

SECRET

PROJECT APPROVAL NOTIFICATION

PROJECT	CAGENERAL	<input type="checkbox"/> CA	<input type="checkbox"/> PROPRIETARY
		<input checked="" type="checkbox"/> FI/CI	<input type="checkbox"/> SUBSIDY
			<input checked="" type="checkbox"/> DIRECT

ACTION		AREA
<input type="checkbox"/> NEW PROJECT		DIVISION
<input type="checkbox"/> AMENDMENT		EUR
<input checked="" type="checkbox"/> RENEWAL		BRANCH
<input type="checkbox"/> TERMINATION		Gorman
<input type="checkbox"/> EXTENSION		DESK
<input type="checkbox"/> OTHER		E/G/INT
	CASE OFFICER	EXTENSION
	[]	4262

AUTHORIZATION			
APPROVING AUTHORITY	TOTAL AMOUNT APPROVED	FY	AMOUNT
Chief, EUR	\$ []	196 7	[]
PERIOD OF APPROVAL		196 8	[]
FROM 1 Feb 67 TO 31 Jan 68	FINANCIAL CODE SYMBOL	7136-2100	

CONDITIONS OF APPROVAL

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 3020
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

SIGNATURE	DATE
MPS/BG []	

DISTRIBUTION								
1	FINANCE DIVISION	1	BUDGET DIVISION	1	OPERATING DIVISION CHIEF OF SUPPORT	1	CASE OFFICER	MPS/BG

EUR DIVISION PROJECT ROUTING SHEET	
Crypt	CAGENERAL
Date	Recommendations/Action
3/1/67	Regional Chief's Office <i>no CR/R comments.</i> <i>Recommend approval but urge that this & the CABATON Project be merged at the time of the next CABATON renewal.</i>
	E/R - E/SS
	E/R <i>12/2/67</i>
	E/CA and/or E/PI/CI <i>Concur in renewal, if the standard rate of attrition is approx five per year then there would appear requirements for four new agents; however, note these are 7/2 on a stand-by basis at present.</i>
13 Jan 67	E/COPS <i>Concur in renewal.</i>
14 Jan 67	DC/EUR <i>Recommend renewal - this to Munich area letter drop project, part of the overall same state capability to provide line letter drop</i>
16 Jan 1967	C/EUR <i>Approved</i>

SECRET

CAGENERAL PROJECT RENEWAL

A. Current Objectives:

The CAGENERAL project continues to provide accommodation address custodians in support of Munich Operations Base clandestine operations. CAGENERAL also provides support to operations under the control of Headquarters and other German Station bases, and, if needed, to any WOFAC Stations elsewhere in the world. The project currently provides for seventeen accommodation address custodians.

B. Changes:

During the current project year five CAGENERAL's were terminated. These were CAGENERAL-11, 13, 21, 25 and 26. To replace these, Munich Operations Base has recruited seven new assets, and intends to recruit four more during the coming project year. This will bring the project to full strength.

C. Intelligence Production:

While this project does not produce intelligence directly, its activities provide essential support to operations designed to produce intelligence. The accommodation address custodians under this project provide secure clandestine communications channels from information sources to their case officers.

D. Effectiveness:

During the current project year, the CAGENERAL mechanism has proven effective and reliable. Indications are that all mail has been received and delivered promptly to the appropriate case officer.

E. Problems:

During the past project year there were no known problems of a security, cover, or control nature.

SECRET



F. Liaison/Inter-Agency Coordination:

Not applicable to this project.

G. Plans:

The need for the recruitment of new accommodation address custodians in the coming project year will necessarily be determined by the number of assets terminated during the coming project year. In order to maintain a reserve of seven or eight unused assets, it is estimated that Munich Operations Base will have to recruit four additional assets during the coming project year. Case Officers will continue to interview CAGENERAL candidates under non-intelligence cover and will request POA's on those considered suitable for further assessment and possible recruitment.

Although Munich Operations Base has no current need for Post Office Boxes, it is planned to obtain one or two for stand-by use.

H. Costs:

1. For the Past Project Year: The total sum of [] was approved by Headquarters for the period 1 February 1966 through 31 January 1967. As of 30 November 1966 approximately [] of this sum has been expended. It is estimated that by the end of the current project year an additional \$700 will have been expended, thus making a total expenditure of approximately [] for the project year.
2. For the Ensuing Period: Estimated costs for the coming project year 1 February 1967 through 31 January 1968 are as follows:

A. <u>AGENT SALARIES</u> *	<u>ANNUAL COST</u>
CAGENERAL-15	\$ []
CAGENERAL-27	300.00
CAGENERAL-28	[]
CAGENERAL-28A	
CAGENERAL-30	[]
CAGENERAL-31	[]
CAGENERAL-32	[]
CAGENERAL-33	[]
CAGENERAL-34	[]
CAGENERAL-35	[]
CAGENERAL-36	[]
CAGENERAL-37	[]
[]	[]

Provision for gradual recruitment of four new assets during the next project year, figured on basis of one-half yearly salary. []

Total Salaries []

*See Attachment A for breakdown of project assets.

B. MISCELLANEOUS FEES

Post Office Box rentals
(two boxes @ \$3.00 per year) \$ 6.00

Reserve for termination
bonuses, salary increases,
and exchange rate fluctuation. 400.00

Administrative, and
Operational expenses (test
correspondence postage, money
order fees, stationary, postal
forms, etc.) 150.00

Total Miscellaneous Fees \$ 556.00

Grand Total of A and B

FISCAL YEAR 1967 Five Months

FISCAL YEAR 1968 Seven Months

Total for project year 1 February 1967
through 31 January 1968

SECRET

ATTACHMENT A

CAGENERAL-15

A sixty-one year old free lance photographer who has been a CAGENERAL asset since August 1960. He is assigned to the AENUCLEUS operation of SB Division, Headquarters.

CAGENERAL-27

A sixty-one year old watchman employed by Siemens, who has been a CAGENERAL asset since December 1963. He is assigned to the DIKING operation being handled by Vienna Station and Headquarters, SB Division.

CAGENERAL-28

A fifty-three year old employee of the Agfa Camera Company who has been a CAGENERAL asset since June 1964. In September 1965 this asset was assigned to the DMSABLE operation of [redacted] and Headquarters, SB Division. However, this address was never issued to DMSABLE, and has since been used in support of a Berchtesgaden administrative matter.

CAGENERAL-28A

The forty-nine year old wife of CAGENERAL-28 who was made witting of her husband's activity for security purposes. She has been granted a full Operational Approval.

CAGENERAL-30

A seventy year old naturalized U.S. citizen who was retired from the U.S. Treasury Department after thirty years service. She was recruited as a CAGENERAL in October 1964, and since April 1965 has been assigned to the HIJUNGLE operation of [redacted] and Headquarters, SB Division.

SECRET

CAGENERAL-31

A fifty-four year old single female who resides with her eighty-seven year old step-grandmother in her own home which has been turned into a rooming house. She was recruited as a CAGENERAL in October 1965, but as yet has not been assigned to an operation. She has handled all test letters expeditiously and securely.

CAGENERAL-32

A thirty-seven year old married man who has been on pension since 1964 due to a heart illness. He was recruited as a CAGENERAL in January 1966, but as yet has not been assigned to an operation. He has handled all test letters expeditiously and securely.

CAGENERAL-33

A sixty-seven year old pensioner who was formerly employed by Siemens. He resides with his wife who is employed in a clothing factory. He was recruited as a CAGENERAL in March 1966, but as yet has not been assigned to an operation. He has handled all test letters expeditiously and securely.

CAGENERAL-34

A fifty-four year old married man who has been pensioned since 1964 due to a slipped disk in his spine. He was recruited as a CAGENERAL in April 1966, and has been assigned to the Frankfurt Base CABATON project for possible emergency issuance.

CAGENERAL-35

A sixty-four year old retired bookkeeper who was recruited as a CAGENERAL in April 1966, but as yet has not been assigned to an operation. He has handled all test letters expeditiously and securely.

SECRET

CAGENERAL-36

A sixty-four year old female pensioner who resides alone. She was recruited as a CAGENERAL in April 1966, and has been assigned to the Frankfurt Base CABATON project for possible emergency issuance.

CAGENERAL-37

A fifty-six year old single female employee of the City Government of Munich. She was recruited as a CAGENERAL in April 1966, but as yet has not been assigned to an operation. She has handled all test letters expeditiously and securely.

[]

A sixty-four year old pensioner, employed on a part-time basis as a cashier, was recruited as a CAGENERAL in November 1966. Details concerning his recruitment and a request for full Operational Approval will be received in Headquarters shortly.