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CLASSIFICATION PROCESSING ACTION X.; DUFO CAR NUCLE INCEXING FROM Chief of Station, Mexico City SUBJECT LI INTY Project Renewal ACTION REQUIRED - REFERENCES Action: Renewal of Project Forwarded herewith and under separate cover to the Station's review of Project LI MATTY for surpases of renewles, the project for the period 1 December 1965 through 50 November 1966. The amount requested to fund the project for this period is \$35 49,700, or approximately the same as was approved for the past project year. RECOPDS GUYLOUR STAMP fillard (- (urtis Note: If destration, cito readend all coordinate Attachment: As stated about. Herewith and Under Separate Cover Distribution: C/WHO w/att h/w & u/s/c C3 Cu. 1 DISPATCH SYMBOL AND NUMBER DATE CROSS REFERENCE TO 12022-32,747 25 Cataber 1963 CLASSIFICATION HÇS FILE NUMBER

SUPPLIED TO THE SECOND OF THE

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Mexico City STATION

Joremy L. NEAROS, Case Officer

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#### I. CURRENT OBJECTIVES AND PRODUCTION RELATED THERETO

A. Oliver G. SCAMPLING Segment (in relation to project objectives.)

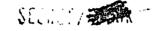
1. "To collect operational information pertaining to LIMPATCK personnel and physical facilities." SCANTLING has continued to provide worthwhile information in support of this objective. (See previous project review forwarded by HMMA-20052 of 18 October 1962.) During the past year SCANTLING was used to follow up leads produced by both LIFFAT and LIFMNOY in support of this objective. In particular SCANTLING provided, in blueprint detail, costage reports on the homes of two Soviet Intelligence officers who are targets for Station technical operations.

COMPLIES also is used to mid the Station in maintaining current records of the recidences of Soviet personnel living in Mexico. This is accomplished by SCANFLING's followup of LIPENOY leads which indicate Seviet interest in renting specific properties.

- 2. "To collect operational information pertaining to other targets of opportunity, foreign official installations and personnel of intelligence interest operating in Mexico." SCAMPLING has proved successful in providing information on other Station targets:
  - a. SCANTLING obtained information on APMIQUELET-2, a suspect Soviet support agent which was the basis of further Station operations against this target.
  - b. SCANTLING provided a casing of the former Yugoslav Commercial Office against which the Station had planned a technical operation. However, this site was evacuated by the target mission before plans were completed for this attempt.
  - c. SCANTIJNO has conducted detailed investigations in various cases involving possible agents or contacts of hostile intelligence services. These cases were of prime concern to Station Mexico but frequently were undertaken at the request of Hexiquarters or other Stations.
- 3. "To provide support to other Station operations as may be requested by the Station of Heers concerned." In the past SCANTLING's activities in this area were concerned primarily with recruitments, debriefings and surveillances. Ouring the reporting period, however, the weight of SCANTLING's support to other Station operations have taken other forms. Samples from this area of activity include the most fruitful efforts on SCANTLING's part:



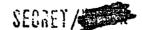




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- a. Support of the sencitive AMROD operation, in which Raymond H. GERENDE also played a vital role, was of singular importance to the success of the operation. SCANTLING's many fields of operational experience were drawn on fully and he thereby provided a unique contribution to the operation. Without the assistance of SCANTLING and GERENDE with their unique qualifications, this operation would have been difficult in the extreme if indeed at all possible.
- b. In support of the Station's harassment campaign against Juan Jose ANEVALO Bermejo, launched at the request of Headquarters, SCANTLING again provided the means for carrying out a large portion of the action taken. SCANTLING's efforts ranged from the mailing of "potencial" cause to the target to the placing of threatening phone calls. SCANTLING also made calls to various Mexican newspapers and mailed "mentage" pictures of AREVALOJand a Soviet intelligence officer to Quatemalan newspapers in the campaign to discredit and discourage [AREVALO] in the Guatemalan Presidential campaign.
- e. SCAMPLING is used as the alternate contactin a sensitive LAURICLE project. This is for the purpose of minimizing the danger of the action agent in this project being recognized as being in contact with an obvious PRESING citizen. SCAMPLING's contribution to this operation has been noteworthy both from the standpoint of security and agent handling.
- d. SCANPLING continued to conduct, numerous pretext and neighborhood investigations. As in the past many of these inventigations were in relation to highly sensitive cases.
- 4. Although SCANFLING's LLACTY project objectives can not be completely fulfilled, it is the Station's opinion that SCANFLING continues to make valuable contribations to the objectives of the project and to other Station assisting. SCANFLING's production, accouncil against monetary expenditure, case officer time and other intemplibles factors, unquestionably justifies his continuing as an integral part of Project LIMMPTY.
- B. Reymond H. GERENDE Jerment (in relation to project objectives):
- 1. "To collect operational information pertaining to LTELPICK percennel and physical facilities through use of photographic basehouses." Three photographic bases, LIMITED, LILYMIC and LICALIA, contribute to those objectives. Although SCAMPLING now acre as entent with the LIMITED base, GALID; continued to be responsible for the processing of all photo take from the LIMITETY operation including take from LIMITED. To avoid repetition, the Station is omitting the description of the functions of those three bases and how they contribute to the encycloblective. This was fully lescribed in the 1960 Request for Project Renewal (1224-15919).









2. "To collect operational information and identify operational leads pertaining to Station targets of opportunity." The LIFNTAP operation, handled by GERMDE, is still the major contributor to this objective.

LIENTRAP operational emphasis centinues to remain in the area of photo stakeout of prominent Mexican Communists and is presently working fulltime on previding pictures of individual Communists, homes suspected of being meeting sites used by the Communist Party and the Communist Party Headquarters itself. LIENTRAP has also recently begun to be used on ERKNICK leads. It is expected that activities of LIENTRAP in that latter area will expand in the coming year.

5. "To provide operational support to Station operations including the renting of notel rooms and safe operations, renting and servicing of post office boxes, and conducting counter-surveillances." GERENDE's contribution to the AMROD operation was noted in paralimph I.A.5.m. above. GERENDE's comprehensive area knowledge and personal operational capabilities enable him to make a valuable contribution in such operations as AMROD and also enable him to produce the most destroable rate sites in support of the Station's operations. The project's assets, particularly GERENDE and LIMPTY-10, presently provide 20 post office box mail drops for use of Maxico City Station and other Stations. Although it is planned to reduce this number considerably during the next year, (since other Station assets now can provide a number of live accommodation addresses), a number of post office boxes will be retained for use in future operations.

4. The quality and quantity of operational information produced by the photographic bases and other activities under GERENDE's control and supervision is considered by the Station worthwhile and in some cases unique. It is concluded, therefore, that this segment of the LIEMPTY Project should be continued.

#### C. Relationship to the Related Mission Directive

As noted in the examples given above, Project LHMTTY has provided valuable support to many Station operations and thereby has been a contributing factor to the fulfillment of the Related Mission objectives of the Station. The project has not produced any positive intelligence nor is it intended to do so. The project's sole purpose is to provide a mechanism for the development of operational information.

#### II. CHANGES

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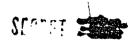
The one major change made in the LIEMPTY Project was the replacement of GEMENDE: by COMMILING as cutous with the LIMPTED basehouse. This was arranged so as to provide GEMENDE with more time for rapid processing of the LIEMPTY photoinke. It also makes for better rapport with the basehouse keeper (LIEMPTY o) since SCAMPLING to closer in age to him than is GEMENDE.

Louise J. MACRINO (ps) suffered a recurrence of the heart condition which nearly caused her death approximately eight years ago. Complete rest has been









ordered by her doctors and an operation may be necessary in early 1964.

It is therefore unlikely that she will be able to work during the coming project year. Station does not plan to request cancellation of her operational clearance at this time, but has not included salary payments to her in the estimated costs of the project for the coming year.

The unusual salary increase reflected for LIEMPTY-19 in the "Project Costs", (below) section for the coming year is due to this agent's new duties of LIFEAT processing in addition to her old duties as translator. Agent's OA was amended for this use on 2 January 1963.

#### III. EFFECTIVENESS

The comments made concerning the project's effectiveness in the Project Renewal of 1960 (HMMA 15979) remain valid. Indeed the Station's need for the type of services provided by the assets of this project are at least as great today as they were when those comments were originally forwarded.

## IV. PROBLEMS

There are presently no known major problems facing the operation which would affect either the occurity or the effectiveness of this operation. The security problem facing the LICALIA portion of the operation and described in HMMA-15979 and subsequent renewal requests has been resolved by the Cuban Government's release of three KURIOT personnel earlier this year. As was noted previously, one of this group had knowledge of the LICALIA operation.

Roth SCANTLING and GERENDE took the LCFLUTTER during the month of October 1965. No security problems were revealed by this test.

#### V. PLANS

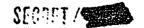
The Station considers that the project is operating at its optimum size and does not plan to expand it during the coming year. Efforts will be continued to refine and better utilize the existing project organization and to improve the comparimentation and security of the project.

### VI. COSTS

A. Past Project Year - Station records show that Project LIFMPTY expended approximately \$US 50,680.00 during FY 1965 (1 December 1962 - 50 June 1965) and has to date in FY 1964 (through 50 September 1965) expended \$US 7,620. Approximately \$US 10,500 will be expended during the last two months of the project year. This will make a total expenditure for the project year of about \$US 48,600 or \$US 1,500 under that which was alletted for this project.

B. Not Project Year - Of the total \$43,700 budget, itemized below, approximately \$43,50,290 will be expended in FY 1904 and the remainder \$45.19,410 in FY 1905.







(including X'mas bonuses)	\$US per year FY 1965 FY 1965					
Raymond H. GERENDE	6,000 5,500 no salary					
Oliver G. SCANTLING						
Louise J. MACRINO (at \$US 2.02 per hour)						
LIEMPTY-4	2,400					
LIMPTY-5 (at US 1.75 per hour)	1,000					
LIMPTY-6	3,700					
LIEMPTY-7	no salary					
LIEMPTY-8	2,400					
LIPMTY-9	3,600					
LIPMPTY-10	4.400					
LIUWTY-11	2,500					
LIUMPTY-12	2,000					
LIEMPTY-13	2,000					
LIEXPTY-14	2,000					
LIAPTY-19	2,000					
LIEMPTY-24	no salary					
SUB TOTAL	SUS 39,500 SUS 24,540 SUS 15,160					

# OPPRATIONAL EXPENSES .

Transportation:
Maintenance of MV-2279, MV 2284,
MV 2236

2,000

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Operational Expenses:	SUS Per Year	FY 1.964	FY 1965
Real Estate Rent, utilities and maintenance of basehouses -			
LIMITED*	3,300	-	
LICALLA*	1,700		4
LILYRIC	1,200	. ·	
Procurement of safehouses, post office boxes, and rental of automobiles	500		
Furchase of information, documents and bribes	500	•	
SUB TOTAL	9,200	5,390	3,810
Repair, maintenance and purchase of replacement photographic equipment and purchase of film			
SUB TOTAL	1,000	560	<b>/h</b> t0
GRAND TOTAL \$	US 49,700	\$UG 50,290	\$US 19,410

## VII. EMPRGENCY CONDITIONS

Emergency recontact arrangements for Oliver G. SCAMPLING and Raymond H. GERENDE are on file in Hendquarters (see HMA 15982 of 35 November 1960 and HMA 15981 of 25 November 1960.) For further information see project renewal request of 1960 forwarded by HMAA 15979.

## VIII. TRAINING

No training, other than that within the competency of SCAMTLING or GEREADE to give, is anticipated for the coming project year.

NOTE: LIMITED and LICALIA rents are returned to Station by LECUSINE and credited to LIMESA expense.

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