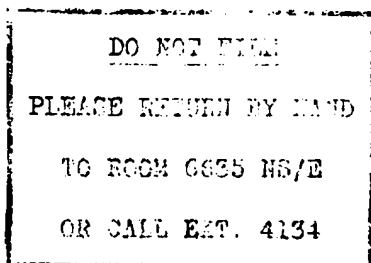


APPROVED FOR RELEASE  
DATE: OCT 2002



21 December 1961

STATUS REPORT  
ON  
COVERT ACTIONS IN VIETNAM  
(Keyed to 28 November Report)

1. a. Montagnard (Highlander) Program:

A training course was completed by 26 Vietnamese officers preparatory to their engaging in intelligence collection, recruiting and reporting activities among Highlanders in five provinces of Central Vietnam.

b. Rural Reconstruction Operations:

No significant change.

c. Para-Military/Intelligence Operations Against Viet Cong in South Laos and North Vietnam; Commercial Air Cover Company:

The agent team operating in the Son La Province of North Vietnam recruited its second agent from among the local population and reported by radio on the status of cooperatives, the local rice crop situation, and DRV internal security precautions in the area.

Plans for dispatching a harassment team to Moc Chau and an intelligence reconnaissance team to Thanh Hoa were suspended pending the completion of an overall review of the concept for operations directed against the North.

Underwater diving equipment arrived in Saigon for initial testing. Also the assessment of candidates was begun to determine what personnel would be selected to form an underwater demolition team which would be directed against suitable sabotage targets in strategic maritime areas of North Vietnam.

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Plans for infiltrating three teams to reconnoiter the area north of Tchepone to Route 12 were abandoned because of Royal Laotian Government objections.

d. Central Intelligence Organization:

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(S)

[REDACTED] Vietnamese officers departed Saigon to conduct regional surveys in connection with the establishment of the Central Intelligence Organization and the Domestic Intelligence Service.

e through i: No significant change.

2 through 5: No significant change.

6. Use of Chinese Nationalist Personnel:

A Approval was received for the use of 20 Chinese Nationalist aircrews in operations against the Vietnamese Communists in South Laos and South Vietnam. Approval was also received to employ 30 Chinese Nationalist Special Forces personnel to assist in training civilian Vietnamese in South Vietnam in unconventional warfare techniques.

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