~~TOP SECRET~~

DECLASSIFIED

DEPARTMENT OF THE NAVY
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20350

~~TOP SECRET~~

~~TOP SECRET~~

~~TOP SECRET~~

Op-922H1/gaa
Ser 00075P92
DEC 7 1965

From: Secretary of the Navy
To: Distribution List

Subj: Instructions for the coordination and control of Navy's clandestine intelligence collection program

Ref: (a) DOD Directive TS-5105.29 of 21 February 1963
(b) DIAI 58-18
(c) DIAI 58-22
(d) DCID 5/1

1. Purpose. This letter provides guidance for the coordination and control of Navy's clandestine intelligence collection program.

2. Background. As a result of the National Security Act of 1947, as amended, the Navy has been largely inactive in the field of clandestine intelligence collection. The steadily emerging pattern of limited warfare engagements has, however, clearly indicated the need for the development of clandestine assets by the military services in advance of a limited warfare engagement. The Secretary of Defense has therefore established by reference (a) a means for the increased participation by the Department of Defense in clandestine intelligence collection activities. DIA has authorized the individual services to engage in such activities.

3. Definitions.

a. Clandestine Operation. A clandestine intelligence operation is an activity to accomplish intelligence, counter-intelligence, and other similar objectives, planned and executed under the sponsorship of Governmental departments or agencies in such a way as to assure secrecy or concealment of the operation and its sponsor, and to permit plausible denial by the sponsor in the event the operation is compromised. The term "clandestine" should not be confused with "covert", which is reserved for the description of certain "action operations" conducted in support of national policies and objectives, as a complement to the sponsor's overt mission abroad. These covert action operations are not included in the mission of clandestine intelligence collection units.

Declassified by authority of CNO OP-092 On 2/13/90 By [illegible] NIC-007

Page 37 of 90 pages
Copy 2 of 6 copies

GROUP 4
Exempted from

Reproduction of this document in whole or in part is prohibited except with permission of the Director of Naval Intelligence

DECLASSIFIED pages

~~TOP SECRET~~

~~TOP SECRET~~

DECLASSIFIED

b. Cover. Cover is the means by which an individual, group, or organization conceals the true nature of its acts and its existence from the observer. Cover allows clandestine organizations and personnel to operate with a minimum of interference from outside elements. There are varying degrees of cover, of which the highest is the concealment of any U.S. involvement, either official or non-official. Concealment of U.S. government sponsorship or of intelligence sponsorship are lesser degrees of cover, in which the operation is designed to appear as a normal U.S. commercial or government (but non-intelligence) function.

c. Cover story. Regardless of the degree of cover determined necessary for a particular operation, it must be backed up by a cover story which can explain the operation consistently within the framework of the cover devised.

d. Target Country. A country against which clandestine operations are directed; specifically, the governmental entity from which intelligence information can be directly derived. For the purposes of Navy's clandestine program, a target country is identified as that country or state on which there are significant intelligence gaps. Navy's clandestine intelligence operations will be mounted against a target country only to fill those gaps of interest to the Navy, Marine Corps, and the DOD which can be best collected by, or which can only be collected by clandestine operations.

e. Third Country Operation. An operation conducted by an intelligence organization which is based in and directed from one foreign country and aimed at another.

f. Agent. Any individual who, on a controlled basis, is engaged in the clandestine collection of intelligence or counterintelligence information or in support thereof, either wittingly or unwittingly.

g. Case Officer. An individual, always a United States national, who recruits, trains, tests, briefs, dispatches, debriefs or otherwise directs, supports, or participates in the management and control of the activities of agents engaged in clandestine intelligence activities.

h. Operational data. The facts essential to the planning, conduct, protection, testing, or termination of an intelligence operation. When applied to a specific operation, that detailed information, which, if disclosed, would compromise the identity of the agent and the means by

Page 38 of 90 pages
Copy 2 of 6 copies

DECLASSIFIED

DECLASSIFIED

which he is controlled. Since this disclosure would further compromise the operation and U.S. involvement, the disclosure of operational data will be severely restricted.

4. Scope. This letter pertains to those intelligence collection operations under the sponsorship of the Department of the Navy. It does not pertain to operations which are non-intelligence in nature nor does it pertain to any operation not sponsored by the Department of the Navy. Separate instructions have already been provided for the coordination and control of these activities by competent authority.

5. Responsibility and coordination.

a. The Chief of Naval Operations (Director of Naval Intelligence) will have the basic responsibility for the administrative and technical guidance of the clandestine intelligence collection program under the provisions of reference (a) and of such other instructions as may be issued by the National Security Council, the Director of Central Intelligence or the Director, Defense Intelligence Agency. Administrative and technical guidance will be construed as meaning the determination of appropriate intelligence targets, the determination of equipment and personnel required, the programming for the personnel and funds required, the recruitment and training of personnel within the limits established by the Consolidated Intelligence Program, the review and coordination of specific operations, the guidance of operations, the serving of intelligence requirements on operations in being, and the provision of financial, logistic and intelligence support.

b. The Chief of Naval Operations (Director of Naval Intelligence) will ensure that no clandestine intelligence operations are initiated without proper coordination and approval as required by references (a) through (d).

c. Military command of the clandestine intelligence collection program will be exercised by the Chief of Naval Operations (Director of Naval Intelligence), keeping the cognizant Navy Area Commander appropriately informed via departmental channels.

d. The Commandant, U.S. Marine Corps, the Chief of Naval Personnel, the Judge Advocate General and the Chief of Industrial Relations will, upon request, provide guidance and assistance to the Chief of Naval Operations (Director of Naval Intelligence) in the development of selection criteria, personnel benefits and personnel procedures for persons hired for clandestine case officer duties.

DECLASSIFIED

~~TOP SECRET~~

DECLASSIFIED

~~TOP SECRET~~

Op-922H1/gaa
Ser 00075P52

e. The Director of Naval Communications will provide cryptographic materials necessary to ensure privacy channels of communications between the Chief of Naval Operations (Director of Naval Intelligence) and units of the clandestine intelligence collection system.

f. The Comptroller of the Navy and the Chief of Naval Material will, upon request, provide guidance and assistance to the Chief of Naval Operations (Director of Naval Intelligence) in designing means for the provision of covert fiscal and logistic support. Since normal accountability of these funds and supplies would be prejudicial to cover, due concern will be given to the establishment of alternate systems of accountability within each covert fiscal or logistic support system developed.

6. Policy.

a. Orientation. The Navy clandestine intelligence collection program will be oriented toward known intelligence requirements which can not be satisfied by other means. The program will remain austere and will grow only as additional requirements are established or as required for operational reasons. In view of this austerity, the program will be under the centralized management and control of the Chief of Naval Operations (Director of Naval Intelligence).

b. Security policy. Rigid security is essential to the prosecution of a clandestine intelligence operation and for the protection of broad national policy interests. The existence of the clandestine intelligence collection program is, therefore, in itself classified Secret. Policies and broad plans for the clandestine program, operation plans and operational data will receive extremely limited distribution and will be handled within the separate code word channel established by DIAI 58-5.

c. Personnel policy. The extensive time required for the adequate training of a clandestine case officer and the period of time on station required to achieve efficient performance render such specialization incompatible with existing navy military career programs. Candidates for case officer duties will therefore be recruited from reserve, retired, or civilian personnel. Where supervision of these personnel can be exercised by an active duty naval officer, that officer will, where possible, be a Special Duty Officer (Intelligence 163x). The personnel procedures designed for the administration of case officer personnel will give due regard to the needs of subordination to designated military

~~TOP SECRET~~

DECLASSIFIED

authority, to the protection of the identity of these personnel from normal civilian personnel accounting procedures and for the protection of the rights of these personnel in accordance with applicable regulations and public laws. To this end, all contracts proffered will be reviewed by a representative of the Judge Advocate General.

d. Coordination policy. No clandestine intelligence collection operation will be implemented until it is properly coordinated under the provisions of references (a) through (d). Complete coordination is mandatory to insure that the contemplated operations are in concert with national policy, that they are not undesirably duplicative, and that they will not pose unacceptable security risks which could result in embarrassment to the U.S. Government.

e. Review and Validation Policy. All clandestine collection operations will be reviewed regularly to insure that the intelligence gain potential surpasses whatever risks may be involved and that the intelligence need cannot be satisfied by other means.

7. Action. The implementation of the clandestine intelligence collection program is hereby authorized.

PAUL H. NITZE

Distribution List:
CNO (DNI - 15 copies)
(94G - 1 copy)
Chief, BUSANDA
Chief of Naval Material
Chief of Naval Personnel
Chief of Industrial Relations
Comptroller of the Navy
CMC
JAG
CINCLANTFLT
CINCPACFLT
CINCUSNAVEUR
COMNAVFORJAPAN
COMIDEASTFOR
COMCARIBSEAFRON
CINCUSNAVEUR Rep Germany

[redacted]

Copy to:
DIA
CIA

DECLASSIFIED

TOP SECRET