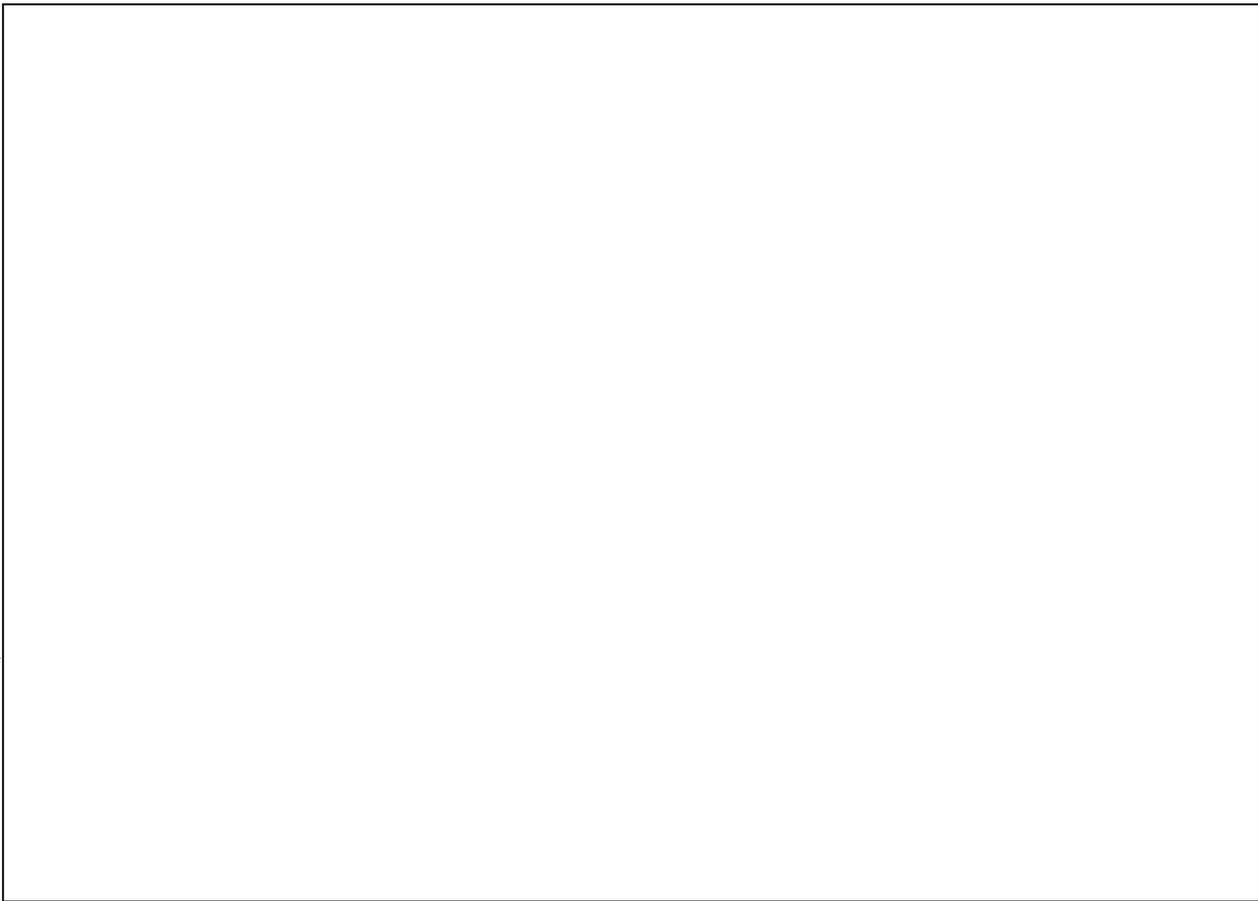




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SUBJECT: PLANNED SIGNIFICANT INCREASE IN THE LIBYAN INTELLIGENCE
PRESENCE IN MALTA IN 1989



33

TEXT: 1. ACCORDING TO A LIBYAN BUSINESSMAN WITH CONTACTS IN THE
LIBYAN EXTERNAL SECURITY ORGANIZATION (ESO), THE LIBYAN
INTELLIGENCE PRESENCE IN MALTA WILL INCREASE SIGNIFICANTLY IN 1989.
THE INCREASE IS EXPECTED TO INCLUDE PERSONNEL WITHIN BOTH THE ESO

AND THE LIBYAN MILITARY INTELLIGENCE SERVICE. IT IS A DELIBERATE EFFORT TO ENLARGE THE LIBYAN INTELLIGENCE PRESENCE IN MALTA TO IMPROVE THE QUALITY AND QUANTITY OF INFORMATION COLLECTED, AND TO INCREASE THE NUMBER OF INTELLIGENCE-GATHERING SOURCES.

2. AS PART OF THIS PLAN THE ESO HAS ALREADY EXPANDED ITS PRESENCE IN MALTA. ESO OFFICER ALI MUHAMMAD AL-((SAMI'I)) WAS ASSIGNED TO THE WORLD ISLAMIC CALL SOCIETY OFFICE IN MALTA IN EARLY 1989. A SECOND ESO OFFICER, KHALIFA ((SANUSSI)), WAS ASSIGNED AS THE ASSISTANT STATION MANAGER AT THE LIBYAN ARAB AIRLINES OFFICE IN MALTA. MOREOVER, THE ESO RECENTLY RECRUITED A MALTESE NATIONAL EMPLOYED AS A VENDOR AT LUQA AIRPORT TO ASSIST IN ACQUIRING INFORMATION ON PERSONS OF INTEREST TO THE LIBYAN SERVICE. THIS INDIVIDUAL PREPARES BIOGRAPHIC AND ASSESSMENT INFORMATION ON PERSONNEL OF INTEREST TO THE ESO AND FORWARDS HIS REPORTS TO ESO HEADQUARTERS IN TRIPOLI VIA A LIBYAN ARAB AIRLINES COURIER.

3. MUSTAFA ((SHUQAYFA)), A LIBYAN MILITARY INTELLIGENCE OFFICER IN MALTA WHO WAS FORMERLY ASSIGNED TO THE LIBYAN ARAB MALTESE FISHING COMPANY, RECENTLY FORMED A BUSINESS PARTNERSHIP IN MALTA WITH TWO OTHER LIBYAN NATIONALS, FARID ((FARHAT)), THE LAFITRADE REPRESENTATIVE IN MALTA, AND NURI ((HUWAYSAS)). THE PARTNERSHIP HAS ACCESS TO A FOREIGN CURRENCY ACCOUNT (NFI) WHICH CONTAINS FIVE MILLION USD FOR USE IN INTELLIGENCE-GATHERING ACTIVITIES. (SOURCE COMMENT: HUWAYSAS IS A VERY CLOSE FRIEND OF KHUWAYLIDI AL-((HUMAYDI)), THE CHIEF OF THE LIBYAN MILITARY INTELLIGENCE SERVICE.)

4. SOMETIME IN 1989, SALAH ABU (('AYSHA)), THE HEAD OF THE AFRICA COMPANY, AN ESO-FUNDED LIBYAN FRONT ORGANIZATION, WILL OPEN AN ARABIC TRANSLATION BUSINESS IN MALTA. THE COMPANY WILL BE OPERATED BY FNU AL-((TURKI)) WHO IS CURRENTLY EMPLOYED AS AN ADVISOR BY THE AFRICA COMPANY. IN AN EFFORT TO GENERATE PERSONAL PROFITS AND TO PROVIDE COVER FOR ESO OFFICERS, THE ESO REPRESENTATIVE IN MALTA PLANS TO PARTICIPATE IN THE FORMATION OF THIS AND SEVERAL OTHER BUSINESS VENTURES IN MALTA IN 1989. MOREOVER, MUSBAH AL-((WARFALLI)), THE HEAD OF THE NEUTRON S.A.R.L. COMPANY LTD IN TRIPOLI, PLANS TO FORM AN OILFIELD SERVICES COMPANY IN MALTA IN 1989. THIS COMPANY WILL ATTEMPT TO GENERATE PROFITS WHILE PROVIDING COVER FOR ESO OFFICERS. (SOURCE COMMENT: WARFALLI, A SENIOR ESO OFFICER, WAS EXPELLED FROM ITALY SEVERAL YEARS AGO FOR HIS ROLE IN TARGETTING EFFORTS AGAINST LIBYAN CITIZENS IN ITALY WHO WERE OPPOSED TO THE REGIME OF LIBYAN LEADER COLONEL MU'AMMAR AL-((QADHAFI)). HE LATER LIVED IN MALTA. IT IS NOT KNOWN WHETHER WARFALLI PLANS TO RESIDE IN MALTA AND OPERATE THIS BUSINESS HIMSELF.)

ACQ: (MID-APRIL 1989).



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