

CITY EDITOR
CLIVE WOLMAN

Money

Allivane helped in Iraq arms build-up

By PETE SAWYER

A SCOTTISH firm with close ties to the Ministry of Defence was the major conduit for illegal Western arms exports to Iraq before the Gulf War.

The Allivane armaments group, later called Aerotech and now in liquidation, supplied equipment worth millions of pounds to the regime.

It even helped Iraq to build its own armaments production facility.

Last week we told how a senior official at the British Embassy in Washington helped with

the marketing of Allivane Group products.

We have now discovered that a former Nato liaison officer in the British Army served as a key administrator at the Allivane International Group's mysterious HQ near Whitehall.

Colonel John Blackwell, CBE, who now lives in Cobham, Surrey, acted as a 'link man' for the group shortly after retiring from the Army.

Vital

On one occasion he arranged for a platoon of British troops to make a promotional film for Allivane's riot control vehicle.

In early 1990, an advanced version of this vehicle was acquired by an Iraqi agent in London on behalf of Saddam Hussein. It was used as a mobile

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Embassy link in arms trail

By PETE SAWYER

Senior Briton offered riot car for FBI test



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...to try and...
...the AMACI during the...
...Los Angeles...
...The official...
...Housing...
...the Ministry of...

From last week's Mail on Sunday

command centre during the war in Kuwait.

Allivane was a vital link in Iraq's massive weapons procurement programme.

In July 1987, it was asked to help design and build a £4 million fuse assembly line capable of turning out more than one million artillery fuses a year which were based partly on Israeli technology.

The £12 million deal was struck in July 1987

at a secret meeting in Bonn between officials from the Iraqi Ministry of Defence and the Space Research Corporation. SRC is the Belgian company which designed Iraq's 'Super-gun'.

Illegal

SRC then asked Allivane to supply the design package and give technical assistance. Both Allivane and SRC employees went to Iraq

to help set up the line. But around July 1988 the contract was switched by SRC and Allivane's Spanish shareholders to another company called Ordnance Technology, set up by ex-Allivane employees. It completed the production line.

Just a day after Iraq's invasion of Kuwait, two Ordnance Technology employees were arrested in the UK.

Last year they were prosecuted for the illegal export of military equipment and received suspended sentences.