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ION REQUIRED - REFERENCES	ar or frogody officials		
Action: Approval	of Project		
Reference: EGNS-	4154, 2 January 1969		
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1. Forwarde the request for t	d herewith and under sep he renewal of Project CA	arate TOPHAT	cover is f for FY 1970.
2. You will	note that paragraph 19	A conf	tains the
These have as vet	for CATOPHAT/9, CATOPHA not been formalized by	an MOA	l, but will be
by the time this	Project becomes effective order to reflect propose	re. Th	erefore, they
	was recruited as an acce		
CATOPHAT/CAPAYOFF	target. He has been in	cluded	l in this Project
CATOPHAT asset wi	oses. A request for his 11 be forwarded in the r	ear fu	iture.
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Separate Cover Attachment #3 to EGNA-38040, 28 March 1969

IDENTITIES:

1. Nikolajs PICKA

2. Abmed Kamal HAMDI

3. Gennadiy Mikhaylovich LIPILIN

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Left Side

Right Side

IDENTIFICATION

1. CATOPHAT is the cryptonym assigned to the FJSTEAL Embassy located near Bonn, Test Germany. CAPAYOFF is the Cryptonym assigned to the rose RAL Trade Mission located in Cologne, West Germany, Project CATOPHAT is an operation directed against CATOPHAT CAPAYOFF and the personnel assigned to both installations. Of the 89 persons officially assigned to CATOPHAT, 37 are known or suspect members of FISTEAL Source intelligence. Of the 73 persons officially assigned to CAPAYOFF, 21 are known or suspect members of FJSTEAL intelligence.

OBJECTIVES

To acquire positive intelligence information on FJSTEAL military research, military and fullitical plans and FJSTEAL society intelligence activity through the recruitment or defection of personnel assigned to CATAPIAT, and CAPAYOFF, with primary emphasis on those members of the FJSTEAL intelligence services who are most likely to be a research of the FJSTEAL intelligence services who are most likely to have access to such information. A-1 of the current German Station Operating Directive.)

7034 To acquire counter-intelligence information relative to BUSTEAL clandestine activity conducted by CATOPHAT and source frode CAPAYOFF personnel, especially that which is directed against mission, Coloque WOLADY interests.

CHANGES

During Spring 1968, the FISTEAL branch This has resulted in a closer and more natural association of FISTRAL source branch officers with the local diplomatic and German communities, the principal milieux in which CATOPHAT personnel operate. mail intercept

A. In November 1968 the CALLIKAK monitoring responsibility for the CATOFFAT and CAPATOFF installations was taken over by MHERUSE authorities. Although this resulted in a temporary triatus in this important coverage, the flow of operational information from this source has resumed. The raw Allow waterial (CALLIKAK on CATOPHAT and specified CATOPHAT personal residences) is currently passed to the asserted with the transcribed results and used tapes being returned to CAWHISPER. Only recently has the CAPAYOFF CALLIKAK Source Embosy mail stone intercept

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coverage (under the control of CATUSK) resumed and in this case, only the finished CATUSK reports are passed to WOFIRM.

B. Folly Fall 1968 the major operational effort of the FISTFAL branch was directed against two members of Source tembers, Branch was directed against two members of source tembers, Branch was directed and ARCRIP residents, respectively. As a by-product, this effort has led to a revised method of handling leads provided by CALLIKAK Main form of CAPRAIRIE, which in turn has resulted in an earlier identification of CAPOPHAT/CAPAYOFF contacts.

Source tembers, Branch service to the service of the ser

C. During mid-Winter 1968 Soviet branch Bonn began a search for controllable access agents among varied groups of peode, who although perhaps presently not in contact with members of CATOPHAT/CAPAYOFF, could be placed in positions in the local diplomatic and German communities where they would have an opportunity of establishing meaningful access. Our chief criterion in selecting such people is that they have the necessary attributes needed for good access agents. It is hoped by this method to broaden the scope of our attack on the local Soviet target.

INTELLIGENCE PRODUCTION

5. The major product of this Project has been and probably will continue to be operational and counter-intelligence information concerning the persons and activities of the CATOPHAT and CAPAYOFF installations. This type of information has increased our operational intelligence holdings on both the CATOPHAT and CAPAYOFF targets and has allowed one successful PNG action in liaison with CAWHISPER. LOW Although an increased number of intelligence reports concerning matters of FUSTFAL interest have been disseminated during the past Project year as opposed to previous years, they have almost invariably resulted from members of the East Bloc official and semi-official community wittingly speaking with WOLADY officials (actually members of WOFFIRM) speaking with WOLADY officials (actually members of WOFFIRM) and intelligence reporting, in keeping with the above stated Paragraph 2 objectives of this Project, until an FUSTFAL received intelligence officer has been recruited and is fully cooperative.

EFFECTIVENESS

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6. During the past Project year CATOPHAT assets have provided biographic and assessment data on members of CATOPHAT—

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and CAPAYOFF with whom they have had contact, one known

AEGRIP officer was PNG'd, and the number of intelligence
disseminations increased slightly. Three of our CATOPHAT some
agent assets can be considered as genuine access agents
to the CATOPHAT/CAPAYOFF targets. Because of the successful
PNG action, one of the three has since been terminated. The
concentrated effort against two specific targets (mentioned
in paragraph 4 B, above) has developed a number of leads,
who may be turned into true access agents and thereby increase
the effectiveness of the Project in the gathering of operational
intelligence. As noted above, we are now engaged in a
concentrated effort to build up a stable of controlled
agents whom we can commit as circumstances require against

PERSONNEL

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targets of our choice.

7. CATOPHAT personnel at present comprise eleven controlled assets selected from Wolfady, MHBRUSH and third country nationals. Annex A summarizes the current status and access of all CATOPHAT assets.

PROBLEMS

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- 8. As in all areas of the world, MHBRUSH being no exception, there are certain general problems related to operating against the FJSTEAL target, mone of them insurmountable. They are mentioned here as a matter of record.
 - Non-communist contacts by CATOPHAT/CAPAYOFF members are either pursued in keeping with the official functions of the individual member's overt position. or if for some other purpose, have the sanction of that member's superior. In search for access agents, this restal tactic generally serves to limit the types of persons from which WOFIRM can pick and chose, but fortunately CATOPHAT/CAPAYOFF maintain such a large group of contacts, that lack of numbers as such poses no problem. Those CATOPHAT/ South Emlary ... CAPAYOFF contacts who in general are not eager to assist WOFIRM fall into the following groups: Business men having dealings with the Communist Bloc and persons of an ideological stripe, who if not necessarily procommunist are certainly not willing to stick their neck out for the West. Fortunately there are many

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contacts who do not fall into either one group or the other, and there are exceptions to the rule even within these groups.

B. The second problem area relates to ascertaining which of the many CATOPIAT SAPAYOFF contacts are likely to be willing to offer us their services if properly approached. Captillak provides the vast south Enloying and majority of leads to all the overt CATOPHAT/CAPAYOFF Took mission contacts, but it does no more than that. The greatest problem is to acquire the necessary assessment data on each of these contacts in order to determine which of them is likely to be cooperative. For those who are members of the diplomatic community or resident in the local-Minrush or third national communities, this is usually no great problem. For the many outside the aforementioned communities, it is more difficult and time-consuming to gain access to them and the number and types of approactes possible are considerably more limited. One additional problem concerning the Louist Ends. acquisition of agents for use against CATOPHAT/CAPAYOFF ... Trode is the small geographic and population sphere in which the target and its contacts move. This factor dictates that great care and caution be used in assessing and developing agent candidates for use against the target. lest WOFIRM's efforts come to the attention of the FUSTRALers before the agent candidate is fully recruited and a clandestine relationship has been established.

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The foregoing problems do present obstacles in the way of achieving the objectives of this Project, but the possibilities for acquiring significant intelligence through the successful recruitment of select Fistral IS officers assigned to CATOPHAT or CATAVOLE makes the effort to overcome such obstacles more than worthwhile.

LIAISON

This Project

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CATOPHAT is a unilateral project. Liaison with MIDRUSH intelligence and security services involves only the target, not normally our access agents. CAGRAPEdouble agent, on in liate on with AVHISTER against ALBERT/1, a member of CATOPHAT who is a known ABRICK officer.

CATOPHAT/16 is known to CAWHISTER as a result of coordination and CAWHISPER activities directed against of |

Page 5

the Source Trade Mission

Dutch Inkliquence Senusce AEDRAIN, a known AEKICK officer assigned to CAPAYOFF.
CATOPHAT/8 was a double agent run in liaison with CAWHISPER against AEUPEND/2, a member of CATOPHAT and known AEGRIP officer, who was PNG'd. CATOPHAT/8 has been terminated.

The ______ are aware of CATOPHAT/14's cooperation with WOFIRM against the CATOPHAT/14's cooperation as CATOPHAT/14 was introduced to a WOFIRM staffer by

11. Liaison coordination against CATOPHAT/CAPAYOFF involves the following:

A. CAWHISPER maintains counter-intelligence coverage on the FISTEAL embassy and provides with identities, photographs, residence addresses, local travel and license plate numbers of both privately registered and official vehicles and traces as requested. In addition, CAWHISPER provides the results of their physical surveillance of FJSTEALers Sources involved in CAWHISPER double-agent operations, and with observation post coverage of CATOPHAT. Because Because GAWHISPER has only three case officers working on the entire FISTRAL target in MIBRUSH their assistance in conducting FI-oriented operations against CATOPHAT/ Soviet Emb CAPAYOFF is necessarily limited. Their efforts are of course primarily in the field of CI/CE operations. The excellent liaison relationship with CAWHISPER is an important aspect of operations against the FJSTEAL general target and is expected to continue (as in the past) and hopefully movese.

to continue (as in the past) and topology we see .

B. CATUSK provides notification of FISTEALERS

traveling to MURRISH They also service traces as

traveling to MHBRUSH. They also service traces as requested.

The mail intercept

C. CALLIKAK is most important operational tool for acquiring leads to persons and firms in contact with CATOMIAT and CAPAYOFF. CAWHISDER LAWRISDER and CATOMIAT/CAPAYOFF in November 1968. TO CAWHISDER masses raw take from its monitoring of CATOMIAT/

Transcription is done

AESCREEN team and the finished results are bassed to

CAWHISPER. CATUSK furnishes with
finished reports of its monitoring effort against

CAPAYOFF and certain of the lines going to CATOPHAT.

The arrangement with CAWHISPER is expected to continue

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in Project Year 1970. There are already indications that CATUSK intends to delete from its reports the names of MIBRUSH firms and individuals dealing with CATOPHAT and CAPATOFF based on their contention that and Trade Mission the passing of such information is contrary to Michigan interests. Although this has not yet occurred, if and when it does, the operational value of the CALLIKAK received from CATUSK-BND will be greatly diminished.

INTER-AGENCY COORDINATION

There is no inter-agency coordination required for this Project.

PLANS

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13. Considering the far greater size of the CATOPHAT/ lit is necessary to concentrate limited CIA WOFIRM manpower on select, primary targets, who are known or suspect intelligence officers and who, if recruited, offer the best chances of fulfilling the paragraph 2 objectives of this Project. Concentrated effort will be directed against other members of CATOPHAT/CAPATOFF (including non-IS) only when there are indications of vulnerability, which can be parlayed into recruitment. Although these personnel are not likely to provide significant hard intelligence responsive to the paragraph 2 objective of this Project, they would be valuable assets for operational and counter-intelligence (paragraph 3 objective) on the sout Embery and counter-interingence processing and counter-interingence process and counter-interi data on primary target FISTEAL intelligence officers.

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In order to acquire the vulnerability and assessment data necessary for determining which of the primary taget FISTEAL intelligence officers offer the best recruitment or defection prospects, is making a major effort to expand its stable of access agents capable of assessing and developing Figure intelligence officers. In an effort to increase the total number of persons available in this category, greater attention is being given to that group of people already in the diplomatic and local German communities, who although they do not presently have contact with members of CATOPHAT/CAPATOFF, could be put into such contact. An increased effort is being made to locate persons

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Page 7 Soviet Embersy and Trade Marion

having no present contact with the CATOPHAT/CAPAYOFF target or any reason to have contact, but because of intelligence and personal qualifications are good access agent material. is planned to train them and place them in the local diplomatic and German communities where they will have an opportunity to gain access to members of CATOPHAT/CAPAYOFF. (see paragraph 4 C, above). This approach will also allow the placement of fully recruited agents in MIBRUSH companies doing business with FJSTELL and having contact with members of CATOPHAT/CAPAYOFF. This will obviate one of the major obstacles in gaining access the target personnel mentioned. in paragraph 8 A, above,

Though members of the East Bloc official and semiofficial communities are not first priority recruitment targets, close scrutiny is being given those select few , who have continuous and close contact with primary target FJSTEAL intelligence officers assigned to CATOPHAT and y CAPAYOFF. It is recognized that considerable time and effort is required to effect the recruitment of a Bloc person and only those persons will be considered who not only already have the desired access but have previously shown themselves to have vulnerabilities which would make them good recruitment prospects.

SECURITY

Present operational assets of this Project are personnel handled by . CATOPHAT/1 and CATOPHAT/2, a husband and wife team, and CATOPHAT/3 and CATOPHAT/4, also a husband and wife team, are probably witting of WOFIRM's role because CATOPHAT/1 and CATOPHAT/3 are former CAWHISPER employees. The risk of embarrassment in the event of compromise with any of the aforementioned or any other present CATOPHAT asset is small. As other individual assets are developed, they also will be handled officers under [] cover. polygraph

is planning to SGSWIRL CATOPHAT/16 on an appropriate occasion, specifically to establish that he has not divulged his contact with a WOLADY IS to any " unauthorized persons and that he has not wittingly cooperated with FISTEL IS. (HIDRONE) will be SCSWIRLed in the near future to complete establishment of his bona fides. During press representation past Project year several marginal CATOPHAT assets were dropped without prejudice. There were no resulting adverse security problems. At the present time there are no known security problems concerning the other CATOPHAT agents. Soviet Embessy

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COSTS

- 18. The accumulated field obligations for the CATOPHAT Project from 1 October 1967 through 28 February 1968 amounted to \$8,023.11.
- 19. The estimated expenditures for this Project for the period 1 July 1969 through 30 June 1970 total \$22,475.00. An analysis of all proposed expenditures follows:
 - A. Agent salaries, operational expenses and special bonuses.

	•			
	CATOPHAT/1 and /2	\$	1,825	.00
	CATOPHAT/3 and /4		400	.00
	CATOPHAT/9 (proposed)		1,825	.00
	CATOPHAT/13 (proposed)		1,500	.00
	CATOPHAT/16		1,400	.00
	HOENTITY 1 Picke		1,025	.00
	IDENTITY 2 (proposed) CASCOPP		7,200	.00
	HIDRONE (proposed)		3,000	.00
В.	Rental of hotel rooms for		4	
	operational purposes		\subset	
c.	Miscellaneous supplies		C	ユ
D.	Material and equipment		C	1
E.	Miscellaneous expenses and recruit- ment of new assets (to include			
	entertainment, ops expenses, spot payments)		 ر	_
		-	,	لير
	TOTAL	(<u> </u>	

CURRENT STATUS OF AGENTS

FGR FRG 1. CATOPHAT/1. Subject, a 69 year old MIBRUSH citizen, is a retired staff officer of CATOPHAT/ER with a long history of work against the CATOPHAT/CAPATORI target. His apartment is adjacent to that of Identity 3. Subject and his wife, CATOPHAT/2, act as Alikol LP keepers for an audio operation directed against Identity 1. apartment. They had personal contact with the FJSTEALer who was previously resident in Ideality as apartment and hopefully in the near future will be able to effect contact with Identity S. E.L.

In addition to his duties as informant and LP keeper. Subject functions as a general support asset of the FUSTRAL

and is used to investigate leads derived from MALLIKAK on CATOPHAT.

Case officer under to cooperate with WOFIRM because it provided him an opportunity to continue working against the it strat target in WHERUSH and because the salary he receives supplements his CAWHISPER retirement income. It is anticipated that Subject will provide loyal service as long as the basic interests of MIDRUSH and WOLADY coincide. the FRES

- Subject, the wife of CATOPHAT/1, is used as CATOPHAT/2. an LP keeper in the audio operation against Identity 1. addition, she observes and reports arrivals and departures at Identity 1's apartment.
- Subject, a 40 year old MHBRUSH citizen, is CATOPHAT/3. the manager of an apartment building owned by his father-in-law and in his own right is a partner in a wholesale plywood firm. Since at least 1956, the apartment building has been continually occupied by various members of CATOPHAT, among them several known and suspect intelligence officers. Subject, who was formerly a support agent for CAWHISPER was turned over for unilateral handling in 1964. Subject provides useful operational information on the residences of certain carophaters; his wife reports on their comines and goings. Subject is met regularly (in alias) Subject accepts remuneration and appears to cooperate with The Station out of ideological conviction.
- 4. CATOPHAT/4. Subject is the wife of CATOPHAT/3 and, through her husband, reports on Catophat personnel living in their In effect, Subject is the actual source of a great deal of the information on the comings and goings of the CATOPHATORS () of the comings and goings of the CATOPHATORS since she is present at the apartment through the day. witting of her husband's contacts with a WOLADY organization interested in CATOPHAY personnel, and cooperates willingly with her husband in gathering whatever information she can. In the past year, Subject has had direct contact with the case officer in

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charge of this operation. She is also attempting to develop a social relationship with the wives of CATOPHATERS living in the building.

- 5. CATOPHAT/9. Subject is a 47 year old MHBRUSH citizen who is a professor at the university in Bonn. Operational approval was granted Subject in January 1967 to spot and assess FISTEAL personnel and their contacts in MBRUSH. To date Subject has been able to provide spotting information and a moderate amount of assessment data on a small group of FISTEAL contacts within the university. Because he has the personal characteristics and intelligence to be a good access agent, it is hoped that bycareful case officer direction, he can be maneuvered into contact with members of CATOPHAT who are interested in having contacts within the university.
- 6. CATOPHAT/13. Subject is a 39 year old MHBRUSH citizen who is a car and truck salesman with a large MHBRUSH firm in the Bonn area. He has had occasional social contact with several members of CATOPHAT during the past project year. Although Subject is not assessed as having the necessary characteristics to be an access agent, he is suitable as an informant on members of CATOPHAT with whom he has contact. During the current project year he will be directed so as to increase his circle of acquaintances among CATOPHAT personnel.
- 7. CATOPHAT/14. Subject is a 27 year old non-German European who represents a firm in Bonn selling customs-free luxury goods to the diplomatic missions in the area. Subject will be moving away from the Bonn area at the beginning of the new project year, in order to build up a similar business elsewhere. For that reason we have not included him in the new project year. With CATOPHAT/14's approval, his place in Bonn will be taken by a WOFIRM contract employee who will be the subject of separate reporting.
- 8. CATOPHAT/16. Subject is a 30 year old German national employed by several German companies as a chauffeur for two capator officials having extensive business dealing with these and other firms in Germany. He reports on the itinerary of these two capator officials, their activities while visiting these German firms and is instructed to look for and attempt to develop vulnerabilities which we can exploit.
 - 9. Identity. 1. Subject is a 45 year old Latvian who is a naturalized MIBRUSH citizen. He is a psychologist employed by the city government of Cologne and has had considerable scientific

and technical training in the electronics field. An Operational Approval was granted Subject in August 1967 to spot and assess four FISTEAL personnel and their contacts in MHBRUSH To date Subject has been unable to provide much useful information. However, in the past month he was able to join a scientific organization in the Bonn area which is known to be frequented by CATOPHAT four form personnel. It is hoped that through this vehicle he can directly assess the CATOPHAT personnel, and in addition report on their contacts within the local MHBRUSH scientific community.

- Identity 2. Subject is a 36 year old former Arab diplomat previously stationed in Germany who is now living in Bonn as a businessman. He has a wide circle of acquaintances within the Bonn diplomatic community, primarily composed of representatives from the underdeveloped part of the world, as well as West German officials in regular contact with these diplomats. In addition, he also knows many Arabi students and workers in the Bonn area. Many of these acquaintances have been identified as having some sort of relationship to CATOPHAT/ CAPAYOFE targets or would be of interest to the latter for could possibly develop a legitimate reason to come in contact with them. For this reason we plan using Subject for assessing and developing those of his acquaintances who could eventually be recruited as access agents to CATOPHAT/CAPAYOFF. He will at the same time continue his efforts at spotting other candidates among his acquaintances for such a role. We have included a sizeable amount of salary for Subject in the new project necessitated by anticipated high costs of entertaining and cultivating his contacts who for the most part have a high standard of living.
- 11. (HIDRONE). Subject is a 56 year old HIWAY citizen serving as a journalist in MUDDUSH HE Was formally recruited on 12 September 1968. As soon as he has passed the SCSWIRL, which will be done at the earliest opportunity, his operational approval will be requested. Subject already has contact with members of CATOPHAT on whom he has provided assessment and biographic data. Subject himself is assessed as having the qualities of a good access agent. He is expected to be in MIDRUSH for two and a half years.

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