

Tim h.

DISPATCH	CLASSIFICATION SECRET	DISPATCH SYMBOL AND NO. EGPA-37447
TO Chief, EE; Chief of Station, Germany		HEADQUARTERS FILE NO. []
FROM Chief of Base, Frankfurt		DATE JUN 21 1962
SUBJECT REDWOOD/REDSKIN/EGPACKAGE/AEABYSS Report of Meeting with AEABYSS/1		SEARCHED INDEXED SERIALIZED FILED
ACTION REQUIRED For Your Information		MARKED FOR INDEXING NO INDEXING REQUIRED INDEXING CAN BE JUDGED BY QUALIFIED HQ DESK ONLY

[Handwritten initials]

REFERENCES

- A. EGPA 36122, 9 January 1962
- B. FROB 2275, 7 June 1962
- C. DIR 15837, 9 June 1962
- D. FROB-2340, 14 June 1962

[Handwritten: 14 June]

1. Summary of Developments Subsequent to Reference A:

Following AE/1's departure to Salavat on 4 January 1962 activity in this case consisted of two contacts with [] on 1 February and 4 June 1962, both times in Braunschweig. The first meeting was called by [] who had received a letter from AE/1 which he interpreted as having double meaning references to an observation made by AE/1 which the latter felt was of significance. Upon reading the letter the case officer found the open code language used by AE/1 to be so obscure as to prevent a meaningful interpretation. During the meeting which forms the substance of this dispatch AE/1 confirmed that he had indeed intended this letter to be an open code notification of a negative observation he had made in Ufa (details below). Given the nature of the observation the ambiguity of the open code is understandable. We refrained from criticizing AE/1 for resorting to open code in a situation which in terms of our early warning doctrine did not warrant it. We did however redefine the type of information which he should report with suggested vocabulary. At the second meeting with [] on 4 June he appeared with a letter from AE/1, dated 2 May 1962, in which AE/1 expressed the hope of returning to Germany sometime in September 1962. On 7 June [] called the case officer informing him of AE/1's arrival in Germany for several weeks leave. During this call a meeting was arranged for 12 June in Braunschweig. Following dinner in Braunschweig AE/1, [] and the case officer drove to [] home where a three hour discussion took place. The greater part of the meeting was devoted to obtain CI information on Salavat pertinent to the Reference C requirement. The balance was given over to discussing observations made by AE/1 during travel, contacts with Soviets, status of plant construction, and the requirements sent out in EGFV 13924.

2. Travel in USSR:

AE/1 used the following means of travel to and from Salavat:

To Salavat (Jan 62) via Soviet aircraft to Moscow, thence by train via Kuybyshev and Ufa.

From Salavat (June 62) by bus to Ufa in company of a Soviet interpreter continuing unaccompanied by train to Moscow bypassing Kuybyshev.
 AE/1 left Ufa on 2 June, 2100 hours, arriving in Moscow on 4 June at 0800 hours. From Moscow he proceeded to East Berlin via aircraft.

On no occasion did AE/1 observe any CM or GM associated equipment, military

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FORM 8-62	USE PREVIOUS EDITIONS REPLACES FORMS WHICH HAVE BEEN REMOVED FROM GENERAL CIRCULATION	CLASSIFICATION SECRET
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installations or military movements. Having been briefed on the alleged construction activity near Ufa, as reported by AEVISCOR in EOP 5728, AE/1 kept a sharp lookout for any signs of unusual activity at the designated location. He reported he passed this point at night on each of his trips but had been unable to detect any type of activity that could support the observation made by AEVISCOR. He noted huge railroad locomotive repair shops and great numbers of steam locomotives along both sides of the railroad tracks. The entire area was brightly illuminated and the scene of lively activity. (Note: It was this observation which AE/1 felt he should convey to us in the open code notification mentioned in paragraph 1 above. We do not intend to report AE/1's observation in a field report but defer to Headquarters to decide whether the information appears sufficiently important to warrant passing to interested consumers.)

3. Contact with Soviets:

AE/1 had no new or operationally useful information on Soviets in Salavat. He reiterated that his relationship with Soviets in Salavat is on a strictly business-like basis and that he intends to keep it that way. He made it clear that he would not engage in conversational topics which the Soviets would be apt to construe as an attempt on his part to probe into their personal life, circumstances, or political convictions. He said such action on his part would be incompatible with his assignment in Salavat and could only result in a loss of the confidence and regard in which he is held and which he must keep in order to see the job through.

4. Status of the high-pressure Polyethylene Plant:

Production at the plant is scheduled to start on 20 June 1962 when the first of five production lines will get into operation. The second, third and fourth production lines will follow in two-week intervals each. The fifth line will be available for contingencies and for use when regular lines are shut down for servicing. Each of the four production lines will produce 6,000 tons of polyethylene per annum. AE/1 said that the maximum design capacity of each line is 8,000 tons per year but that present plans are to hold operations to 6,000 tons. After a period of successful operation an attempt may be made to raise the production of each of the three lines to the designed maximum of 8,000 tons, thereby giving two lines in reserve or raising the total yearly output to 32,000 tons with only one production line in reserve.

The present German complement in Salavat (AEABYSS personnel and experts from various sub-contractors) consists of 75 men. Germans and Soviet crews, now receiving on-the-spot training, are working in shifts around the clock. As Soviet familiarity with the technical equipment increases, plans call for gradual reduction of the German force to about 15 men who are to remain in Salavat until August 1963 when the one year guarantee for equipment delivered has expired. AE/1 in his capacity as chief of the Montage has been assigned to Salavat until August 1963. He expects to be back again for home leave in December of this year. (Note: It is not intended to report the foregoing information in a field report).

5. Requirements:

We reviewed with AE/1 the GM indicator requirements contained in Section II, C, of the Guided Missile Handbook, in the event that AE/1 should pass through Kuybyshev on his return trip to Salavat. He has been asked to be particularly alert to any sightings of GM type equipment on railroad yards and sidings on the line leading to Ufa. We also discussed the chemical requirements for the KOMBINAT18 contained in EGFW 13924.

6. Following are the results of our discussion on OI information on Salavat pertinent to the Reference C requirement. It should be borne in mind that insufficient time was available for a complete debriefing and that the information provided is therefore in many parts spotty. We also wish to note that AE/1 was not overly enthused with this assignment. He found it hard to believe that such detailed information could be of very much use and it required some effort on the part of the case officer to keep AE/1's interest alive. As pretext for the

discussion AE/1 was told that we were interested in learning such details since we hoped that we might some day be able to use this information to advantage in an attempt to take a series of panoramic pictures of Salavat and its surrounding areas. We also asked AE/1 that he should make another effort to procure a city map of Salavat (none are as yet available) and that he should bring back on his next trip home a collection of photographs, including snapshots of the German housing area in Salavat. This, AE/1 agreed to do.

A. Housing:

The attached sketch of the German housing area is drawn to scale from dimensions supplied by AE/1. The German complement is housed in a portion of a large apartment building located on 14 Karl Marx Strasse. This area is about 250 m from the center of the city of Salavat. The building is a five story gray-colored sandstone structure with a flat roof. AE/1 has made no observation as to how the roof may be reached but thinks that it is accessible through a stairway from the fifth floor of the building. He believes that it is prohibited for the Germans to climb to the roof and knows of no German who has ever been there. The building is surrounded by several similar buildings, some of which are still under construction. No attempts have been made to landscape the area and spaces around the houses become very muddy in rainy weather. The only sidewalk so far constructed is for buildings on the other side of Karl Marx Strasse. The street near the housing area is not paved but is of all weather construction.

The building is approximately 12 m wide and 80 m long. The Germans occupy one half of the building. The other half of the building, as well as all nearby buildings, are occupied by Soviet families. As shown on the sketch, the building has four entrances, however, in the German portion one of the entrances has been permanently closed and all access to the German quarters are through a single entrance.

The single entrance used by the Germans is kept under surveillance by a two to three man staff of caretaker/guards. The living quarters for this staff are not in the building. Their area in the building consists of two rooms near the entrance which for their comfort were equipped with radio, TV and a billiard table. The remaining portion of the ground floor is used as a dining area. The upper four floors contain apartments as shown on the apartment detail sketch. As can be seen from the sketch, on each floor of the portion of the building occupied by the Germans there are two one-bedroom apartments and six three-bedroom apartments. Only the three-bedroom apartments have outside balconies. Each balcony is roofed by the balcony above with the exception of the balconies on the top floor which have no roof and are open to the sky. AE/1 recalls no significant overhang of the building roof. The balconies project out about 1 m and are about 2 m long. They are enclosed by an open iron grill railing. All window ledges in the building are covered with formed sheet metal and are approximately 20 centimeters wide.

AE/1 occupies a one-bedroom apartment on the third floor at the end of the building. Generally the one-bedroom apartments are assigned to the senior personnel. He could not identify the occupants of specific rooms throughout the building. Traffic around the area consists mostly of trucks involved in construction activity and continues until 2300 hours when the construction work in the area stops. From there on there is little or no vehicle or personnel traffic in the area.

B. Movements:

With production at the polyethylene plant about to begin, the working schedule of the Germans has been set on a 24-hour basis.

seven days a week including Holidays. The working shifts are transported to and from work in a bus provided by the KOMBINAT. The ride requires 20 minutes. If the bus is missed the late comer can take the streetcar at a cost of three kopeks. A cab ride (two cabs in town) costs two rubles.

Each German is provided a pass to allow entry into the plant. The pass is a black calico folder, 90 x 66 mm in size, and carries the imprint "Propusk". AE/1's pass has the No. 13964, contains a late picture of the bearer, personality description, signatures and the invariable stamp. Passes need not be shown when entering the plant in the bus of the Kombinat. If entering alone, a careful check of the individual may be undertaken by the security guard at the plant gate. AE/1 observed no controls or checks inside the polyethylene plant. It is not permitted, however, to enter other parts of the Kombinat, unless specific permission (rarely given) has been granted by the Kombinat management. A special interpreter is then assigned to the visitor.

There is complete freedom of movement for all Germans in the city of Salavat and its immediate surroundings. Officially, travel is permitted within a 20 km circumference of the city, except off-duty travel to the plant site or other parts of the Kombinat. Travel to Ishtimbay and Sterlitamak is prohibited. Travel to Ufa is permitted only in special circumstances (business, home leave, etc.) and requires a special permit and presence of a Soviet interpreter.

The carrying of cameras is not prohibited within areas open to the Germans. AE/1 and others have taken extensive walks around the area. They usually avoid the northern periphery of the city in direction of the Kombinat and the village of Ishtimbay. The southern and eastern areas around Salavat have been described as providing the most privacy. South-east of Salavat, approximately 4 km from the city, runs the river Birleyer. AE/1 said that the river can be easily waded to reach any of the numerous small islands in the stream. The islands are said to be covered with bushes and shrubbery and are used on occasion by Soviet campers. Germans also walk frequently along the Birleyer stream in the direction of the village of Kumetau (upstream). AE/1 asserted that one can be quite alone in these areas.

C. Photography:

AE/1 knows of no restrictions against photography within the city and its immediate vicinity except in the area of the plant construction (the carrying of a camera into the plant is prohibited). Many of the Germans, including AE/1, carry cameras openly in the city. Generally all use discretion in the selection of objects to be photographed and refrain voluntarily from photographing derogatory scenes, police, militia, the police station, etc. AE/1 learned only of one incident resulting from photography by Germans. At Christmas time in 1961 a German taking photographs on the market square was picked up by the militia. He was released after brief questioning and his camera and film were returned the next day. AE/1 was unable to say if the film had been processed or inspected before its return. An official apology by the director of the Kombinat was made for this incident shortly thereafter.

AE/1 knew of only two state-owned film processing stores in Salavat. The development of film normally requires 8 to 10 days. However, this time could be shortened to one day by bribing the store clerk with a few rubles.

AE/1 was unable to state whether photographs were screened by security officials before delivery to customers. He is unaware

of any restrictions against self development but did not believe any of the German personnel developed their own film. He also does not know if development equipment and supplies can be purchased locally.

He is not aware of any regulation requiring the registration of cameras. Licensing is not required. Concerning the exporting of undeveloped film, AE/1 knew of no regulation prohibiting the exporting of undeveloped film. He has successfully sent undeveloped film back to Germany by a German returning to his hometown and believes that confiscation of such film would be a matter of individual decision by the Soviet border guards if they elected to search baggage, etc. AE/1 estimates that about 50 of the 75 Germans in Salavat have cameras. Some having purchased Soviet or East German makes in the USSR. AE/1 has only a casual interest in photography.

D. Surveillance/Security:

AE/1 does not know of any surveillance activity in Salavat. There are no checks of documents when in the city or in areas not off-limits. Control of the Germans appears to be restricted to checks by the caretaker/guard force when entering or leaving the apartment house. The caretaker/guard force consists of three men (usually two at night) and is on duty 24 hours a day. Chief caretaker is one

*PINK, fnu

a Russian of German extraction. He speaks fluent German and is regarded by the Germans as a "spitzel" and dangerous. Part of his duty consists of picking up the mail for the Germans at the Salavat post office at noon each day and to deposit the letters on a table to be called for by the Germans when they return from work. There are no specific procedures for the Germans to follow when entering or leaving their quarters. The Germans are allowed visitors. They must, however, be out of the building by about 2230. Room checks are never made unless a visitor remains beyond the approved visiting time. AE/1 did not notice signs of his room having been searched while he was away on home leave. He never heard of complaints by other Germans that room searches were being conducted. Bugging of rooms has not been noted.

A telephone is located in the caretaker/guard quarters and may be used by Germans in cases of emergency.

Germans must be in their quarters by 2300 hours. This rule is generally being observed since violations are not tolerated. Should a person arrive late, the caretaker may choose to report him in which case the violator receives a reprimand by the plant security officer who in turn also notifies the German management with recommendation for further action.

AE/1 named

*FRACHOV, Yuri Boris

as the most dangerous and untrustworthy Soviet at the plant. FRACHOV's title is chief interpreter, but AE/1 feels certain that he is one of the foremost members of the plant security force and has been placed there to watch the Germans. He is 40 years old and speaks a fluent German. AE/1 recounted a conversation with FRACHOV during which the latter voiced the suspicion that some of the Germans had appropriated tools from the plant with the intent to ship them as their property with their household goods to Germany upon completion of their duties in Salavat. FRACHOV was quoted to say that "these Germans will not get very far since a notification to the Soviet customs will quickly flush them out".

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E. Radios and Radio Reception in Salavat:

Most Germans have radios, many of which are equipped for short-wave reception. BBC, the "Deutsche Welle" and Radio Free Europe are frequently listened to. Reception is said to be clear except during News broadcasts which are being jammed by the Soviets. AE/1 said that some of the Germans had picked up broadcasts from as far as Hawaii including sounds which he described as "Zeitsignale". No further information could be obtained.

Conclusion:

We avoided giving AE/1 any further instructions with respect to CI since we do not feel he would be particularly suitable for the Reference C tasks. He is not a photographer and he has expressed reservations about any activity on his part which could provide any tangible evidence of espionage. [] would on balance seem a much preferable choice. AE/1 returned to Salavat on 17 June 1962.

APPROVED:
[]Attachment: Sketch as described in para 6 A. aboveDistribution:

3-SR w/att h.w. []
2-EE w/o att
2-COS, Germany w/o att

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5