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VIA AIR
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REFW-7199
DISPATCH NO 74-6-138/2

SECRET
CLASSIFICATION

JUL 11 1958

TO Chief of Base, Frankfurt

DATE INFO: COS, Germany

FROM Chief, SR

SUBJECT { GENERAL REDWOOD/AEMARSH
SPECIFIC Transmittal of Project AEMARSH

ACTION REQUESTED: See paragraph 2 below.

1. Transmitted under four separate cover attachments is an approved version of the current Project AEMARSH, as pertaining to operations undertaken by your Station.

2. It is requested that the Project AEMARSH renewal request as pertaining to Frankfurt Base of Operations be submitted in accordance with FR 230-620, dated 23 October 1953, and that it be submitted prior to 31 December 1958.

3. Due to DIR 27680, we are reconsidering paragraph 4 subparagraph c in the Project AEMARSH outline.

3 July 1958

Separate Cover Attachments

- 1 - page 1 of Project
- 2 - page 2 of Project
- 3 - page 3 of Project
- 4 - Identities

Distribution

- 1 - FOB, w/att.
- 2 - COS, Germany, w/att.
- 1 - RI, wo/att.
- 2 - SR/2, wo/att.

SR/2/E I:sjt

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DATE 2007

[Handwritten signature]
CSR/2
(Security officer)

[Handwritten signature] CSR/2
(Coordinating officer) *[Handwritten signature]* CSR/2
(Authenticating officer)

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CLASSIFICATION

FORM NO. 51-29
JUN 1949

74-6-138/2

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29 April 1958

MEMORANDUM FOR: Chief of Foreign Intelligence

SUBJECT : Project AEMARSH (Renewal)

1. The attached project, originating in the SR Division, is designed to develop resident agent assets through utilization of legal travelers to and from Latvian SSR and to procure positive and operational intelligence on that area. It is presented for your approval of renewal for the period 1 March 1958 through 28 February 1959.

2. Authority is requested to obligate \$C from the DD/P-SR Division budget: \$E for the current fiscal year, and \$C for the fiscal year 1959, subject to the availability of funds.

3. The SR Division memorandum requesting renewal is attached. It summarizes the pertinent factors involved and presents a breakdown of the funds requested.

4. A review by RQM/RE of the project's last approval period reveals that 24 positive information disseminations were produced. One report was considered by Navy to have filled a priority intelligence need and further reporting was requested. Other Navy evaluations rated AEMARSH reports of value or considerable value. RQM/RE has given the project a subjective rating of "C".

5. I recommend renewal of Project AEMARSH as presented.

E
Chief, FI/OPS Division

Approved: E
Chief, Foreign Intelligence

1 May 58
Date

Attachment: Project Outline AEMARSH

Staff Coordination:
For C/FI/OPS -S/E
For C/CI -S/C
For C/CCB/OCL -S/E
For RQM/RE -S/C

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21 APR 1958

Review of Project AEMARSH SR/Washington D.C.

1. Production and Evaluation

Project AEMARSH, designed for the development of resident agents through the utilization of legal travellers to and from the Latvian SSR, and for the acquisition of operational and positive intelligence on the USSR, produced 24 positive information disseminations during the twelve months - 1 April 1957 through March 1958. The majority of these concerned Polish and Soviet Baltic ports and included information on harbor facilities and installations, naval units and maritime activities. Also included was information on military installations in the vicinity of Riga, and on military personnel and on unidentified construction in a restricted area near Ventspils. One dissemination reported on security controls in the port of Arkangelsk and on the observation of the trial run of a new-type small boat of unusual design. This latter information was considered by Navy to have filled a priority intelligence need and further reporting was requested. Other Navy evaluations rated AEMARSH reports of value or of considerable value, although parts of two of these highly-rated reports were considered of only slight value.

2. Requirements

Twelve references to Navy or OSI requirements appeared on AEMARSH disseminations.

3. Rating of Production: C

4. Recommendation

Renewal is recommended.

for
Acting Chief, FI, RQM/RE

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Project Renewal

CRYPTONYM AEMARSH

AREA DIVISION SR

STATION Washington, D.C.

HEADQUARTERS CASE OFFICE

Room No. 1060 J Bldg.

Extension 3582

Date 12 March 1958

The attached project is presented for renewal.

Chief, SR/2

SR/CCP/PI

Chief, SR Division

21 March 58
DATE

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12 March 1958

MEMORANDUM FOR: Chief, Foreign Intelligence

VIA : Projects Branch

SUBJECT : Request for Renewal of Project AEMARSH

1. It is requested that Project AEMARSH be renewed for the period 1 March 1958 through 28 February 1959 in the amount of \$

2. AEMARSH is a REDSKIN Project designed to gather positive and operational intelligence on the USSR, and develop resident agent assets through utilization of legal travelers to and from the Latvian SSR.

3. Past Approvals

<u>Type of Action</u>	<u>Approving Officer</u>	<u>Period Covered</u>	<u>Funds Authorized</u>
Approval	COP/DD/P	1 Dec 53 to 30 Apr 55	\$ <u> </u> <u> </u>
Amendment	C/FI	effective 28 Feb 55	\$ <u> </u> <u> </u>
Extension	C/FI	1 Mar 55 to 31 May 55	\$ <u> </u> <u> </u>
Extension	C/FI	1 June 55 to 31 July 55	\$ <u> </u> <u> </u>
Renewal	C/FI	1 Aug 55 to 31 July 56	\$ <u> </u> <u> </u>
Renewal	COP/DD/P	1 Aug 56 to 28 Feb 58	\$ <u> </u> <u> </u>
Amendment	C/FI	1 Mar 57 to 28 Feb 58	\$ <u> </u> <u> </u>

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4. Activities and Accomplishments Since Last Renewal of Project.

a. AEMARSH/1 (A # C-35511, 24 February 1955) is being utilized as a principal agent for [] as well as a recruiter and briefer of REDSKIN assets in West Germany. He interviewed several Volksdeutscher Latvians who repatriated to Germany and submitted a series of four reports containing operational and positive intelligence. Two of these reports were disseminated, one contained operational intelligence of some value and the fourth was assessed as of no value. He is developing [] and [] under Project AEROOT for REDSKIN missions into the target area and has spotted agent candidates for Project AECOMPASS.

b. [] (OA # C-4198, 10 January 1956) was legally repatriated to Latvia in 1956. Approximately one year after his repatriation the first S/W letter was received concerning operational matters. This operation is now being developed to re-establish agent's confidence and exploit him for the purpose of procuring intelligence and developing controlled sources in the target area.

c. [] (OA # C54186, 27 March 1957) who returned to the Latvian SSR in 1956 has not established S/W contact with us in response to our two S/W messages to him since his return. He claims to be a laboratory technician in the chemistry department of the University of Latvia at Riga, a position which should enable him to spot and/or recruit agent assets among the faculty and student body.

d. [] (OA # C-18595, 12 September 1957) formerly known as [] is a general utility agent of [] who is called upon from time to time for special tasks. He enjoys extensive contacts among Latvian Emigres in Sweden through whom he is made aware of REDSKIN prospects and opportunities:

1) He obtained a lead on and subsequently interviewed a former Latvian national who is employed as a contract pilot on the Suez Canal. His report was turned over to NE/A Division. This pilot appeared to have high potential for recruitment in that vital area.

2) He interviewed several educators from Estonia and Latvia who were on legal travel in Sweden and Norway. His reports have been received at Headquarters and are being processed for dissemination.

3) He has spotted a Latvian woman working in a Stockholm travel agency who is well placed for spotting legal travelers going into the USSR. Stockholm Station is checking for further PRQ I data on her incident to possible recruitment.

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4) He continues reporting on Latvian emigre groups in Sweden including indications of RIS activity among these groups.

e. ~~5~~ A total of 24 positive information reports were received during the past project year of which 22 were disseminated as containing information of intelligence value.

f. AECAMBARO/1, whose association with the AIS is known to the RIS in connection with the roll-up of the AECOB operations, will either be transferred to another project or disposal will be effected.

5. New Personnel and Operations being Planned or Developed for the Project Year.

Inasmuch as Riga was opened to foreign travelers starting in September 1957, and in view of the prospect for increased cultural and technological exchanges as a result of recent agreements arrived at with the Soviet government, it is felt that the REDSKIN potential of U. S. travelers merits substantial re-emphasis during this project year. Action is therefore being taken, and will continue throughout the project year, to spot, assess, recruit, train and brief suitable U. S. nationals with a desire and capability for travel in the target area. Accordingly, the following recruitments have been or are about to be effected:

a. [] (OA # C39877, 9 January 1958) who is to spot among emigre groups. As Secretary-General of the American Latvian Association he is in a position to check the considerable correspondence from Latvia, addressed care of the ALA for forwarding to the addressees. Such screening should produce leads on potential internal target assets, prospective American assets as well as miscellaneous operational and positive intelligence.

b. [] (PCSA # C37519/50207, 11 February 1958) is a member of the Committee for Free Latvia. As a covert associate he will be used as an informant and spotter among U. S. nationals of Latvian extraction who have potential for legal travel to the Latvian SSR.

c. AEMARSH/15 (OA # C-57807, 28 October 1957) is in S/W correspondence with two Latvians who claim a capability for establishing an internal net of action agents. Careful assessment and development is now in progress.

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d. [] (POA # C-67692, 27 February 1958) is a naturalized U. S. citizen of Latvian birth. She is a college student who has accepted an invitation to serve as a guide at the Brussels Universal and International Exhibition from April to October 1958. She will be briefed to observe for vulnerability data and elicit biographic data among the guide groups of the Soviet and satellite pavilions. She will also be instructed to remain alert for signs of disaffection among any of the orbit visitors with whom she may have contact.

e. [] (OA # C-33890, 6 June 1955) is a Baptist Minister in Washington, D. C., who has been invited by the Soviet Government to visit the USSR during the summer of 1958 for the purpose of conferring with Russian Baptist Church leaders. He will be briefed as a source of positive and operational intelligence with emphasis on assessment of selected target personalities and selection of several favorable dead-drop sites.

f. It is anticipated that leads to REDSKIN assets will be, in most instances, among those U. S. nationals who not only have indicated a desire to travel to Riga but are capable of financing such travel. If an asset of high potential but inadequate personal funds should be spotted, favorably assessed and recruited, an amendment to the project can be submitted for approval to financially sponsor such travel.

6. Amount Expended during past Project 18 month Period:

a. 1 August 1956 - 31 July 1957	\$ [] []
b. 1 August 1957 - 28 February 1958	[] []
TOTAL	<u>\$ [] []</u>

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7. Breakdown of Project Costs for this 12 Month Period, 1 March 1958 to 28 February 1959.

a. Compensation:

1) AECAMBARO/1	for 6 months pending reassignment or disposal	\$ 3,000.00	
2) AEMARSH/1		2,400.00	
3) []	pending transfer to Project AECOMPASS	[]	[]
4) []	(formerly TINCLAD/5)	[]	[]
5) []		[]	[]
TOTAL SALARIES			\$ [] []

b. Other Expenses:

1) AEMARSH/1	housing	\$ 1,590.00	
2) AEMARSH/1	travel	1,000.00	
3) []	travel and ops expenses	[]	[]
4) Miscellaneous Ops Expenses	Ops supplies, gifts, entertainment, transportation, phone calls etc.	[]	[]
5) Maintenance of Cover Organization		[]	[]
6) Cache equipment		[]	[]
7) Case officer travel		[]	[]
TOTAL			[] []
GRAND TOTAL FOR THIS PROJECT YEAR			\$ [] []

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13 March 1958

MATERIEL AND FACILITIES REQUIREMENTS ANNEX

PROJECT - AEMARSH - FI

	<u>FY 1958</u>	<u>FY1959</u>	<u>Total</u>
I. MATERIEL			
A. ZI - None			
B. Offshore			
1. Cameras, photo equipment and supplies	\$ 0	\$ 0	\$ 0
2. Recorder	0	0	0
3. Recording tapes and misc. supplies	0	0	0
4. Operational gifts	0	0	0
5. Wrist Watches	0	0	0
6. Pocket Watches	0	0	0
7. Medical Barter Items	0	0	0
8. Personal Supplies	0	0	0
Total	0	0	0

II. FACILITIES - None

III. SUMMARY: Total materiel cost to support AEMARSH - FI for the period from 1 March 1958 through 28 February 1959 is estimated at \$ 0 for FY-58 and 0 for FY-59.

SR/Logistics Officer

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