CENTRAL INTE ENDE AGENCY IRET CLASSIFICATION Capettot Chapterd 19 BY ALLEN LY mar MEMORANDUM FOR: Chief, Foreign Intelligence

14 December 1954

SUBJECT

: Project AERODYNAMIC (Renewal)

1. <u>PURPOSE</u>: Provides for the FI exploitation of Ukrainian resistance groups (UHVR, UPA, ZPUHVR and the OUN/B) in Western Europe and the US for intelligence purposes. The specific objectives are the training and dispatch of agents into the Soviet Ukraine to procure operational, document and positive intelligence, and to establish a sound UHVR-CIA working relationship both in and outside the target area ZPUHVR. There is a PP project which provides for PP activities with these same resistance groups.

2. PERSONNEL:

a. AECASSOWARY/4, a Ukrainian living in the DC area who is a covert associate and is used for both FI and PP activities. He is utilized as an agent instructor and trainer by FI whenever it is necessary to dispatch agents to the field.

Cover: He has established a home in the area and poses as a representative of a Ukrainian political refugee group in New York.

b. AECASSOWARY/15, a Ukrainian living in the DC area who is a covert associate and is used for both FI and PP activities. He is utilized as an instructor and a liaison man with a Ukrainian refugee political group in New York. He is a covert associate but has not signed a contract and will not be asked to.

Cover: Same as AECASSOWARY/4.

c. AECARTHAGE/19 and /20 are two agents who recently exfiltrated from the Resistance Headquarters in the Ukraine. These two agents have turned out to be RIS plants and current plans call for our returning AECARTHAGE/20 as if we had not learned he was a plant. AECARTHAGE/19 has broken and is being debriefed.

Cover: Both agents are being held in isolation in Munich but it is recognized that they cannot be held much longer and the

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field is requesting that they be sent to the US until the opening of the operational season next spring at which time AECARTHAGE/20 would be returned for dispatch.

- d. Provisions are made in the financial section for a third agent who is expected to exfiltrate from the Ukraine.
- e. AECARTHAGE/5 is in the USSR under RIS control and is being played.
- f. AECARTHAGE/12 also is in the USSR and it is believed that he is not under RIS control according to the latest S/W letters from him (this is more recent information than that in the renewal memorandum.)

3. PAST APPROVALS:

Action	Date	Officer	Period	Authorization
 a. Approved b. Renewed c. Renewed d. Renewed e. Extended f. Extended 	6 Sep 51 5 Mar 52 3 Nov 52 23 Sep 53 4 Aug 54 2 Oct 54	AAD/SO C/Plans AC/FI C/Plans C/FI C/FI	1 Jul 50 - 30 Jun 51 1 Jul 51 - 30 Jun 52 1 Jul 52 - 30 June53 1 Jul 53 - 30 Jun 54 1 Jul 54 - 30 Sep 54 1 Oct 54 - 31 Oct 54	

L. HISTORY: Since 1951, the operation has succeeded in dispatching two separate teams into the target area both of which maintained scheduled W/T contact with us until the fall of 1953. Two successful exfiltrations of project agents or affiliated members of the resistance, one in 1950 and one in late September 1954 (AECARTHAGE/19 and /20) have furnished us with a quantity of intelligence. In May 1954, one member of the above mentioned two teams was reported captured and liquidated. His W/T operator, while still in contact with us at present, is undoubtedly under Soviet control. (AECARTHAGE/5). Another member of this team was killed in late 1951 and another has not been heard from. Of the two-man second team, dispatched in 1952, one member was killed while the other maintained W/T contact with us until late 1953 when he was forced to abandon his radio. Since then, he has been in S/W contact and there is no conclusive evidence that he is under control (AECARTHAGE/12). The return of AECARTHAGE/20 was planned for the end of the last operating season but was called off. It is now planned to send him in next spring. The project has no new REDSOX agent prospects as recruitment through refugee channels has ceased. It is hoped that legalized and bona fide exfiltrees of the Ukrainian

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underground can be debriefed, quickly trained and infiltrated as agents. Between 1 July 1953 and 30 September 1954, the project obligated \Box

- 5. EVALUATION: It is admitted that to date the PP portion of this liaison with the Ukrainian groups has benefited more than has the FI. There have been some valuable CE results evolving from the debriefing of exfiltrees and from the playbacks; however, the production of positive intelligence has not been large. It must be recognized that this is the only project aimed at FI targets in this particular area of the USSR. Between May 1953 and November 1954, 25 positive reports were disseminated. These were considered useful by customers and continued coverage was requested. RQM rates the project "C".
- 6. ACTION REQUESTED: Renewal for the period 1 November 1951, through 31 October 1955 at a cost of

Breakdown: -Covert associates (2 at \$300 a month)* Field agents (AECARTHAGE/19, /20, and one other expected to exfiltrate) Housekeepers Travel (including transportation to US) Operational expenses Foreign currency Operational supplies and equipment Total

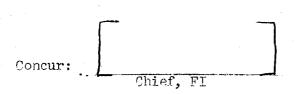
The Division explains that the majority of the funds requested for expenses are estimated against contingencies such as the return of AECARTHAGE/19 and /20 to the US, the spring infiltration of AECARTHAGE/19, and the possibility of another infiltration during the coming operational season. An operation of this type naturally incorporates a great deal of agent shifting and rapid operational changes. The Division requests that this contingency remain in the project to meet the emergency needs inherent in the project.

- * AECASSOWARY/4 receives an additional \$50 a month from the PP project.
- 7. REMARKS: Representatives of the FI Staff met with the Division case officer for a discussion of this project. This case officer also handles the twin PP project with the Ukrainian refugee groups in the US and consequently there is a certain intermingling of FI and PP activities in those portions of the project which operate here in the US. For example, AECASSOMARY/15 receives the funds

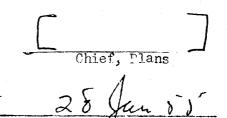
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which are PF subsidies to the organizations. He also conducts the lizison between the headquarters case officer and the refugee groups! headquarters in New York. On the other hand he is consulted on dispatches to the agents inside and stands ready as an agent trainer. At the meeting STC requested current information and clearance status on all agents and the case officer assured the representative that this would be furnished.



Attachment: Project Outline AERODYNAMIC



FI Staff Coordination:

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for C/STC	- s/	
C/Plans Er.	- s/	- 1
For C/ROM	- s/	1
STC/SPB	- s/	



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