SECRET TELEPOUCH

DISP NO- EGNW-8262

FILE NO- NONE

DATE - 30 APRIL 1969

INDEX - NONE

FILM - NONE

TO - [

INFO - NONE

FROM - CHIEF, EUR

SUBJECT- D CALL/REDCOAT/CATOPHAT

PROJECT RENEWAL

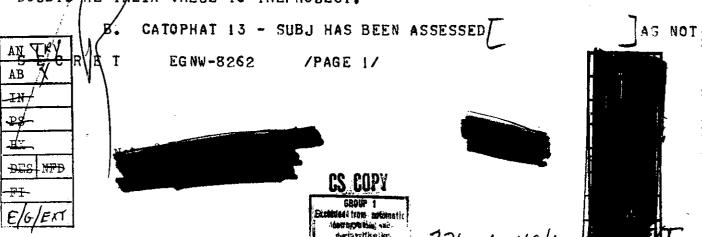
ACTION - FYI

REFS - A. EGNA-38040, 28 MARCH 1969

B. BONN-0305, 2 APRIL 1969

DECLASSIFIED AND RELEASED BY CENTRAL INTELLIBENCE ABENCY SOURCES METHODS EXEMPTION 3 B 2 B NAZ! WAR CRIMES DISCLOSURE ACT DATE 2007

- 1. HQS APPRECIATES THE TIMELY TRANSMISSION OF THE CATOPHAT PROJECT RENEWAL REQUEST FORWARDED IN REF A. HOWEVER, BEFORE SUB-MITTING IT TO THE VARIOUS HQS ELEMENTS FOR APPROVAL, WE WOULD LIKE TO MAKE THE FOLLOWING COMMENTS AND SUGGESTIONS.
- 2. WE AGREE WITH THE BASIC AIMS OF THE PROJECT AND FULLY ENDORSE INTENTION TO ACQUIRE AND TRAIN A STABLE OF ACCESS
 AGENTS WHO CAN BE DIRECTED AGAINST DESIGNATED SOVIET TARGETS. WE FEEL
 THAT ONLY THOSE ASSETS WHO ARE FULLY RECRUITED AND CONTROLLED AND CAN
 BE EXPECTED TO REPORT REGULARLY AND IN SOME DEPTH SHOULD BE INCLUDED
 IN THE PROJECT. IN VIEW OF THIS WE QUESTION THE PROPOSED INCLUSION
 IN THE PROJECT OF THE FOLLOWING INDIVIDUALS -
- A. CATOPHAT 3 AND 4 SUBJS HAVE LIMITED POTENTIAL ACCESS TO SOVIETS WHO LIVE IN THEIR APARTMENT BUILDING. THEIR MARGINAL PERFOR-MANCE OVER THE PAST FIVE YEARS, PARTICULARLY THEIR FAILURE TO ESTABLISH SIGNIFICANT SOCIAL CONTACT WITH ANY OF THEIR SOVIET NEIGHBORS RAISES DOUBTS RE THEIR VALUE TO THEPROJECT.



HAVING THE NECESSARY CHARACTERISTICS OF AN ACCESS AGENT, AND PROBABLY SHOULD BE RETAINED ON AN INFORMANT BASIS ONLY.

- C. CATOPHAT 19 IN VIEW OF THE FACT THAT

 BEEN IN OCCASIONAL CONTACT WITH SUBJ FOR THE PAST SEVERAL YEAR, WE

 FAIL COMPREHEND WHY IT SHOULD BE NECESSARY TO OBTAIN BIO DATA BY

 ELICITATION. WE RECOGNIZE, HOWEVER, THAT HE DOES HAVE SEVERAL CONTACTS

 OF INTEREST AND WILE WE DOUBT THAT HE WILL EVER BE BROUGHT INTO AGENT

 STATUS, CONTACT SHOULD BE MAINTAINED ON AN INFORMANT BASIS.
- 3. HQS AGREES THAT IDENTITY 2 OF REF A /CASCOFF/ MAY HAVE SOME POTENTIAL AS A SPOTTER, ASSESSOR AND DEVELOPER OF ACCESS AGENTS TO THE SOVIET TARGET, BUT THIS REMAINS TO BE SEEN. WE WOULD APPRECIATE RECEIVING A DETAILED OPERATINAL PLAN OUTLINING HIS PROPOSED USE. WE ARE CONCERNED ABOUT HOW HE WILL EXPLAIN HIS SUDDEN ABILITY TO ENTERTAIN HIS CONTACTS IN THE AFFLUENT MANNER WHICH REF A IMPLIES.
- 5. CONCUR IN HIDRONE'S INCLUSION IN THE PROJECT. HQS COMMENTS ON THE FUTURE DEVELOPMENT OF THE HIDRONE CASE ARE BEING FORWARDED SEPARATELY.
- 6. SINCE SALARY, OPERATIONAL EXPENSES AND BONUSES FOR EACH AGENT WERE PRESENTED AS A LUMP SUM WE ARE UNABLE TO MAKE A COGENT ANALYSIS OF PROPOSED PROJECT EXPENDITURES. PLS SUBMIT A PRECISE BREAKDOWN OF PROPOSED SALARIES, OPERATIONAL EXPENSES AND BONUSES FOR EACH ASSET.
- 7. WHILE OUR SPECIFIC COMMENTS ON SALARY LEVELS WILL HAVE TO AWAIT THE MORE DETAILED OUTLINE REQUESTED ABOVE, HQS FEELS THAT, IN GENERAL, INITIAL SALARY LEVELS SHOULD BE MODEST IN ORDER TO LEAVE GROWTH ROOM ON THE BASIS OF LATER PERFORMANCE AND MERIT.
- 8. FOREGOING COMMENTS ARE BASED ON A DESIRE TO TRIM THE PROJECT
 TO A HARD FUNCTIONAL NUCLEUS OF ASSETS WHO CAN BE REASONABLY EXPECTED
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SECRET EGNW-8262 TO MAKE A SIGNIFICANT CONTRIBUTION. ALL OTHER DEVELOPMENTAL ACTIVITIES INVOLVING POTENTIAL CATOPHAT ACCESS OR SUPPORT AGENTS SHOULD BE FUNDED OUT OF SB OOA UNTIL SUCH TIME AS IT BECOMES CLEAR THAT THEY MEET THE STRINGENT STANDARDS WHICH SHOULD BE MAINTAINED. DISTRIBUTION -Y TELEPOUCH SECRET EGNW-8262 /PAGE 3/ PREPARED BY -]E/G/EXT QS DISTRIBUTION SB/X/EU - E/G/IS COORDINATION -SB/X/EU RELEASED BY -/ - E/FI/CI

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