capability requirements; and
- e. Informing the IC Planning, Programming, Budgeting, and Evaluation (IPPBE) system, and IC Acquisition Model (ICAM) process for execution of system development.

3. The ICCR process, along with the ICAM process (see Appendix A, Reference 3) and the IPPBE system (see Appendix A, Reference 4), sets strategic direction for national intelligence resources and capabilities for the NIP.

a. IC capability requirements translate each Critical Intelligence Need (CIN) into a capability requirement. CINs are gaps or shortfalls in a national intelligence mission, topic, or objective, deficiencies in business processes, or potential technological opportunities. Capability requirements address one or more CINs and scope the exploration and analysis of alternative technical solutions and proposed investment for future IC capabilities.

b. The ICCR process informs the ICAM decision process by supporting MDA decisions to authorize the initiation of NIP-funded acquisitions and to approve their progression through each milestone.

c. The ICCR process informs the IPPBE system by providing analyses of the ability of NIP-funded acquisitions to meet their Required Performance Metrics (RPM), in terms of cost, schedule, and technological maturity, and with an affordability assessment based on the development and production lifecycle cost.

4. The primary output of the ICCR process is a Statement of Capability (SOC). The format and content of SOCs and other key products of the ICCR process are governed by the *ICCR Process Interim Guidance Paper*, issued under DNI Memorandum, E/S 00457, *ICCR Process—Interim Guidance*, 26 May 2010 (See Appendix A, Reference 5). A SOC describes the essential elements of a proposed capability and its ability to satisfy CINs. It is composed of a justification statement, RPMs, cost and affordability information, and a summary of supporting analyses.

a. The SOC may include input from Functional Managers, heads of IC elements, National Intelligence Managers (NIMs), and components of the Office of the DNI (ODNI), and the SOC is updated prior to each milestone decision.

b. The SOC supports the development, production, and testing of the system, and should, when practicable, allow for the adoption of emergent technological breakthroughs and insertion opportunities in line with programmatic and fiscal considerations. Changes to an approved SOC that are required to achieve a program milestone may be documented in a memorandum to the ADNI/SRA.

5. Capability requirements documentation for NIP-funded acquisitions executed by IC elements in the DoD will be developed, reviewed, and validated in accordance with the ICCR process. For such capability requirements, the JS/J-8 will have access to and may provide input in accordance with established agreements and procedures.

## **E. ICCR PROCESS PHASES**

1. Understanding IC Mission and Enterprise Needs. Identify and prioritize intelligence needs through:

a. Evaluating CINs in a real-world context (e.g., urgency of need, potential threat to national security);

b. Assessing and leveraging technological opportunities; and

c. Conducting capability gap assessments.

2. Assessing Alternatives. Assess and evaluate multiple capability alternatives for their relative technical performance and utility in satisfying CINs across a range of operational and system factors. Capability alternatives are considered in their broadest system context to provide decision makers with options framed in terms of performance against a rough order of magnitude lifecycle cost estimate. Only materiel alternatives result in the development of capability requirements.

3. Developing Capability Requirements to Address CINs.

a. Capability requirements are developed and expressed with greater specificity as attributes or characteristics of a system, some of which are considered critical to the development of an effective capability. The critical attributes and characteristics are designated RPMs. Considerations of best balance of cost, schedule, and performance are factors in the development of RPMs. RPMs are normally developed prior to the Development, Integration, and Demonstration Phase ("ICAM Phase B") of a program acquisition.

b. SOC documents are the key output of this phase and are aligned to support each milestone decision and subsequent execution phase of the ICAM.

4. Validating and Approving Capability Requirements. Functional Managers, heads of IC elements, NIMs, and components of the ODNI all may propose capability requirements. These same entities, as IC stakeholders or members of the Capability Requirements Working Group (CRWG), may review capability requirements documented in a SOC prior to approval by the Principal Deputy DNI (PDDNI). Capability requirements must be approved prior to the obligation or expenditure of funds for an MSA or DNI Program of Special Interest.

5. Informing the IPPBE system and ICAM process. This phase of the ICCR process conveys the information from the other phases to various points in the IPPBE system, and phases of the ICAM, including:

- a. Informing and supporting the deliberations of the MDA; and
- b. Informing programming guidance and budget decision-making.

## **F. ROLES AND RESPONSIBILITIES**

1. On behalf of the DNI, the PDDNI serves as the approval authority for the ICCR process and

a. May delegate to the ADNI/SRA approval authority for capability requirements, as appropriate;

b. Has approval authority for SOCs;

c. May modify or establish threshold values for RPMs;

d. Approves and prioritizes IC Capability Requirements when the program under consideration:

(1) Represents a substantially new capability or significant change to an established capability; or

(2) Requires a significant top-line funding increase; or

(3) Lacks broad IC consensus for mission priority, funding, or value toward satisfaction of a CIN; and

e. May convene meetings of the IC Deputy Executive Committee (DEXCOM) in accordance with the DEXCOM charter to consider any aspect of ICCRs.

2. The ADNI/SRA serves as the DNI's designee for the management of and matters pertaining to the ICCR process by:

a. Issuing standards related to the ICCR process;

b. Conducting analyses and assessments, as necessary, related to capability requirements and affordability;

c. Approving capability requirements and SOCs, as delegated by the PDDNI;

d. Ensuring IC-wide compliance with the ICCR process;

e. Establishing and chairing the CRWG, and establishing other ICCR-related working groups and successor fora, as necessary;

f. Evaluating the completeness, quality, and relevance of analyses contained in SOCs;

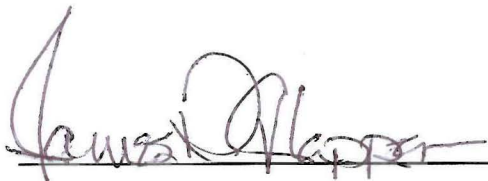
g. Verifying capability requirements to the ADNI/Chief Financial Officer (ADNI/CFO) prior to the obligation or expenditure of funds; and


h. Serving as the DNI's primary liaison to the JS/J-8 for establishing guidelines on the development, staffing, and approval of ICCR documentation for wholly or majority NIP-funded acquisition programs executed by DoD IC elements.

3. The Deputy DNI for Intelligence Integration (DDNI/II):

- a. Provides integrated prioritized mission needs as CINs; and
  - b. Supports validation of capability requirements.
4. NIMs support the DDNI/II by:
- a. Identifying unmet needs related to their assigned missions that may necessitate the development of material alternatives and corresponding capability requirements;
  - b. Identifying new technologies, capabilities, and methods that may enhance the ability of the IC to meet strategic priorities and mission requirements for their assigned mission;
  - c. Providing subject matter expertise to the ICCR process upon request; and
  - d. Supporting the development of SOCs related to assigned missions and functions.
5. The ADNI/CFO ensures sufficient funds are budgeted for MSAs and DNI Programs of Special Interest.
6. Heads of IC elements and Functional Managers, as appropriate:
- a. Identify unmet needs that may necessitate the development of material alternatives and corresponding capability requirements;
  - b. Identify new technologies, capabilities, and methods that may enhance the ability to meet strategic priorities;
  - c. Provide primary input for development of SOCs;
  - d. Provide capability requirements data to the PDDNI and the ADNI/SRA to inform ICCR deliberations;
  - e. May modify established performance threshold values for certain capability requirements when a delegation to do so is made by the PDDNI; and
  - f. Participate in the CRWG and successor fora as necessary.

**G. EFFECTIVE DATE:** This Directive becomes effective on the date of signature.

  
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 Director of National Intelligence

  
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 Date

## Intelligence Community Capability Requirements

### REFERENCES

1. Intelligence Community Policy Guidance 801.1, *Acquisition*, 12 July 2007.
2. ICD 116, *IC Planning, Programming, Budgeting, and Evaluation System*, 14 September 2011.
3. DNI Memorandum, E/S 00457 *Intelligence Community Capability Requirements Process – Interim Guidance*, 26 May 2010.
4. DNI - Secretary of Defense Memorandum of Agreement, *Management of Acquisition Programs Executed at the Department of Defense Intelligence Community Elements*, 25 March 2008.
5. Assistant DNI for Systems and Resource Analyses (ADNI/SRA) and the Director for Force Structure, Resources, and Assessments (JS/J-8) Memorandum, *Procedures for a Common Intelligence Community Capability Requirements (ICCR)-Joint Capabilities Integration Development System (JCIDS) Gatekeeper Function*, 28 July 2010.