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PROJECT CATOPHAT RENEWAL

DECLASSIFIED AND RELEASED BY  
CENTRAL INTELLIGENCE AGENCY  
SOURCE METHOD EXEMPTION 3B2D  
NAZI WAR CRIMES DISCLOSURE ACT  
DATE 2007

I. IDENTITY

1. CATOPHAT is the cryptonym assigned to the MHHARSH Embassy located near Bonn, West Germany. CAPAYOFF is the Cryptonym assigned to the MHHARSH 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 MHHARSH intelligence. Of the 73 persons officially assigned to CAPAYOFF, 21 are known or suspect members of MHHARSH intelligence.

II. FINANCIAL HISTORY

CAPAYOFF

<u>Project Year</u>	<u>Approved</u>	<u>Obligated</u>
1 Sept 66 - 31 Aug 67	\$ [     ]	[     ] FY 67
1 Sept 67 - 31 Aug 68	[     ]	[     ] FY 68

CATOPHAT

<u>Fiscal Year</u>	<u>Approved</u>	<u>Obligated</u>
1967	\$ [     ]	\$ [     ]
1968	[     ]	[     ]
1969	[     ]	[     ]

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GROUP 1  
Excluded from automatic  
downgrading and  
declassification

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III. PURPOSE

2. To acquire positive intelligence information on MHHARSH military research, military and political plans and MHHARSH intelligence activity through the recruitment or defection of personnel assigned to CATOPHAT and CAPAYOFF, with primary emphasis on those members of the MHHARSH intelligence services who are most likely to have access to such information. (Priority A-1 of the current [ ] Operating Directive).

3. To acquire counter-intelligence information relative to MHHARSH clandestine activity conducted by CATOPHAT and CAPAYOFF personnel, especially that which is directed against WOLADY interests.

IV. DESCRIPTION

4. CATOPHAT is designed to develop a stable of controlled assets who can provide assessment and vulnerability data on the Station's MHHARSH targets. Current assets are as follows:

A. CATOPHAT 1 & 2 - A husband-and-wife team which acts as LP keepers for an audio operation directed against a primary Station target.

B. CATOPHAT 16 - A 30-year old German national who is employed by several German companies as a chauffeur for two CAPAYOFF officials. He reports on the itinerary of these officials and on their activities and contacts while visiting German firms.

C. HIDRONE - A 56-year old Hungarian journalist who provides assessment and biographic data on CATOPHAT officials.

V. CHANGES

5. During Spring 1968, the MHHARSH [ ] This has [ ] resulted in a closer and more natural association of MHHARSH branch officers with the local diplomatic and German communities, the principal milieu in which CATOPHAT personnel operate.

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A. In November 1968 the CALLIKAK monitoring responsibility for the CATOPHAT and CAPAYOFF installations was taken over by MHBRUSH authorities. Although this resulted in a temporary hiatus in this important coverage, the flow of operational information from this source has resumed. The raw AENOSEY material (CALLIKAK on CATOPHAT and specified CATOPHAT personal residences) is currently passed to the AESCREEN team, with the transcribed results and used tapes being returned to CAWHISPER. Only recently has the CAPAYOFF CALLIKAK coverage (under the control of CATUSK) resumed and in this case, only the finished CATUSK reports are passed to RVROCK.

B. In Fall 1968 the major operational effort of the MHHARSH branch was directed against two members of CATOPHAT, who were the AEKICK and AEGRIP residents; respectively. As a by-product, this effort has led to a revised method of handling leads provided by CALLIKAK and CAPRAIRIE, which in turn has resulted in an earlier identification of CATOPHAT/CAPAYOFF contacts.

C. During mid-Winter 1968 Soviet [ ] began a search for controllable access agents among varied groups of people, 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.

VI. ACCOMPLISHMENT

6. This Project is not designed to produce intelligence although HIDRONE was the source of several disseminations during the past year. His production was reviewed in the CABERO Project Renewal.

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7. 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. We do not expect any significant increase in meaningful, hard intelligence reporting, in keeping with the above stated Paragraph 2 purpose of this Project, until an MHHARSH intelligence officer has been recruited and is fully cooperative.

8. During the past Project year CATOPHAT assets have provided biographic and assessment data on members of CATOPHAT and CAPAYOFF with whom they have had contact, one known AEGRIPOFF officer was PNG'd, and the number of intelligence disseminations increased slightly. Three of our CATOPHAT 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 5-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 targets of our choice.

VII. PROBLEMS

9. As in all areas of the world, MHRUSH being no exception, there are certain general problems related to operating against the MHHARSH target, none of them insurmountable. They are mentioned here as a matter of record.

A. 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. [ search for access agents, this MHHARSH tactic generally serves to limit the types of persons from which RVROCK can pick and chose, but fortunately ]

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CATOPHAT/CAPAYOFF maintain such a large group of contacts, that lack of numbers as such poses no problem. Those CATOPHAT/CAPAYOFF contacts who in general are not eager to assist RVROCK fall into the following groups: Businessmen having dealings with the Communist Bloc and persons of an ideological stripe, who if not necessarily pro-communist are certainly not willing to stick their neck out for the West. Fortunately there are many 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 CATOPHAT/CAPAYOFF contacts are likely to be willing to offer us their services if properly approached. CALLIKAK provides the vast majority of leads to all the overt CATOPHAT/CAPAYOFF 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 MHRUSH 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 approaches possible are considerably more limited. One additional problem concerning the acquisition of agents for use against CATOPHAT/CAPAYOFF 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 RVROCK's efforts come to the attention of the MHHARSHers before the agent candidate is fully recruited and a clandestine relationship has been established.

10. 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 MHHARSH IS officers assigned to CATOPHAT or CAPAYOFF makes the effort to overcome such obstacles more than worthwhile.

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11. Present operational assets of this Project are handled by [ ] personnel [ ]. CATOPHAT/1 and CATOPHAT/2, a husband and wife team, are probably witting of RVROCK's role because CATOPHAT/1 is a former CAWHISPER employee. 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 [ ]

12. [ ] 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 MHHARSH IS. HIDRONE will be SGSWIRLED in the near future to complete establishment of his bona fides. During the 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.

VIII. COORDINATION

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

IX. PLANS

14. Considering the far greater size of the CATOPHAT/CAPAYOFF target relative to the operational element [ ] it is necessary to concentrate limited RVROCK 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 purpose of this Project. Concentrated effort will be directed against other members of CATOPHAT/CAPAYOFF (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 purpose of this Project, they would be valuable assets for operational and counter-intelligence (paragraph 3 purpose) on the CATOPHAT/CAPAYOFF target and vulnerability and assessment data on primary target MHHARSH intelligence officers.

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15. In order to acquire the vulnerability and assessment data necessary for determining which of the primary target MHHARSH intelligence officers offer the best recruitment or defection prospects, [redacted] is making a major effort to expand its stable of access agents capable of assessing and developing MHHARSH 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/CAPAYOFF, could be put into such contact. An increased effort is being made to locate persons 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. It 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 5-C, above). This approach will also allow the placement of fully recruited agents in MHRUSH companies doing business with MHHARSH and having contact with members of CATOPHAT/CAPAYOFF. This will obviate one of the major obstacles in gaining access to target personnel mentioned in paragraph 9-A, above.

16. Though members of the East Bloc official and semi-official communities are not first priority recruitment targets, close scrutiny is being given those select few who have continuous and close contact with primary target MHHARSH intelligence officers assigned to CATOPHAT and 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.

X. COSTS

17. The estimated expenditures for this Project for the period 1 July 1969 through 30 June 1970 total [redacted]. In the current Operating Program [redacted] was projected for CATOPHAT. Funds requested for FY 70 are to be expended in the following manner:

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A. Agent salaries, operational expenses and special bonuses.

CATOPHAT/1 and /2 \$ 1,825

CATOPHAT/16 [ ]

HIDRONE [ ]

B. Rental of hotel rooms for operational purposes [ ]

C. Miscellaneous supplies [ ]

D. Miscellaneous expenses and recruitment of new assets (to include entertainment, ops expenses, spot payments) [ ]

TOTAL [ ]

FY 69

[ ]

FY 70

[ ]

FY 71

[ ]

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