Political espionage

'It's really the Wild West': Vienna's spying problem spins out of control

Austria has become a 'veritable aircraft carrier' of Russian agents, says European official

Sam Jones in Vienna YESTERDAY

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Vienna, a city synonymous with shady cold war intrigue, has once again become the espionage capital of Europe after Russia's invasion of Ukraine — and Austria's government seems in no rush to change that.

After an explosion in undercover activity, the country's three largest opposition parties in spring jointly backed legislative changes to finally criminalise <u>espionage</u> in Austria. But months later, their efforts have got nowhere thanks to repeated government stalling.

"We have pointed out this abuse for a long time," said Stephanie Krisper, an MP with the liberal Neos party championing the legislative drive to criminalise spying on Austrian soil. "But nothing has been changed in the penal code, with dire consequences."

The rise in spying in Vienna has drawn opprobrium from allies and undermined the country's standing among increasingly security-conscious European neighbours.

The country is home to several large international organisations, including the International Atomic Energy Agency, Opec and various UN agencies, but has traditionally turned a blind eye to undercover intelligence activity on its soil — as long as the target of the operations is not the Austrian government.

<u>Austria</u> was a "veritable aircraft carrier" of illegal Russian agents at the heart of the continent, a senior European spymaster told the Financial Times last year.





Lawmaker Stephanie Krisper is pushing for criminalising spying 'against a foreign state or an international organisation' on Austrian soil © Leonhard Foeger/Reuters

Senior European intelligence officials regard the Austrian situation with increasing bemusement. The country is already frozen out of many well-established intelligencesharing arrangements on the continent, which are co-ordinated through the "Club de Berne", the informal network of European spy agencies named after a Swiss city.

While Vienna has been keen to re-ingratiate itself with its allies, the war in Ukraine has so far been a missed opportunity. Since Moscow's full-scale invasion in February 2022, European countries have ejected more than 400 Russian spies posing under diplomatic cover from their territories. So far, Austria has expelled just four.

There are still more than 180 accredited Russian diplomats in Vienna, said one senior western intelligence official, and at least a third of them are known to be using diplomatic cover for intelligence-gathering activities. Many more are now operating in the country illegally thanks to its lax policing and surveillance of espionage.

"It really is the Wild West," said one western diplomat. "It's almost comical how much is being gotten away with here. Even from our side, I am sure."

Chinese, Iranian, Israeli and Saudi agents are also present in Austria in high numbers, along with dozens of American, British and European officials assigned to monitor them.

The situation has become a headache for Austria's conservative-green coalition government. But tanking poll ratings and a fractious domestic debate over Austrian neutrality have pushed the spying issue downwards on the government's priority list.

Since Neos proposed criminalising espionage "against a foreign state or an international organisation" in Austria, the government has used its clout in parliament twice to suspend any votes on the issue. The matter is now postponed until after summer recess. The government said it needed more time to consult

between departments before changing the law.

Krisper said the issue was not being taken seriously enough.

"If, for example, Russia were spying on Germany — one of our closest partners — on Austrian territory, we could not do anything about it because this was not happening 'to Austria's disadvantage'," she said, quoting the wording of the current law.

"Vienna is a perfect hub for spying, and always was," said Gustav Gressel, a former Austrian military officer and now a senior policy fellow at the European Council on Foreign Relations think-tank.

"If you are a Russian intelligence officer, and you want to run a source in Germany, why would you run the risk of meeting him there? You invite this guy on a skiing holiday in Austria. Or to a ball in Vienna . . . you can basically recruit sources and exfiltrate information completely unmolested."



The rise in spying in Vienna has undermined the country's standing among increasingly security-conscious European neighbours © Nina Riggio/Bloomberg

The Austrian capital is likely hosting an outsize Russian signals intelligence operation, a fact barely disguised even at street level to a casual passer-by. The roofs of each Russian diplomatic building and compound strewn across the city are covered with radars, domes and curious "sheds" — some of which have only been built in the past few months — which experts have said almost certainly house electronic surveillance technology.

One of Russian intelligence's "main functions in Vienna seems to be signals intelligence collection" at a scale that has elevated the operation to "the most important of the whole network in Europe", said Thomas Riegler, an Austrian intelligence historian and political scientist.

"There are powerful satellite dishes on the roofs of almost all Russian diplomatic compounds. Even on top of the cultural centre there is one."

Vienna was used as a "hub" by the intelligence services of Russia and other hostile powers, facilitating and supporting spy operations elsewhere in Europe, Riegler added.

Austrian intelligence officials have admitted that there is a problem.

"The current legal situation in Austria, specifically the very limited legal possibilities for countering espionage, and the limited criminality of such offences, leads to a very high number of foreign intelligence and secret service [agents] in our republic," Austria's directorate general for public security — the country's main intelligence agency known as the DSN — said in its <u>2022 annual report</u>.

The agency's new director Omar Haijawi-Pirchner, who was appointed two years ago with a brief to reform Austrian intelligence to bring it back into the European fold, has also bemoaned the law's failings. The DSN has hardly any powers of interception, he told state media in May, and the law criminalising spying against non-Austrian targets "is in need of adaptation".

The Austrian attitude is to hope that "things blow over", said a western intelligence official. There was little incentive to act quickly, he added. "At the moment, the Austrian position in Europe is embarrassing, but the government can always say that no law is being broken."

"If they changed the law, they'd have to try and enforce it — and the fact of the matter is, they probably can't," the official said. "That would be even more embarrassing."

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