

DEPARTMENT OF THE NAVY OF THE NAVY OF THE CHIEF OF NAVAL OPERATION WASHINGTON OC 20350



ser 009/S657400

SEP 28 1976

SECRET - EXCLUSIVE FOR "BAYOU (S)"

MEMORANDUM FOR THE ACTING CHAIRMAN, UNITED STATES EVALUATION BOARD

Subj: Rewrite of USEB Charter

l(w) (5) In your memorandum of 13 September 1976, you advised that in anticipation of your appearance before the Operation Advisory Group's Working Group, you requested the Secretary of the USEB to prepare a detailed fact book. In order to assist the Secretary each agency was requested to provide the current number of CFAs/DAs, the geographical location of each, the identification of the foreign power nominally controlling the CFA/DA, the number of CFAs/DAs used in support of deception operations, a current listing of all material processed in support of CFAs/DAs, a narrative description of the method of processing "feed material" and a list of significant EEIs levied on CFAs/DAs for the period 1 January 1976 to date.

2.(%)(8) The Navy has made every effort to cooperate with the U.S. Evaluation Board and its participating agencies in the past and will continue to do so in the future to the extent that our mission and functions permit. However, the information solicited by your memorandum of 13 September raises questions which appear to contradict certain operational philosphies and traditional procedures.

3.(L)(S) The most basic question is that the information sought does not appear to be within the purview of the USEB. The present Charter of the USEB established that body for cover and deception purposes. The only connection of that body with CFAs/DAs established by the counterintelligence agencies for counterespionage purposes is to assist participating agencies in the processing of "feed material" when that "feed material" is of interest to more than one agency. Most "feed material" in most counterespionage operations is of proprietary interest to the agency conducting the operation and as a result, there is no need for the USEB Secretariat to become involved. To provide the information sought by the 13 September memorandum could be interpreted as an agreement to impart to the USEB an authority with regard to counterespionage operations that is not supported by its Charter.

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4(u)(8) One aspect of the request is within the purview of the USEB. The request for the number of CFAs/DAs utilized in support of deception operations is considered valid. The Navy has used one CFA/DA in support of a deception operation. The Secretary of the USEB is already aware of that matter.

5(u)(8) If the question arises, there is no objection to your advising the Working Group that the Navy maintains central control over all Navy and USMC counterespionage operations under the authority of the Director of Naval Intelligence. The Director of Naval Intelligence maintains central records listing the number and location of all CFAs/DAs and central listings of all feed material processed and EEIs gleaned in connection with the operations. If the Navy can be of further assistance in this matter, please feel free to call upon us or refer the Working Group to the Director of Naval Intelligence for further information.

D. P. HARVEY

Rear Admiral, U. S. Navy

Director of Naval Intelligence

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