

Executive Summaries

on:

- **Kahn Committee**
- **Ministers committee on Special Projects**
- **Secret Services Evaluation Committee**

And a diagram on:

- **Secret Projects**

SECRET PROJECTS

This outline deals with the work of three bodies:

- Advisory Committee on Special Secret Projects (Kahn Committee - KC) from Aug - Dec 1991
- Ministers Committee on Special Projects (MCSP) from August 1992 to 1993
- Secret Services Evaluation Committee (SSEC) from 8 April 1993 to 19 April 1994

Attached are included:

1. A short summary of a document submitted by De Klerk to the TRC Research Department dated 18/11/96 in which he outlines the process of investigating and controlling secret activities from 1989 to 1994.
2. A chronology table outlining the actions De Klerk took regarding secret projects
3. An outline of the deliberations and reports of the
 - Kahn Committee;
 - Ministers Committee on Special Projects; and the
 - Secret Services Evaluation Committee
4. A table of all secret projects mentioned in the deliberations and reports of the three bodies referred to above, with details where available of budgets, time span, description of activities etc.

Please Note:

Six secret project funds are referred to. These include inter alia: the Foreign Affairs Special Account; the Information Service of South Africa Special Account and the South African Police Special Account

Note the following distinction:

Secret Projects: projects undertaken by Department A that fall within its routine (line) functions

Special Secret Projects: projects undertaken by Department A on behalf of Department B

SUMMARY OF BACKGROUND DOCUMENT PROVIDED BY DE KLERK

"THE ACTIVITIES OF THE FORMER GOVERNMENT ARISING FROM THE DELIBERATIONS OF THE KAHN COMMITTEE"

De Klerk argues that at the outset of his term of office he took a number of steps to normalise the role of the security forces and to bring secret activities under firm control. These included:

- investigations of secret activities and phasing out many of them by March 1990
- adoption by Cabinet of Guidelines for the management of secret actions
- appointment of Harms Commission in February 1990
- abolition of NSMS and scaling down SSC in July 1990
- appointment of standing commission into public violence, viz the Goldstone Commission
- appointment of Gen Pierre Steyn into allegations regarding DCC of MI

APPOINTMENT OF COMMITTEES

Following the 'Inkathagate' allegations in July 1991 regarding secret funding, further steps taken by De Klerk included the

- appointment of an Advisory Committee on Special Secret Projects, viz the Kahn Committee
- appointment of the Ministers' Committee on Special Secret Projects to oversee the implementation of the recommendations of the Kahn Committee

The Kahn Committee

The Ministers' Committee concluded that the recommendations of the Kahn Committee had been satisfactorily complied with and that the question of secret activities and secret funds was now completely under control. It was then dissolved as an Evaluation Committee on Secret Services (outlined below) had been set in place.

LEGISLATION

In addition, a legislative review took place in which the Secret Services Account Amendment Act No 142 of 1992 was adopted by Parliament and came into effect on 1 April 1993. This abolished the secret accounts of Foreign Affairs, SAP and NIS.

This legislation also set up an Evaluation Committee on Secret Services which would include a person from outside of Government appointed in consultation with opposition parties. The Committee would review all secret services of all Departments every year to determine whether they should be continued.

NIS BUDGET

The whole of the NIS budget was regarded as secret and an amount agreed upon by the Minister for State Expenditure and the Minister responsible for NIS was deposited into a special account established by an Act of Parliament. The State President was responsible for NIS, but in 1993 delegated certain responsibilities to Minister Kobie Coetsee.

Appendices:

Press Statement by FW de Klerk, 30 July 1991

Press Statement by FW de Klerk, 19 December 1991

CHRONOLOGY

Actions by FW de Klerk concerning secret operations and funding

20 September 1989		FW de Klerk assumes Presidency
November 1989		De Klerk orders investigations into secret and covert operations of the security forces with a view to their possible termination.
February 1990		Harms Commission to investigate certain murders appointed
29 June 1990		Cabinet adopts guidelines for management of secret actions
July 1990		Abolition of NSMS and scaling down of State Security Council
1991		Goldstone Commission into Incidents of Public Violence appointed
July 1991		'Inkathagate' allegations regarding secret funding
30 July 1991		FW de Klerk press conference sketching framework of secret projects and announcing decisions regarding termination or control thereof. Decision to review legislation pertaining to secret funds and to set up advisory committee to examine current projects.
7 August 1991		Kahn Committee appointed, also known as "Advisory Committee on Special Secret Projects" 17 October 1991: Kahn First Interim Report 23 October 1991: Kahn Second Interim Report 4 November 1991: Kahn Third Interim Report 19 November 1991: Kahn Final Report
19 December 1991		De Klerk reacts to Kahn Reports via press statement, accepting its recommendations
23 April 1992		De Klerk comments on Kahn reports in his Budget vote speech and announces proposed legislation on secret funds to be introduced to Parliament soon.
6 May 1992		Ministers' Committee on Secret Projects appointed to oversee speedy implementation of Kahn recommendations
		31 August 1992: First Report by Ministers' Committee
November 1992		Appointment of General Steyn to investigate allegations made regarding DCC of MI
		1 December 1992: Second Report by Ministers' Committee
1992		Parliament adopts the Secret Services Account Amendment Act, no 142 of 1992
		22 January 1993: Third Report by Ministers' Committee No date, 1993: Fourth and Final Report by Ministers' Committee
1 April 1993		Secret Services Account Amendment Act comes into effect: <ul style="list-style-type: none"> abolishes three secret accounts of Foreign Affairs, NI and SAP appoints Evaluation Committee on Secret Services which meets on 8 April 1993, 21 September 1993, 14 March 1994, and 19 April 1994
1994		Evaluation Committee on Secret Services hands over its minutes to the new Government via its State President

KAHN COMMITTEE

Committee Members

Ellison Kahn
Jan A Crafford
James O Mc Millan
SA Strauss

Background to the Commission

The Commission was announced by President FW de Klerk on 30 July 1991. It would only deal with projects that were still active. It was the intention of Cabinet to cancel covert activities where possible. Alternatively they should be scaled down or suitably adapted. Where secret projects continued – they should not benefit any particular political party or organisation. They should serve the broader national interest, in countering of violence, intimidation, sanctions and international isolation.

Note:

The funds drawn from accounts called 'Rekening vir Geheime Dienste (RGD)' and 'Spesiale Verdedigingsrekening' (Special Defence Fund).

Special Secret Projects: projects undertaken by Department A on behalf of Department B

Secret Projects: projects undertaken by Department A that fall within its routine (line) functions

The Work of the Commission

Each department of state that was involved furnished the Commission with documents setting out the nature of the projects that had not been terminated. Discussions were also held with Cabinet ministers and DGs of state departments, amongst others. The Commission was satisfied that Departments such as National Intelligence Services, SADF and SAP had to continue in their line-functions with covert activities.

Rapid termination of projects was urged to ensure no leaking of confidential and embarrassing information. It was argued that financial obligations (contractual and moral) to those employed should be fulfilled to avoid grievances developing that could result in information being revealed. Payment of salaries or lump sum or allowing persons to retain a vehicle were options.

FIRST INTERIM REPORT

(17 October 1991)

SOUTH AFRICAN DEFENCE FORCE

PROJECT ROOIBOS

Budget: RM4,1

Rooibos involved theological training for independent churches to build up 'moderate religious conviction' in support of current constitutional initiative.

PROJECT HARDEKOOL [Budget RM1,1] formed part of Project Rooibos and provided publications and Bible study services to support it. Speedy termination advised with contractual and moral financial obligations. The SADF undertook to terminate asap. Recommended that a one-off advance payment of R8,35 million into a trust.

DEPT OF FOREIGN AFFAIRS

PROJECT THURSTON

Code name for four associated projects for procurement of material for SABC otherwise not available.

A: **United Studios**. Recommended immediate sale of Department's shares. Decision in 1989 not to go ahead with TV productions.

B: **Cablelink** and **Satlink**. Projects already mainly completed.

C: **Filmtel** and **MGI / IMGC**. Film production companies.

The remaining budget of R770 000 will be used to effect termination of all four projects.

PROJECT BLUE

A financial trust, the Taussig Familienstiftung, registered in Lichtenstein that acted as a conduit pipe for secret transactions and could manage secret projects. It has guaranteed payment of debts owed by two other secret projects **Grail** and **Arcadia**. Two trustees Mr Grant Mannheim (or Manheim) and Mr AP Giles have fallen out and one has a sense of financial grievance. Dr (CH?) K Ritter and Casimir Prince Wittgenstein.

Recommendations: Mr Mannheim be paid 90 000 pounds sterling and Mr Giles be paid 150 000 pounds. The trust stood as surety for debts amounting to 2,35 million pounds and it is recommended that 2,35 million pounds be transferred in trust to the bank that lent the money to the overseas projects to release the trust from its obligations. This leaves a balance of R12,2 million held by the trust. Assets of the Trust after settlement would be around R20 million. Funds held by the trust should be repatriated.

SECOND INTERIM REPORT

23 October 1991

DEPARTMENT OF FOREIGN AFFAIRS

Eleven secret projects in total (including Project Blue and Project Thurston)

GRAIL

Sanctions-busting large company set up fourteen years previously (?1977) with the help of the SA-friendly Rothschilds Bank. Main object is buying and selling internationally of computer equipment. Primary aim is to assist the Republic in combating sanctions. "The true identity of the company is hidden by layer upon layer of trusts and holding companies, starting with a Jersey trust based on a deceased family trust, thereafter a holding company in Jersey, and thereafter a holding company in the UK. SA connections are buried deep. Director is Mr Giles (a former South African) and two others. No one else knows the *sub rosa* background".

Recommendations: GRAIL should continue as it is in the national interest. In a future sale (when no longer needed), a buyer with no security risk should be found.

ARCADIA

An international commercial undertaking intended to operate as a last line of defence in the face of international sanctions. Being wound up, never involved in much trade. Brazil.

Recommendations: termination of project

SIX PACK

Project for the "performance of South Africa's part in the construction of a coal-fired power station". Being phased out due to changed conditions for export of coal. South Turkey. Financing from World Bank and Republic of China. *Recommendations: acceptance of termination plans*

OPALS Special Secret Project

Support for a centre in Paris for combatting Aids. Department now withdrawing from the project. *Recommendations: endorse the Department's decision*

C-FILMS

Financial backing of a film. R1 million given to SA filmmaker Dirk de Villiers (rate of 5% p.a.) to make *That English Woman* on the life of Emily Hobhouse. Distribution went awry. De Villiers to make a longer and better version and video film to find a market overseas. Department wishes to keep De Villiers to his promises and to try to recover the loan as much as is possible.

ACODA

Code name for an organisation of leading European personalities to try to encourage investment in the Republic. It works through PRO firms whose contracts end in March 1992. It extended invitations to prominent overseas politicians and businessmen who would not have come if they knew financing was through the SA government. The invitations should be honoured but thereafter the project should be ended. Financial commitments of DM 1,75 million. *Accept proposals of the Department*

SWART SAKELUI

Project to bring US black business people to meet their SA counterparts, arranged through a front. After one final visit, involving R64 000, the project will end. *Endorse acceptance of the proposal.*

CONGRESSIONAL VISITS

Assistants to US Congressmen accepted invitations through fronts such as the SA Foundation. Expenditure: R632 000. Cannot cancel invites at this stage. *Agreed.*

DIVERSE VISITS

Invitations to a diverse collection of chosen persons have been accepted. Fulfilment of obligations will cost R300 000. *Recommend that the expenditure be endorsed.*

SOUTH AFRICAN DEFENCE FORCE

Sixteen secret projects (including Rooibos and Hardekool).

PACMAN

Budget: RM4,1

Code name for an organisation with offices in Johannesburg (real control is here), Washington, London, Brussels and Bonn. Object to combat sanctions and support constitutional initiatives with publications, lobbying, conferences etc. It gave valuable support to the cause of Savimbi. Leading personalities in government circles in Europe and USA are involved, with half of its funds from abroad. SADF concerned about its high profile.

In late September 1991 the Minister of Finance agreed to a one-off payment of R7 million, approved by Minister of Defence, "to enable the country to withdraw from the enterprise". Vested in a trust controlled by trustees appointed by SADF. "The possibility exists of the project's continuation under its own steam." *Recommendations: endorse the department's proposals.*

BYRONIC

Budget: RM98

A leading Washington consultant in connection with an international programme in favour of UNITA. Contracts concerning leading political and governmental figures will continue until the September 1992 elections in Angola. In late September the Minister of Finance approved a payment of R7 million into a trust similar to above, to end the country's association with the enterprise. *Commend settlement.* [can now be closed with a R7 million payment to UNITA who will then be responsible for the management of the international 'skakel' programme.]

LEAFY

'Vroue vir Suid-Afrika' working for inter-cultural reconciliation and good will terminated in September 1991 with a once-off payment of R714 000. Head office in Rustenberg with seven branch offices and 1000 discussion groups. The project will continue independently. *Support actions.* [Budget RM1,28]

CAPITAL

Project that supported FIDA (Federal Independent Democratic Alliance) a moderate black organisation to combat violence and advance stability. "We were told that it was a very valuable source of information to the Defence Force on violence in black townships". Terminated in September with a once-off payment of R1,47 million. FIDA will continue independently. *Support these actions.* [Head office in Johannesburg and 13 regions. Budget RM3,05]

NAPPER

Project was another valuable source of information on violence in black townships. The activity involved youth clubs. Terminated in September with a once-off payment of R940 000. The work continues independently on a reduced scale. *Same as CAPITAL.* [Eagles Youth organisation active in OFS, North West Cape and Vaal Triangle. Budget RM2,81]

OLIVE

Project embraced publication of monthly journal Special Despatch encouraging free economy, stability, negotiations and exploring hidden agendas and violence. Three months termination given in September with R240 000. *Approval.* [RM1,00]

VILLA MARIE

Project was for purchase of a substantial part of the print order of the pro-Defence Force Aida Parker Newsletter. Three months termination given in September with R42 000. *Approval recommended.* [Budget RM0,21]

CAMARA

Involved in publication of Christians for Truth, a journal to combat violence and intimidation. Terminated in September with payment of R96 000 to persons involved. Journal will continue independently. *Approval of action.* [Budget RM2,35]

PARKER

Project concerns a printing press and newspaper in Botswana which promoted negotiations on a regional basis. It has a long history. A sum of R900 000 approved for creditors. Defence Force had already decided to end its relations with the proprietor who is now claiming R6 - 7 million 'chancing his arm'. He runs the risk of exposure. Matter is close to resolution on satisfactory basis. [Budget RM2,35].

ESSAY

Project encouraging non-militant attitudes amongst the youth in a number of ways. Terminated in September with a one-off payment of R126 000. *Approve actions.* [Budget RM1,15]

JETTY

Ongoing activity to motivate members of Defence Force called for temporary service and black members of the Permanent Force. The project uses services of some 300 people to inculcate in members the will and desire to do their duty. This was really a line function of the department which would become overt in coming years. *A necessary line activity to be made open as soon as possible.* [Budget RM21,5 Eight consultants with courses and seminars. Research support given by another organisation]

ECHOES

SADF activity aimed at combatting verbal attacks on its duties and functions. Activity relates to the acquisition of information, i.r.o. MK mainly and passing this to the media. *A necessary secret line function which should be budgeted.* [Budget RM1,07]

MEDIANT

SADF project to combat anti Defence Force verbal attacks and propaganda eg from ECC. Supports "Veterans for Victory" stressing positive side of military service. Magazine Stand To (copy enclosed in Report), which defends SADF activities, opposes the abortion lobby, homosexuality and the ANC etc. Project aims to continue until 1996 at a cost of R480 000 p.a. *Recommend termination of project as soon as possible.* [Budget RM0,48]

GETAFIX

Payments to moles and informants for information leading to the discovery of arms caches or military activity information. *Necessary secret activity in ordinary line function of the Defence Force.*

[Budget RM0,4]

NB: Other SADF projects referred to which had closed by 1 September 1996 include:

Gezina (0,800); Liberal (0,950), Mapoly (0,375), Scottish (0,520), Choke (0,350), Brussels (0,500), Concert (0,400), Boesman (0,100), Kerwer (0,040), Instigator (0,355), Steenbras (0,072), Eikenhof (2,210) BUDGETS IN BRACKETS

V Adm P. Murray is listed as a person to whom enquiries should be directed, at (Tel no.) 322 6641

SOUTH AFRICAN POLICE

9 Special Secret projects and secret projects.

"Representatives [of the SAP] stated that secret activities of the Force in the course of ordinary line functions are not confined to routine employment of the services of informants to reveal the activities of persons who had committed or were about to commit crimes. The Police Force had to infiltrate certain organisations that could perhaps be claimed as political organisations, in order to get information about activities that might pose a threat to law and order and the safety of the State, such as the operation of private armed forces. The Force did not take political sides or favour one political party over others or reveal information which came to it that was of a purely private, and possibly politically embarrassing nature."

ARISTOTLE

National Student Federation financed through a business trust. Press disclosures led to public disclosure of its sources and its dissolution. Complex outstanding contracts will require R766 000. Budget 1991/2 was R996 600. When the cover blew the NSF President declared that he was the only one 'in the know'. However the project was running from 1985 and other officials were aware of the financing by the State. Accepted actions by the SAP to close the project.

EINSTEIN

Counterpart of Aristotle in non-white tertiary and secondary terrain. Ceased operations in July. Severed connection with an agent it employed for the project but has obligation to pay her study fees. Budget 1991/2 was R730 000. *Recommend payment of fees.*

BISMARCK

Project was a cover for operational activities and the canalization of State funds to fronts. Target date for dissolution is 31 December 1991. Budget for 1991/2 was R253 000. Protection of individuals involved is important. *Recommend plan of Police Force is accepted. A sensitive area.*

POLEMOS

Project was a front to combat radical propaganda in the Eastern Cape and was ended on 31 July. Certain remaining obligations amounting to R33 600 will ensure that the financial involvement of the State will never be known. Budget 1991/2 was R216 600. *Accept proposals.*

COSMOPOLITAN

Large scale project began in April 1990 to provide 'correct information' to the media. Involvement of Police Force ended on 31 July. Budget for 1991/2 was R130 000. Settlement with this 'honourable man' a professional who was specially recruited for the task would amount to R496 554. He has taken legal advice.

ROMULUS

Combatting organisations and individuals who disrupted public order through intimidation and violence mainly in Eastern Cape and Western Transvaal among the youth. It did good work. Police Force ended its connection on 31 July this year. It will require R289 500 to sever the connection. Budget for 1991/92 was R39 800. Projects listed under it include:

- Operation Gordian (jeugterrein) with offices in PE and Durban with total cost of R222 820. This group was politically involved, identified by the ANC as a menace to its goals.
- Operation Voltaire
- Operation Ukumelana
- Alliance for Free South Africans

SAP action (to terminate its involvement) approved.

SOKRATES

Aim of project to influence black youth to reject violence and refrain from crime. SAP involvement ended on 31 July 1991. Budget for 1991/2 was R10 000. Legal obligations remain of R24 670. *Recommended.*

CONSTANCE

Aim of opposing the politicization of organised labour. Assured it was not connected to IFP. SAP links ended on 31 July. Cost of obligations is R65 000. Budget for 1991/2 was R66 400. Recommended the honouring of obligations and termination of the project.

PEGASUS, VIXEN AND LEO

Project directed at fostering of stability and order in territory of labour. SAP involvement ended on 31 July this year. Budget for 1991/2 was R410 500. The organisation continued. On 27 September and 11 October Financial Mail spilt the beans regarding state connection. "One of the best investments the State has ever made". Involvement of academics. *Recommend acceptance of proposal to sever connections with the projects.*

NATIONAL INTELLIGENCE SERVICES

Seven projects

AASDIER (08/08/1986) Stratkom project

Project to combat 'alien' and security threatening ideologies such as Marxism and Liberation Theology and to support Christian Action through conferences and publications. NIS support to end of 31 December but it will continue to exist. Cost of termination attached. *Supported.*

ABBASKIP (02/08/1986) Stratkom project

Similar to Aasdier through an association with the Lutheran Church. Lecture tours in Germany, Austria and Switzerland and visits of academics from Germany. Project being terminated with once-off payment of R14 100 from August to October. *Supported.*

APPLERING (08/08/1986) Stratkom project

Project to combat alien ideologies mainly through the English church community, politicians and the media. NIS support to end on 31 December. *Supported.*

BEERVEL (08/08/1986) Stratkom project

Encourage English and German communities here and abroad to oppose revolutionary activities in the church terrain. *Same as Applering*

BRINJAL (08/08/1986) Stratkom project

Cause the Roman Catholic Church to oppose the alleged Liberation Theology and Neocommunist activities of the SA Bishop's Council. NIS support to end on 31 October with payment of R19 000.

BROKAAT (08/08/1986) Stratkom project (26 lecturers, 7 admin staff, 3600 students)

Companion project to Rooibos, although Rooibos trains in a building and Brokaat trainees receive theological training through instruction by correspondence. Financial support to end on 28 February 1992 to allow institute to raise funds in Europe and USA as a worthwhile enterprise. NIS discussions with Dept of National Health and Population development to see whether the enterprise falls into its line functions. *No covert state support. Suggestions supported.*

DELECTUS (01/12/90) NI project to bedryf Stratcom

Implement State President's initiative regarding peace and justice through the creation of a coalition for Christian action by means of a network of writers. Termination on 31 December with single payment. *Supported.*

Press statement by FW de Klerk states there was R26,9 million budgeted for SADF projects. SADF states it was R149,6 million. Later SADF states it was R30 million.

THIRD INTERIM REPORT

4 November 1991

Secret Project: Department of National Education

Information supplied by KJ Bodenstein, Director of Sports Promotion, Dept of National Education

The project concerns the payment of income tax due on fees paid to the visiting English cricket team in the 1989 - 1990 cricket season. After a meeting with the South African Cricket Union, the "Minister of National Education asked the Minister of Finance to cause the payment of the income tax of each of the players to be effected through a fund that had been created from the Secret Services Account for secret projects of the Department of National Education". Amount of R535 825,15 required for this. It was explained that that if the English players were to do this favour for the South African Cricket Union, the maximum financial profit must be given to them to survive the lean years that would follow the tour, which would result in reprisals and losses for the English players.

The payment had not yet been made as the Minister of National Education, Mr LA Pienaar, is meeting with the Minister of Finance to look at ways of effecting payment without the use of the secret funds.

FINAL REPORT

19 November 1991

The Final report deals with :

- Secret Activities of Department of Foreign Affairs
- The Report of the Committee Investigating the Revision of Laws Regarding Secret Service Accounts

DEPARTMENT OF FOREIGN AFFAIRS:

"Line functions" secret projects mainly using consultants – which , according to the Department of Foreign Affairs, is nothing "other than a normal routine activity".

TOEGANG TOT AFRIKA

Mr John Coker, BBC journalist and specialist on Africa with OAU connections employed at annual fee of R125 000 and airfares. Source of information and conveys information on our behalf.

We endorse this activity.

TOEGANT TOT FRANSSPREKENDE AFRIKA

Mr Jean Yves Ollivier, French businessman, employed to advance SA's interests in Francophone Africa's affairs. Expenditure of R761 340 over several years. *Activity endorsed.*

SWAZILAND

"Young King Mswati III took it for granted that, like his father, he would be furnished with the part-time services of an attorney at the expense of SA government". Mr Ernst Penzhorn, Pretoria attorney, charges R50 000 annual fee. "He advises the King generally, accompanies him to conferences, drafts speeches for him, persuades him not to act in undesirable ways, and protects him from the machinations of undesirable characters". A line function par excellence. *Activity endorsed.*

"LE CERCLE"

Informal forum of influential representatives of a 'conservative cast of mind' from Britain, France, Germany, Italy, Oman, the USA and South Africa. Annual meetings consider political, economic and military developments. SA contributes R33 000 plus donations to the secretariat. Valuable source of advice and friendship. *Agreed.*

SA TRADITIONAL HEALERS' COUNCIL

R100 000 per annum paid for past two years to this organisation, whose top figures are "held in high esteem in many African countries for the independent advice they give". Their connections bring information on matters otherwise unavailable. *Secret activity justified.*

KASA PROJECT

Kerklike Alliansie vir Suidelike Afrika (KASA) believes that sanctions are unchristian. Department supported interaction of KASA with USA churches. Arrangement from 1 June 1990 for five years at cost of \$799 000. Pastor Badenhorst and family to relocate to USA to carry it out. Due to crumbling of sanctions the scheme was abandoned. Badenhorst argues for one year's payment of \$150 000. Department cannot risk exposure and thus endorses payment asap. *Action recommended.*

The files also contains the following documents and memoranda concerning the proposed new legislation governing secret projects.

MEMORANDUM

**COMMENTARY AND PROPOSALS ON THE REPORT OF THE COMMITTEE
INVESTIGATING THE REVISION OF LAWS REGARDING SECRET SERVICE ACCOUNTS**

(The actual Report on which the Commentary, written by NIS, is based is not in the Kahn Report file, received from the Office of the President.. An attempt is being made to locate it.)

Memos and responses regarding the position of NIS and the laws regarding secret service accounts.

- National Intelligence Services objects to paragraph 8.1.1.2 (b)(ii) in the report, pointing out two unacceptable consequences for the intelligence sector, viz

(1) NI annual budget would be made public

This would demonstrate to every intelligence service the capacities of the NI in South Africa, including inter alia personnel, salaries, overseas agents, penetration capacity, expansion or downscaling of functions, expensive and sophisticated technological equipment. Reference is made to USA experience.

(2) NI expenditures would be liable to follow Financial Regulations and Treasury instructions
The implications of this are spelt out at length.

- Response from Office of the Auditor General
- NI document setting out its aims, activities and concerns.

MINISTERS COMMITTEE ON SECRET PROJECTS

The Committee was established by Cabinet decisions on 12 and 19 August 1992. Its task was to advise on the handling of the Kahn Committee's recommendations and the management of secret projects in general.

Chairperson: Mr HJ (Kobie) Coetsee, the Minister of Justice
Other members: Minister Gerrit Viljoen, Amie Venter and Derek Keys

The Committee reported as follows:

31 August 1992: First Report

Four projects of the Dept of Foreign Affairs were reported on.

1 December 1992: Second report

This dealt with the issue of the availability of the Kahn report to the Auditor-General. It was agreed that this should happen and the report was handed over for the purposes of auditing.

22 January 1993: Third report

This dealt with management matters. The issue of ministerial responsibility was dealt with.

No Date: Fourth and Final Report

FIRST REPORT

31 August 1992

Two Dept of Foreign Affairs projects are reported on, viz. **TOEGANG TOT AFRIKA** and **TOEGANG TOT FRANSSPREKENDE AFRIKA**. The Committee proposes that they should be continued as recommended by the Kahn Commission.

No further details are provided. (query: De Klerk's summation refers to four projects?)

SECOND REPORT

1 December 1992

The second report recommends that the reports of the Kahn Committee should be made available to the Auditor-General, Mr Wronsley, for the purposes of auditing and this was subsequently done. It is also suggested that at a Cabinet meeting of 25 November 1992, the State President took a decision to permit making the Kahn Report available to the Auditor General.

A legal opinion was sought in this regard, which stated that it is possible to hand it to the Auditor-General, with conditions regarding who actually does the auditing and the means by which a report will be done on this. The opinion also states that making the reports available to the Parliamentary Joint Committee on Public Accounts (G-KOR) is undesirable and unnecessary. This legal opinion was accepted by the Committee.

The conditions regarding AG access are:

- The report must be made available to the AG himself or someone personally appointed by him.
- If the AG wishes to refer to the Kahn Report in any of his reports, he must discuss it with the SP and the Minister of State Expenditure

The Committee also states that it is still busy with a report on the management of secret projects, and has received verbal and written submissions from Ministers and Department Heads regarding the content and handling of such projects.

THIRD REPORT

22 January 1993

Additional Note attached by Kobie Coetsee.

The Committee established four categories of projects:

- | | |
|-----------------------|---|
| Category One | All projects submitted to the Kahn Committee (KC) |
| Category Two | Projects that began before the work of the KC but were not placed before it and which should be reported to this committee in the opinion of the line function minister |
| Category Three | Secret projects that began after the work of the KC and were funded from one of the six special secret accounts. As all NI activities are funded in this way, only activities outside of their line functions will be raised. The committee also points out that, as De Klerk stated in his budget speech earlier that year, all covert actions took place within line functions, it will be necessary for the Committee to consider these line functions. The committee proposes a management plan to be put in place regarding this category of projects. |
| Category Four | Projects that satisfy the description of 'secret services' in the Amendment to the Account for Secret Services, 1992. These would be projects that are financed from the new Account for Secret Services. As all NI services will be funded from this account, only projects that fall outside line functions will be considered. The committee also proposes a management plan to be put in place regarding these projects |

Ministerial Responsibility

This committee takes responsibility for drafting a management plan concerning projects in category 3 and category 4. Individual ministers must take responsibility for implementation. The committee cannot verify the correctness of information supplied by departments, but must assume its veracity. Line function Ministers must take responsibility for the correctness of the assurances that they provide.

Guidelines

The Cabinet accepted the guidelines regarding secret actions submitted to it on 27 June 1990. This document detailed matters such as: when special secret projects are permissible; when cabinet approval is needed; legal liability of officials; auditing of secret accounts; the handling of secret information; ministerial responsibility etc.

On 6 March 1991 Cabinet accepted a further document regarding Stratkom actions, as recommended by the Cabinet Committee on Security Affairs.

It was felt that the guidelines should be placed before Cabinet again, as new Ministers had been appointed and there had been much public debate over secret projects. Appendix D is briefly summarised for this purpose in a memorandum to Cabinet members. It is suggested that Appendix E is then no longer applicable, as projects of that nature now fall into line functions.

The Committee proposes that all Cabinet colleagues and Departmental Heads should become aware of all laws concerning the use of secret funds, for the purposes of reporting to the Joint Committee on Public Accounts (G-KOR).

Reference is made to an incident involving a certain person (*John Gogotya?*) who alleged that he suffered damages as a result of his involvement in an SADF covert operation, and took

legal steps against the SADF. A smaller amount was paid to him from the Department's open budget. The question arose as to how the Auditor-General's report could deal with this in a limited or hidden fashion. The answer is that the 1989 Law on the Auditor-General allows for limited reporting but only in cases involving the auditing of secret accounts.

The further question still stood as to whether the parliamentary committee could delve into the details of the alleged covert operation that gave rise to this payment. The committee suggests that there are other angles that can be used to protect the state before the Parliamentary Committee despite being unable to limit the report, such as the following points:

- The payment of a settlement is not an admission of guilt
- Considerations that the state may become involved in costly drawn out litigation was a factor in granting the money
- Even if the state won, the weak financial position of the other party would mean that few if any legal costs could be recovered.
- The details of the alleged covert operation should therefore be gone into in a very limited manner
- Rules regarding privileged evidence (including state privilege) also applies to parliamentary committees
- SADF authorities can therefore call on state's privilege if they are asked to give details of the alleged service relation between the SADF and the claimant.

The Kahn Report

The committee orders that the relevant sections of the Kahn report be given to the Ministers involved. Each line function Minister will be asked to provide details on the state of affairs concerning each of their projects dealt with by the Kahn Committee. (Appendix A is the questionnaire to be distributed) The Committee believes that that is not desirable for the Kahn Committee to be recalled to monitor the execution of its orders.

Recommendations

The Committee bevel that FW

- accept the interpretation of its task and work methods regarding projects in Categories 1-4
- accept that this Committee is responsible for the Kahn orders and the development of management plans for present and future projects, but that individual line Ministers accept full responsibility regarding the assurances in terms of Appendix A (questionnaire), as well as for the carrying out of the management plans once in place.
- guideline document "D" be placed before Cabinet in shortened form (Appendix F) while the first document be available for fuller study
- This Committee review documents "D" and "E" and consolidate them if necessary.
- Request your Ministers and their Department Heads to study the procedures and rules regarding the tasks of the Auditor General and the G-Kor concerning secret projects

The issue of the role of the Ministers' Committee vis-a-vis the Evaluation Committee being put in place by the new Law is raised. This committee could act as a watchful eye.

ATTACHED:

- "A" Outline of the areas that the reports on Secret Projects must include
- "B" Extract from Hansard, 23 April 1992
- "C" Copy of the Secret Services Amendment Act
- "D" Minutes of the Cabinet Committee on Security Affairs, 25 June 1990
- "E" Document entitled "Koördinerende Bedryf van Kovertes Strategiese Kommunikasie Projekte" with numerous attachments and organograms regarding Stratkom and other structures.
- "F" Document entitled "Spesiale Geheime Optredes"
- "G" Press Statement by FW de Klerk concerning the report of the advisory committee on Special Secret Projects, 19 December 1991

Also included:

Extracts from the Law on the Auditor-General, No 52 of 1989

FOURTH AND FINAL REPORT

Since the last report there were two important developments.

1. On 1 April 1992 the Amendment on the Rekening vir Geheime Dienste, 1992 came into effect. An Evaluation Committee was set up to approve any activities of the SAP and Dept of Foreign Affairs that make use of secret funds.
2. The negotiations process led to the formation of the Transitional Executive Committee which, with certain conditions, can exercise external control over secret activities of certain departments.

Foreign Affairs

No irregularities were reported. In the case of project ENIGMA there were no irregularities. There are two cases in which foreign projects were closed but where the favourable disposal of assets has not yet taken place. The Department is still busy with this area and continuing responsibility lies with the Evaluation Committee referred to above. Due to the complex and sophisticated counter-measures the state had to adopt in the international sanctions climate, it will take some time to withdraw covert state involvement, particularly to the State's financial benefit.

National Intelligence

All secret projects submitted to the Kahn commission have been terminated. Submissions were received on other sensitive projects that fall or fell within line functions. The committee is happy that these projects are taking place on a controlled basis. Some of them have already ended.

South African Defence Force

Following the SADF report, the committee is satisfied that all the Kahn recommendations regarding the 16 projects (15 to be terminated and the 16th to become open) have been implemented. Despite subsequent allegations/assertions regarding PROJECT ECHOES, those who reported to the Kahn Committee did so in an honest candid manner.

Committee also received reports on four projects that terminated before the Kahn Commission but which can be/have been made public. Committee is assured that the projects were not irregular and have been satisfactorily terminated.

Two people who were involved in terminated SADF projects, Mr John Gogotya and Joe Tshabalala, subsequently raised financial complaints with De Klerk's office. The committee was assured by the SADF that no money is owed to Mr Gogotya and the matter has been settled by informal arbitration. Regarding Mr Tshabalala, a similar assurance was given by the SADF. Mr Tshabalala was advised to go to the Ombudsman on a confidential basis if he so wished, but has not done so.

South African Police

All projects submitted to the Kahn committee have been terminated.

Recommendations

- Satisfactory attention has been given to the Kahn Committee's recommendations
- In the light of the Evaluation Committee, the Ministers' Committee should be dissolved. Three of this Committee's four members are on that Evaluation Committee.

ATTACHED REPORTS

NATIONAL INTELLIGENCE SERVICE

DG Mike Lowe reports that during the last report on secret line function activities three relevant projects were tabled, namely EIERDANS, FEETJIE and MORGEN. These have now been

terminated and are being audited by the Auditor General. No non-line function projects are operating.

He further states that the Auditor General as well as internal audits have full access to all NI expenditure vouchers and documents.

A new Ministerial Disbursement Order from 1993 in terms of the Law on Special Accounts for Security Services 1969, will be put before the SP will state that " ???????

A. Projects Submitted to the Kahn Committee

ABBASKIP
APPLERING
BEERVEL
BRINJAL
BROKAAT
DELECTUS

C. Standing Control measures to ensure that line function activities do not include unauthorised secret activities

Four paragraphs describe these measures, although the next page is not attached. Ends abruptly.

SADF

Certificates regarding the following Secret Projects are attached by JF Retief, Military Secretary, KDOOR

A. Projects submitted to the Kahn Committee.

ECHOES
JETTY
GETAFIX
MEDIANT
ROOIBOS
HARDEKOOL
PACMAN, BYRONIC
LEAPY
CAPITAL
NAPPER
OLIVE
VILLA MARIE
CAMARA
PARKER
ESSAY

B. Projects not submitted to the Kahn Committee

MARION
OGDEN
FRIENDSHIP
LIBERAL

SOUTH AFRICAN POLICE

Two reports attached:

1. Major Charl du Plessis submits details of following projects:

A. Projects submitted to Kahn Committee

ARISTOTLE
EINSTEIN
RAM
BISMARCK
POLEMOS
COSMOPOLITAN
ROMULUS
CONSTANZE
PEGASUS VIXEN LEO

B: Projects not submitted to Kahn

None

2. Letter dated 17/02/93 in which Luit-Gen JH le Roux, Head of Crime Prevention and Investigation, reports that the two outstanding matters in paragraph 8.1 and 8.4 in the report dated 23 November 1992 have now been terminated.
3. Report to the Ministers committee on Secret Projects, 23 November 1992

A short summary of each project listed below is provided with three annexures.

A. SECRET LINE FUNCTION PROJECTS

PROJEK DETEGERE
PROJEK GEORGANISEERDE MISDAAD
PROJEK FOX
PROJEK DIAMANT EN GOUD

B. SPECIAL SECRET PROJECTS

Special secret projects in operation since November 1985 by SAP, to enact the directive of the State Security Council dated 16 November 1985. This order was affirmed in a cabinet directive dated 6 March 1991. On 31 July 1992 the SAP had 13 special secret projects running and presented these to the Kahn Committee.

It is also stated that all special secret projects involving the SAP have been terminated. A total amount of R1 397 208.43 was made available for the associated outstanding contractual and moral obligations.

ARISTOTLE
EINSTEIN
BISMARCK
POLEMOS
COSMOPOLITAN
ROMULUS
SOKRATES
CONSTANZE
PEGASUS, VIXEN and LEO
RAM
CHURCHILL
CICERO
BUYE

Annexure A: Strategic Communication (Stratkom) project involving SAP until 31 July 1991, involving the infiltration of organisations for the acquisition of information. No name provided.

Annexure B: Crimes about which information was gathered under project DETEGERE.

These include: Taxi wars; attacks on trains, hostel dwellers, farms; assassinations; consumer, school, rent and transport boycotts, stayaways; military structures such as APLA, AZANLA, MK-SDUs/AMABUTHO, Third Force, AWB, Boerekommando, people's courts, weapon smuggling; TVBC states; and many other areas

Annexure C: Successes from 1 January 1992 achieved with the help of the GM (Organised Crime) project. These include the Chinese Mafia deportations, drug seizures, etc

OTHER DOCUMENTS INCLUDED IN THE FILE:

- Vrye Weekblad article, 17 - 23 May 1991, by Hennie Serfontein "Waarom antwoord FW nie reguit nie?"
- Extracts from Hansard:
 - 1 March 1990: A speech by FW de Klerk referring to investigations in the security forces. *FW de Klerk also mentions a November 1989 investigation into covert functions of the different security forces in the process of rationalisation. Report is awaited.*
 - 5 March 1991: Question regarding SAP support to Inkatha
 - 12 March 1991: Question regarding support to certain organisations
 - 9 April 1991: Question regarding support to political organisations

SECRET SERVICES EVALUATION COMMITTEE

Minister AA Venter, Minister DJ de Villiers, Minister DL Keys, Prof SA Strauss
Secretariat: MF Ackerman

MEETING 8 APRIL 1993

Requests will be sent out with the following questions:

Name of secret project; Aims, Operational area; Brief business details; Modus Operandi;
Financial Survey; Time period; Why covert activity; Why it is in the nation's interests

General Van der Merwe, Col Oosthuizen, Capt du Plessis from the SAP and Mr GJ Smit from Department of 'Staatsbesteding' attend the meeting. Van der Merwe described SAP projects:

SOUTH AFRICAN POLICE

PROJECT FOX

The project embraces the provision of a technologically sophisticated ability to combat crime. It also ensured that the where closed companies are involved in court cases, the actual sponsors of the companies are not exposed – ie, that the cover remains. . Budget approximately the same as that of 1992/93 being RM4,4.

PROJECT DIAMANT EN GOUD

Projected costs for the year are about RM1. General Van der Merwe provided an outline of the 'lokvalstelsel' (trap system).

PROJECT ORGANISED CRIME

Costs of RM5 are projected. Police control methods discussed.

CRIME INFORMATION SERVICE

Two methods employed viz infiltration and legal forms of 'meeluistering'. Van der Merwe described the regular 'information audits'. He also spoke about the control of spying. Projected amounts are RM24 for 1993/94.

The committee concluded that although secret projects, the abovementioned fall close to normal police line functions. It was **decided to recommend these projects**, subject to the Police doing the following:

- submit a report within three months on the risk or damage control concerning the closed companies that forms part of Project Fox
- report within one year on the position of the projects regarding the Committee's criteria.

Mr PJ van der Walt from the Department of Foreign Affairs briefed the meeting concerning the umbrella project Ultra. He did a progress report on the process of closing down of projects as ordered by the Kahn committee. These projects now fall under Project Ultra, with the exception of Project Thurston which was already dealt with. The process should be complete within this financial year save for one project. Present and future risks were discussed. The Committee decided to recommend Project Ultra.

MEETING 21 SEPTEMBER 1993

South African Police

Genl van der Merwe, Col Oosthuizen, Col Truter and Capt du Plesses attend the meeting with a written submission with five appendices. Genl van der Merwe reported on matters outstanding:

- the ethic of the 'lokvalstelsel' (entrapment system)
- the treasury as a target for organised crime
- the 'erfregte' (hereditary rights) position vis-a-vis the State of those involved in front companies, which requires further investigation
- all projects submitted to the Kahn committee were now closed down, although the Auditor-General is still busy with several of them

DEPT OF FOREIGN AFFAIRS

Mr LH Evans, PJ van der Walt and J Botha submit a written submission. Four projects handled by the Kahn Committee were raised:

- **Toegang tot Afrika** Department aims to end the project before the end of the financial year
- **Merlin** Allow project on basis of goodwill to peter out
- **Diverse besoeke**
- **Swaziland** The Department would like to fund this from the open budget, but there are problems with the need for secrecy for the two involved. Mr Evans will discuss the situation with the Minister and consider other ways of providing this assistance henceforth.

Mr Evans briefed the committee about a new project **Project Africa** which gives assistance to certain African countries in the furtherance of democracy. The Committee was satisfied that this project does not clash with national interests. Mr Evans requested that his oral explanation should not be fully minuted and the committee accepted this. A satisfactory arrangement regarding the content of the certificate will be found.

South African Defence Force

Genl Meiring led a delegation together with Adml Murray. They were concerned that the Special Defence fund should be purified of all expenditure that does not deal with armaments. Matter should be dealt with by the Minister of Defence and the Cabinet. SADF led without it being discussed.

Certificate stating that the Committee approved the following Dept of Foreign Affairs projects: Toegang tot Afrika, Merlin, Swaziland, Afrika. (25/10/93)

MEETING 14 MARCH 1994

DEPT OF FOREIGN AFFAIRS

Mr Botha and Mr van der Walt attended.

Project Ultra still not terminated. A date set for April at which an evaluation can be done. The mentioned amount of R2 million should be made available for this purpose.

Project Afrika will be terminated by 31 March 1994 and that unused funds will be returned to the Secret Services Account (RGD).

All other projects have been terminated or will be funded from open funds.

DEPT OF NATIONAL EDUCATION/RECEIVER OF REVENUE

Mr van Heerden and Mr Bodenstein

Committee approves the amount of R1,2 million to be made available regarding the income tax of the touring English cricket team.

SOUTH AFRICAN POLICE

The SAP asserted that in the light of the changed situation in the country the police will not concern themselves with the political terrain.

It was also stated that the BK regarding Operation Fox was functioning satisfactorily. The entrapment system was also briefly discussed.

The committee accepted that the following secret services can take place:

- Security information collection
- Control of organised crime
- Certain activities of the Diamond and Gold Branch
- Services of the National Technical Support Unit

Certificate attached stating that the committee orders that secret project Ultra can continue subject to later re-evaluation.

Certificate attached stating that the committee accepts that the SAP can continue with the four projects listed above.

Certificates attached stating that the committee orders that the Dept of National Education will make a payment out of the RGD to the Receiver of Revenue concerning the arrangement with certain international cricket players.

MEETING 19 APRIL 1994

The Committee decided on 19 April 1994 that the project **ULTRA** can continue subject to the conditions appearing in the meeting minutes. Ultra is a codename given to the process of finalising and ending the projects already examined by the Kahn Commission.

- Liquidation process must continue
- An amount of R2 million be made available for these goals (the previous R2 million was returned due to delays)
- Great urgency is indicated in the decision to take any financial measures (in proper consultation with professional auditors) that could speed up the termination process
- Mr van der Walt and a professional consultant will be engaged to ensure that the process limits costs.

Certificate issued stating that the Committee decided to order the Dept of Foreign Affairs to continue with project Ultra subject to the conditions stipulated in the meeting.

SADF PROJECTS

NB: Mr John Gogolya and Mr Joe Tshabalala are referred to employees (now financially disgruntled) of SADF projects but it is not certain which project(s) is involved.

Project Name	Time Period	Description and Activities	Budget Details	Employees
ROOIBOS <i>KC accept proposal</i>	Contracts (moral/contractual) extend to March 1994 "must be terminated as soon as possible" Anxiety. Closed December 1991, last payments 15 Jan 1992 Project to continue on own?	Theological training for the independent churches of persons in buildings being erected, with the object of inculcating a moderate religious conviction in support of current constitutional initiative. Associated with HARDEKOOL. Possibility of revelations.	Termination: KC recommended a one-off advance payment of RM8,35 into a trust. Budget: RM 4,1 Expected expenditure same MCSP: Spent 1991/92: R 12 305 366,34 Budget 1992/93: nil	
HARDEKOOL <i>KC accept proposal</i>	Same as Rooibos. MCSP: Project not finally terminated, closing is causing problems.	Associated with ROOIBOS. Involves publications and Bible study services in support of ROOIBOS.	Appears to be dealt with as part of ROOIBOS. Budget: RM 1,1 Expected expenditure RM 1,150	Dr Conradie
PACMAN <i>KC accept proposal</i>	Involvement with project ended in December 1991.	Code name for an organisation with offices in Johannesburg (real control is here), Washington, London, Brussels and Bonn. Object to combat sanctions and support constitutional initiatives with publications, lobbying, conferences etc. It gave valuable support to the cause of Savimbi. Leading personalities in government circles in Europe and USA are involved, with half of its funds from abroad. SADF concerned about its high profile - "too many people in the know". MCSP: International Freedom Foundation named. Weekly Mail already named IFF but has no proof.	Budget: RM10,325 Expected expenditure RM 4,745 In late September 1991 the Minister of Finance agreed to a one-off payment of R7 million, approved by Minister of Defence, "to enable the country to withdraw from the enterprise". Vested in a trust controlled by trustees appointed by SADF. "The possibility exists of the project's continuation under its own steam."	
BYRONIC <i>KC accept proposal</i>	Will be shut down in 1991 with payment for ongoing international support programme. Contracts run to the elections in Angola in September 1992.	A leading Washington consultant in connection with an international programme in favour of UNITA. Contracts concerning leading political and governmental figures will continue until the September 1992 elections in Angola. In late September the Minister of Finance approved a payment of R7 million into a trust similar to above, to end the country's association with the enterprise. MCSP: Project also involved transport of goods to UNITA in Angola. A subproject included the setting up and running of a commercial flight rental company mainly to support UNITA. Political risk is low as help to UNITA is public knowledge.	Budget: RM 98 "In late September (1991?) the Minister of Finance approved a payment of R7 million into a trust similar to above, to end the country's association with the enterprise. It can now be closed with a R7 million payment to UNITA who will then be responsible for the management of the international 'skakef' programme. MCSP: Budget 1992/93: nil Spent 1991/92: R 108 394 722,29	"Three employees of the flight rental company have not yet received their packages"

KC indicates Kahn Committee

MCSJ indicates Minister's Committee on Special Projects

SEC indicates Secret Services Evaluation Committee

LEAFY special secret project KC	Terminate end Sept 1991 MCSP: Terminated by 31 January 1992	'Vroue vir Suid-Afrika' working for inter-cultural reconciliation and good Head office in Rustenberg with seven branch offices and 1000 discussion groups. The project will continue independently. Political risk remains. Allegations exist regarding SADF link.	Budget: RM 1,28 Expected expenditure 0,964 Will be terminated in September 1991 with a once-off payment of R714 000. MCSP: Spent 1991/92: R 1 281 455,00	
CAPITAL special secret project KC	Terminate end Sept 1991 All SADF links gone by March 1992. Organisation to go ahead on its own.	Project that supported FIDA (Federal Independent Democratic Alliance) a moderate alliance of black organisation to combat violence and advance stability. "We were told that it was a very valuable source of information to the Defence Force on violence in black townships". Head office in Johannesburg and 13 regions. FIDA will continue independently. Political repercussions possible. Revelations for personal enrichment are possible.	Budget RM3,05. Expected expenditure RM 2,302 Terminated in September with a once-off payment of R1,47 million. MCSP: Spent 1991/92: R 2 480 395,00	68 employees
NAPPER special secret project KC	Terminate end Sept 1991	Project was another valuable source of information on violence in black townships. The activity involved youth clubs. The work continues independently on a reduced scale. Same as CAPITAL. Eagles Youth organisation active in OFS, North and West Cape, Vaal Triangle and Southern Transvaal.	Budget RM2,81 Expected expenditure RM 2,165 Terminated in September with a once-off payment of R540 000. Spent 1991/92: R 2 099 615,00	
OLIVE special secret project KC	Terminate at end Sept 1991	Project embraced publication of monthly journal <u>Special Despatch</u> encouraging free economy, stability, negotiations and exploring hidden agendas and violence.	Budget RM1,00 Expected expenditure RM 0,670 Three months termination given in September with R240 000.	
VILLA MARIE special secret project KC	Notice given 1 Sept 1991	Project was for purchase of a substantial part of the print order of the pro-Defence Force <u>Aida Parker Newsletter</u> .	Budget RM0,21 Expected expenditure RM 0,170 Three months termination given in September with R42 000.	
CAMARA special secret project KC	Terminate 1 Sept 1991	Involved in publication of <u>Christians for Truth</u> , a journal to combat violence and intimidation. Journal will continue independently. MCSP: Subprojects Family Focus and Western Cape Council of Churches terminated before 31 July 1991. Contact with "Christians for Truth" also terminated.	Budget RM2,35 ?Also listed as RM 0,840 Expected expenditure RM 0,448 Terminated in September with payment of R96 000 to persons involved. Spent 1991/92: R 517 670,02	

KC' indicates Kabin Committee

MCSP indicates Minister's Committee on Special Projects

SSEC indicates Secret Services Evaluation Committee

PARKER special secret project KC	KC: Already terminated by September 1991 MCSP: Not yet terminated. Court cases to follow	Project concerns a printing press and newspaper in Botswana which promoted negotiations on a regional basis. It has a long history. Defence Force had already decided to end its relations with the proprietor who is now claiming R6 - 7 million 'chancing his arm'. He runs the risk of exposure. Matter is close to resolution on satisfactory basis. MCSP: "News Links Africa". High political risk, seen as manipulating information. Project reported in press already.	Budget RM2,35 Expected expenditure: RM 5,153 A sum of R900 000 approved for creditors. Spent 1991/92: R 2 848 118,93 Budget 1992/93: R 200 000,00 Spent: R 73 761,79	Proprietor now claiming R6 - 7 million 'chancing his arm'. He runs the risk of exposure. Subject of arbitration, now to make a court ruling.
ESSAY special secret project KC	Terminate 1 Sept 1991	Project encouraging non-militant attitudes amongst the youth in a number of ways. Discussions with ANC YL against violence and intimidation. MCSP: Running of youth organisation Jeugkrug.	Budget RM1,15 Expected expenditure: RM 0,650 Terminated in September with a one-off payment of R126 000.	Former manager is now an MP.
JETTY KC - a necessary line activity to be made open as soon as possible.	Disposal will continue until about 1996	KC: Ongoing activity to motivate members of Defence Force called for temporary service and black members of the Permanent Force. The project uses services of some 300 people to inculcate in members the will and desire to do their duty. This was really a line function of the department which would become overt in coming years. Consultants with courses and seminars. Research support given by another organisation. MCSP: motivating of own forces to handle the psychological onslaught on SADF members especially black troops and part-time forces. The covert front organisations that acted within the framework of this project have been terminated. This includes the coloured cultural organisations under the umbrella of SACKO as well as the East Cape Sports Foundation and Lion Life Research Corporation. All activities to terminate by November 1992. Goldstone Commission discussed this activity. Details regarding their activities was not raised as the organisations are not regarded as political. Political implications can follow. Media reports on the project. Possibility remains that employees can make further 'revelations'.	Budget RM21,5 (KC) MCSP: Spent 1991/92: R16 588 974,85 Budget 1992/93: R14 480 000,00 Spent: R6 161 923,90	Eight consultants The project uses services of some 300 people
ECHOES KC - necessary secret line function to acquire information which should be budgeted.	SADF decided to close the project in August 1992.	Described in KC as SADF activity aimed at combating verbal attacks on its duties and functions. Activity relates to the acquisition of information, i.e. MK mainly and passing this to the media. Described in MCSP as the establishment of an SADF capacity implement communication activities against armed and/or military actions of militant groups including their propaganda actions. The MCSP later comments that "despite subsequent assertions regarding Project ECHOES, those who reported to the KC did so in a candid and honest manner". Political risk in that SADF can be accused of obtaining information on politically related organisations.	Budget RM1,07 (KC) MCSP: Spending 1991/92: R719 672,71 Budget 1992/93: R 4 021,00 Spent: R281 435,26	

KC indicates Kahn Committee

MCS indicates Minister's Committee on Special Projects

SSEC indicates Secret Services Evaluation Committee

MEDIANT KC recommend termination of project as soon as possible	Project terminated 04/92 ?"Disposal will continue until 1996"?	SADF project to combat anti Defence Force verbal attacks and propaganda eg from ECC. Supports "Veterans for Victory" stressing positive side of military service. Magazine <u>Stand To</u> (copy enclosed in Report), which defends SADF activities, opposes the abortion lobby, homosexuality and the ANC etc.	Project aims to continue until 1996 at a cost of R480 000 p.a. Budget RM0,48 MCSP: Spent 1991/92: R502 989,30 Budget 1992/93: nil	
GETAFIX KC - necessary secret activity in ordinary line function of the Defence Force.	No end date fixed at that stage (1991). To continue.	KC: Payments to moles and informants for information leading to the discovery of arms caches or military activity information.	Budget RM 0,4 (KC) MCSP: Spent: 1991/92: R346 884,60 Budget 1992/93: R800 000 Spent: R 341 239,61	
GEZINA	Closed by 1/09/91	Not dealt with. Mentioned to KC only.	RM 0,800. Expected expenditure same	
LIBERAL	Closed by 1/09/91	Not dealt with. Mentioned to KC only.	RM 0,950. Expected expenditure same	
MAPOLY	Closed by 1/09/91	Not dealt with. Mentioned to KC only.	RM 0,375. Expected expenditure same	
SCOTTISH	Closed by 1/09/91	Not dealt with. Mentioned to KC only.	RM 0,520. Expected expenditure same	
CHOKE	Closed by 1/09/91	Not dealt with. Mentioned to KC only.	RM 0,350. Expected expenditure 0,175	
BRUSSELS	Closed by 1/09/91	Not dealt with. Mentioned to KC only.	RM 0,500. Expected expenditure same	
EIKENHOF	Closed by 1/09/91	Not dealt with. Mentioned to KC only.	RM 2,210. Expected expenditure 0,030	
CONCERT	Closed by 1/09/91	Not dealt with. Mentioned to KC only.	RM 0,400. Expected expenditure 0,477	
BOESMAN	Closed by 1/09/91	Not dealt with. Mentioned to KC only.	RM 0,100. Expected expenditure -	
KERWER	Closed by 1/09/91	Not dealt with. Mentioned to KC only.	RM 0,040. Expected expenditure 0,030	
INSTIGATOR	Closed by 1/09/91	Not dealt with. Mentioned to KC only.	RM 0,355. Expected expenditure same	
STEENBRAS	Closed by 1/09/91	Not dealt with. Mentioned to KC only.	RM 0,072. Expected expenditure -	
MARION Not reported to KC Reported on to MCSP 10/92	Project terminated in terms of the State President's guidelines.	"To put Inkatha in a position to neutralise the assault by MK against it". On 1 March 1990 it was modified: 'to maintain links with Chief Minister Buthelezi'. Initial training in 1986. Sporadic contact and retraining until June 1989. After that it was only meant for financing travel costs and 'inligtingskakeling' until March 1991. In 1991/92 bookyear, until November 1991 there were only travel expenditures of SADF members regarding two security briefings to Buthelezi. Considered high political risk (weapons training to Inkatha members). Already mentioned in the media and Goldstone Commission. Labelled as 'hit-squads', links with Renamo, CCB and so-called Third Force	Spent 1991/92: nil Estimate for 1992/93: nil	

KC indicates Kahn Committee

MCSP indicates Minister's Committee on Special Projects

SSEC indicates Secret Services Evaluation Committee

OGDEN Not reported to KC Reported on to MCSP 10/92	Project terminated in terms of the State President's guidelines.	Creation and maintenance of a news network in SA to unmask the destabilisation, promotion of armed violence and intimidation of communities. Also to put pressure upon the advocates of such actions to participate in the negotiations in a peaceful manner. Political risk low. The possibility of revelations remains.	Spent in 1991/92: R802 568,31 Budget 1992/93: nil	
FRIENDSHIP Not reported to KC Reported on to MCSP 10/92	Project still being terminated in terms of the State President's guidelines.	Covert support to a regular newsletter, "The Longreach Report". Aimed at the local and international 'besigheidslui', to further Bevkorn goals. Low political risk. It has already reached limited newsmedia overseas. Bevkorn involvement in this organisation was ended in April 1991. The organisation is being closed and will be terminated by November 1992.	Spent in 1991/92: nil Budget 1992/93: nil	
LIBERAL Not reported to KC Reported on to MCSP 10/92	State involvement terminated in accordance with the State President's guidelines.	To promote the goals of the SADF's Komops goals with certain media agents in Europe, by means of an independent research organisation "Quo Data". Contract with Quo Data ended in June 1991. Quo Data is going ahead on its own steam as a marketing agency. Low risk.	Spent 1991/92: R 447 775,37 Budget 1992/93: nil	Contractor has some angry feelings as a result of the termination.