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31 January 1955

MEMORANDUM FOR: Director Central Intelligence
VIA : Deputy Director, Plans
VIA : Project Review Committee
SUBJECT : Project AEVIRGIL Amendment No. 2

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD USE EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

1. It is hereby requested that Project AEVIRGIL be amended to provide an additional \$13,700 for the third and fourth quarters of FY 55 increasing the AEVIRGIL budget from to . Five thousand dollars of the additional funds requested is ~~expended~~ for the implementation of a proposed organization of activities by the newly organized American Chapter of AEVIRGIL. The \$8,700 balance of the requested appropriation will be utilized to cover the increased costs for the last half of FY 55 of an expanded program of printing and balloon operations conducted by the parent organization in the field.

2. Project AEVIRGIL is designed to conserve, develop and utilize for the political and psychological struggle against the USSR the unique human resources constituted by the post-war Soviet emigration. To this end, the Central Association of Post-War Emigres (TsOPE) has been organized, supported and controlled by CIA for exploitation as an organization framework for all post-war emigres and as an incentive to potential defectors. TsOPE is further utilized as an attributable source and working mechanism for the conduct of psychological warfare operations against the USSR and the Soviet Occupation forces in Germany and Austria. The importance of Project AEVIRGIL as a weapon of psychological warfare has steadily grown during the past year. Increased KGB interest in its activities serves as the best testimony of this fact.

3. An American Chapter of TsOPE was organized in New York on 11 September 1954. The currently compact membership of the American Chapter is young, ambitious and displays above average enthusiasm and intelligence. The American Chapter represents a potentially significant asset in our anti-Soviet operations. Money and time must be expended to launch the Chapter's activities and organize it into an operating body, otherwise the Chapter will become moribund through

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inaction. We conceive our main justification is aiding the American Chapter to be the development of cadre reserves for eventual REDCAP activities in Germany in connection with the parent project. An acute leadership problem exists in Germany which could become critical with the voluntary or involuntary departure of Gregory KLIMOV, the TsOPE President. An operating American Chapter should permit the establishment of a rotation scheme between Germany and the United States and thereby resolve the present personnel dilemma. A secondary advantage of more than token benefit to us may be derived from this Chapter. The propaganda effect of the international authenticity accorded to TsOPE by the overt success of an American Chapter would enhance the organization's appeal to the potential defector. Specially designed propaganda materials produced by the propaganda workshop of the American Chapter would lend impetus to this effect. Other activities which the American Chapter would sponsor include: formation of an editorial board for "SBOBODA," the house press organ of the parent organization, in which a section would be allocated to the American Chapter; production of propaganda materials for leaflets distributed by the parent organization in Germany; organization and sponsorship of lectures before army units, professional, civic, university and social groups on themes dealing with Soviet realities; organization of press conferences and panel discussions in connection with events in the USSR; mailing printed materials to publishers, universities, congressmen etc; speeches by individual members over radio outlets such as VOA and Radio Liberation; operation of an informal welfare support program for individual needy cases among post-war emigrants in the United States.

4. The \$5,000.00 requested for the American Chapter will be mainly utilized to cover the expenses involved in engaging a full-time organizer and publicist, who will be supplied with an appropriate office. From a standpoint of security and cover, it is felt that he should purchase the necessary office equipment so that the office will have the atmosphere attached to an office of an emigre organization. An amendment to the Project Administrative Plan is being prepared by PAPS to authorize the expenditures of the American Chapter. Overtly, he will be appointed as some sort of administrative functionary for the American Chapter. Under this guise, he will coordinate the activities of the Chapter with the Headquarters case officer and will, in turn, transmit our directives to the officers of the Chapter.

5. Appropriate SR Division authorities have indicated their approval to authorize the additional appropriation requested from available SR/PP funds. In view of the foregoing, it is recommended that approval be granted to the amendment request of Project AEWIRGIL.

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SECURITY INFORMATION

PROJECT FINANCIAL DATA	PROJECT CRYPTONYM AEVIRGIL - Amendment #2
	FISCAL PERIOD COVERED 1 July 1954 THRU 30 JUNE 1955

*MAY NOT EXCEED SECRET CLASSIFICATION

RESPONSIBLE STAFF OR DIVISION SR DIVISION	CASE OFFICER
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A. PERSONNEL REQUIREMENTS

Indicate number and type of personnel required and estimated total compensation for salary, allowances, travel and related employee benefits. Include everyone paid from project.

TYPE	NUMBER		ESTIMATED COMPENSATION		
	U. S. PERSONNEL	FOREIGN NATIONAL	BASE SALARY	ALL OTHER	TOTAL
STAFF EMPLOYEES				Travel	
STAFF AGENTS			[]]
CAREER AGENTS		4	[]]
CONTRACT AGENTS					
CONTRACT CONSULTANTS					
DETAILED PERSONNEL					
FIELD AGENTS					
MILITARY					
ALL OTHER					
TOTAL A.		4	[]]

B. SUPPLIES, MATERIEL AND EQUIPMENT

Indicate amount required in applicable spaces. Attach complete supporting list for each.

COMMO	CHEMICAL	QUARTERMASTER SUPPLIES	OTHER SUPPLIES
\$	\$	\$	\$ 4,528
MEDICAL	ORDNANCE	SPECIAL DEVICES	OTHER EQUIPMENT
\$	\$	\$	\$ 9,764
TOTAL B.			14,292

C. OTHER OPERATIONAL EXPENSES

Indicate volume and nature of expenses such as (1) maintenance of two operational houses abroad (2) spot purchase of information, etc.

Rents & Utilities	\$7,920	Stationery & postage	\$ 200
Lecturing Expenses	500	Welfare Activities	346
Secretarial Service	500	Expanded printing & balloon ops.	6,942
TOTAL C.			16,508

D. SUBSIDY OR PROPRIETARY PAYMENTS

If funds are to be turned over to individuals or groups in large lump sums to be expended by the individuals or groups at their discretion to accomplish an agreed-upon objective, explain the type of financial accounts, factual verification or statements, if any, other than a receipt for the lump sum, which will be obtained.

Receipts are collected and vouchers prepared by contract agents.
 * Subsidy Project AEVIRGIL was approved at \$111,400 for FY 1955. Amendment #1 did not require additional funds. This Amendment requests an increase of \$13,500 for the period 1 Jan. - 30 June 1955. Funds are available from allocation made to Project AEHOB0 in SR Division's approved FY 1955 Operational Program.

TOTAL D.	68,900
TOTAL FUND REQUIREMENTS (A + B + C + D) \$ 	

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SECURITY INFORMATION

E. FUNDING REQUIREMENTS

APPROXIMATE DATES AND AMOUNTS OF MONEY REQUIRED

FORM REQUIRED

U. S. DOLLARS

FOREIGN (SPECIFY)

NEGOTIABLE INSTRUMENTS (SPECIFY)

SPECIAL SECURITY REQUIREMENTS OR METHODS OF TRANSMISSION

F. SPECIAL REQUIREMENTS

(Within security limitations, list any other facts or circumstances which will enable Special Support Staff to lend adequate logistical support to this project. Indicate specificationally the "RUSH" or "TIME" factors involved.)

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MATERIAL AND FACILITIES REQUIREMENTS UNDER

PROJECT AFRICAP/P (AMENDMENT)

A. ZI Self Office Support

1. Supplies and Material (08-09)

a. ZI Logistics Items

Quantity	Unit	Unit Price	Qty.	98	98	Total
2	each	\$ 80.45	2	\$160.90	↓	160.90
2	each	35.00	2	70.00		70.00
2	each	21.65	4	86.60		86.60
2	each	15.20	1	15.20		15.20
2	each	127.80	1	127.80		127.80
2	each	166.80	1	166.80		166.80
2	each	238.35	1	238.35		238.35

DESK, Typewriter, wood, valant, 60" x 34" x 30.5"

CHAIR, Swivel, wood, valant, with arms

CHAIR, Straight, wood, valant, with arms

CHAIR, Typist, swivel, tubular steel

TYPEWRITER, non-portable, Remington, 11-12" carriage

TYPEWRITER, non-portable, Remington, 14" carriage

FILING CABINET, cap. size, 4 lock drawer, three-way combination

15-10-50

QUANTITY	UNIT PRICE	EXT.	QTY.	UNIT PRICE	EXT.
2	each	\$ 5.89	2	\$ 11.78	\$ 11.78
2	each	25.50	3	76.50	76.50
2	each	10.25	1	10.25	10.25
2	\$	1.00	100	\$100.00	100.00
2	MONTH	20.00	3 1/2	* 70.00	70.00
Total XI Support					\$170.00
					\$964.00
					\$1,134.00

General Rental Item Support

XI Safe Office, furnished, located in New York, New York
 Rental - \$185.00 a month for 3 1/2 months
 Utilities - \$30.00 a month for 3 1/2 months

Total XI Facilities \$720.00

3. Summary (Safe Office)

The material and facility support required for establishing a safe office in the XI Safe Office is estimated as follows for the balance of Fiscal Year 1955 consists of \$1,134.00 for utilities and equipment and \$720.00 for facilities.

B. Additional Office Support

1. Supplies and Material (08-09)

a. Logistics Items

QUANTITY	UNIT PRICE	EXT.	QTY.	UNIT PRICE	EXT.
5	each	\$2.00	500	\$1,000.00	\$1,000.00
SALOONS, Short Range					
Total					\$1,000.00

General Rental Item Support

	<u>Sterility Unit</u>	<u>Unit Price</u>	<u>Qty.</u>	<u>08</u>	<u>09</u>	<u>Total</u>
HYDROGEN, for short range balloons	5	\$ ---	---	\$150.00		\$ 150.00
SUPPLIES (Paper, etc.)	5	\$ ---	---	420.00		420.00
MAINTENANCE for Vehicles	5	\$ ---	---	188.00		188.00
Total Offshore Funds Required to Support Amendment				\$758.00	\$1,000.00	\$1,758.00

NOTE: The funds required for hydrogen, supplies and vehicle maintenance is a percentage increase based on the additional number of balloons required. The original estimates were developed by the field based on experience factors.

C. Total Support required for Project ANVINGIL/FF for Fiscal Year 1955 as amended.

1. Supplies and Material (08-09)

	<u>Current Fiscal Year Support</u>		
	<u>08</u>	<u>09</u>	<u>Total</u>
a. EI	\$170.00	\$ 964.00	\$ 1,134.00
b. Offshore			
Original Support Required	3,600.00	7,800.00	11,400.00
Additional Support Required for Amended Project	<u>758.00</u>	<u>1,000.00</u>	<u>1,758.00</u>
Total Project 08-09 Support	\$4,528.00	\$ 9,764.00	\$14,292.00

2. Facilities (05)

a. EI		\$ 720.00
b. Offshore		<u>\$7,200.00</u>
Total Facilities		\$7,920.00

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3. Summary: Project ABEVHEIL/FP is a subsidy project with an approved Administrative Plan. The amendment to this project provides for the establishment and furnishing of an office in the KI and a request for additional funds for officers support. The Administrative Plan is to be amended to cover the establishment of this office in the KI. All support is to be provided thru the cover organization and will require no action by the Office of Logistics.

151
[SR/3 Logistics Liaison Officer]

Approved:

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[Chief, SR/Logistics]

Under the Admin plan for this project it does not require that the Budget estimate be approved by the C/LO. However the prices and quantities quoted appear to be reasonable.

Approved:

[Chief of Logistics]