

HOW BRITISH FIRMS PULLED

Whoever wins in the bloodbath of Sierra Leone, a group of British businesses can't lose. **Pete Sawyer** reveals exclusive new evidence on the African crew

When British troops in Sierra Leone were involved last month in a dramatic operation against a rebel group called the West Side Boyz, this war-ravaged country, the poorest on earth, dominated the headlines for days.

Amid breathless coverage of the attack, complete with maps of West African swamps, one of the key facts about Sierra Leone was lost: namely, that the country is teeming with mercenaries. Many blame the country's woes on the ubiquitous presence of the mercenaries, who even now are working alongside the Ministry of Defence, which is re-training and re-arming the Sierra Leone national army.

Now new evidence seen by *Punch* suggests that, three years ago, business interest may have exacerbated the civil war in the relentless drive to control Sierra Leone's diamond resources, by providing support to both sides in the conflict.

The duplicitous dealings, involving a tangle of British companies, suggest that Sierra Leone's civil war is really an ugly scramble for mineral wealth, with international mining conglomerates pulling all the strings, despite the pious words about Britain's "ethical" foreign policy.

The allegations centre on the activities of two companies closely linked to Sandline International, the British company at the heart of the 1998 "Arms to Sierra Leone" affair.

In 1998 it was claimed that Sandline had broken international sanctions by supplying arms and equipment to the ousted government of President Ahmed Kabbah. Sandline insisted that it had full support from the British government for its operations, and they were kept fully informed.

A departmental inquiry by Sir Thomas Legg cleared government ministers of any involvement with the illegal shipments and attempted to pin blame on civil servants. A parallel inquiry by the House of Commons' Foreign Affairs Select Committee was stymied by a lack of access to relevant intelligence material.

Punch's revelations appear to raise doubts over former Sandline boss Tim Spicer's evidence to both the Legg and Select Committee inquiries. Spicer told the Select Committee: "Everything that my company did we did in good faith and we did believing that what we were doing was in the best interests of President Kabbah and his government."

But in truth, while Sandline was planning



GUNS FOR HIRE: Sandline has brought heavy equipment, and heavy connections, into the Sierra Leone war zone

its operation to reinstate President Kabbah, two associate companies — a commercial security company called Lifeguard Security, and a mining outfit called Branch Energy — were providing weapons to the rebels.

The rebel aid was arranged to allow a valuable diamond mining concession to stay in operation. We can show that a former British intelligence operative, a key source for both the Foreign & Commonwealth Office and the Ministry of Defence, was aware of, and sanctioned at least some of, the aid.

Spicer told the Legg Inquiry that Lifeguard had remained in Sierra Leone with the caveat that it must never under any circumstances become involved in a relationship with the rebel junta. He also reiterated his belief that the UN weapons embargo was aimed at the junta, which, he said, was not the recipient of Sandline's help.

During the Select Committee hearings, Spicer confirmed that Lifeguard and Sandline were administered by the same Guernsey-registered company, Hansard Management Services. Company documents show that Branch Energy was also administered by Hansard.

Spicer had told the Legg Inquiry that Lifeguard and Sandline were run out of the same office, but had a "different ethos" because of the desire to separate Lifeguard's commercial security work from Sandline's government business. However, he admitted that in Sierra Leone this line of distinction had "become a little blurred", because Lifeguard had remained "up country" to provide himself, Kabbah, and Her Majesty's Government, with "eyes and ears" on the ground.

Our revelations suggest that those "eyes and ears" were highly selective.

The evidence for these serious allegations comes from Johan "Shorty" van Zyl, a South African who, for three years, operated at the heart of the mercenary network in Sierra



Leone. Throughout 1997 and 1998, he was the manager of Branch Energy's diamond concession at Koidu, close to the Liberian border. The concession was guarded by Lifeguard Security.

Van Zyl reported directly to Rupert Bowen, Branch Energy's country manager for Sierra Leone or, in Bowen's absence, to Spicer. At the time, Branch Energy was owned by a Canadian-listed company, called DiamondWorks, administered from the same suite of offices as Sandline and Lifeguard.

Spicer told the Select Committee he hired Bowen because of his links with British intelligence, but that Bowen had no contact with them while he was in Sierra Leone.

After a stint in the British army, Bowen held a string of overseas Diplomatic Service postings. By the time he retired in 1993 he was regarded by the Foreign & Commonwealth office very much as an "old Africa hand".

In May 1997 the Revolutionary United Front (RUF), in alliance with the Armed Forces Revolutionary Council (AFRC), staged a coup in Sierra Leone, ousting President Ahmed Kabbah's civilian government. Branch Energy's Koidu concession had an estimated £1.5 billion worth of diamonds in the ground

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and was a prime target for rebel forces. Yet, for eight months following the coup, the concession was left alone.

The official reason for this was explained in a carefully worded report written by Lifeguard following the evacuation of the concession in February 1998. It said Lifeguard had kept the rebels at bay partly by "reassuring" the RUF/AFRC junta that Branch Energy and Lifeguard was "an apolitical organisation with no hostile intent". The memo continues: "Without directly assisting the junta in their commercial or military activities Lifeguard persuaded the leading members of the Junta that their presence in Kono was beneficial to the Junta."

But the reality was somewhat different.

Faxes sent by van Zyl to Bowen and Spicer in London indicate that Branch Energy provided at least £160,000 worth of assistance to the AFRC between May 1997 to February 1998.

Van Zyl outlines Lifeguard and Branch Energy's "aid" to the rebels. He says that, in July 1997, Lifeguard supplied a 40-foot long container of ammunition to the AFRC. He states: "The weapons were handed over by senior executives of Branch Energy and Lifeguard."

If van Zyl is correct, the timing of the weapons hand-over was inspired. At around the same time, Sandline was fleshing out its proposal to defeat the RUF/AFRC Junta and restore Kabbah to power.

After the RUF/AFRC coup, Kabbah fled to Conakry in neighbouring Guinea, where he plotted his return. There he enlisted the support of the exiled British High Commissioner to Sierra Leone, Sir Peter Penfold, and a billionaire Thai banker, Rakesh Saxena, who agreed to pay for the military operation.

In July 1997, Spicer flew to Conakry to prepare a feasibility report on the plan.

Van Zyl was aware of both sides of the coin. Documents indicate that in January 1998 he was flown by Branch Energy to London, where Spicer briefed him on Sandline's planned military operation to restore Kabbah to power — code-named "Python".

Branch Energy's Koidu pay-off lasted until February 1998, when the rebels discovered

documents, which linked Branch Energy and Lifeguard firmly to Executive Outcomes. As a result, in the early hours of February 14, concession personnel had to escape into the bush, where they were later picked up by Sandline's helicopter. Lifeguard was later "charged" US\$20,000 by Sandline for the "re-supply and movement of its personnel".

Meanwhile, in early February 1998, before Sandline's operation "Python" could be carried out, a Nigerian-led Ecomog force launched an attack on Freetown, capturing it after a week of fighting. Days later, Sandline's Bulgarian arms shipment, destined for the Kamajors, supporters of Kabbah and sworn enemies of

stated that the Kamajor arms shipment was in accordance with international mandates.

On the same day as the letter was drafted, the British High Commission in Sierra Leone faxed to the Foreign Office a copy of a letter written by Penfold the previous December, which detailed his meeting with Spicer, and discussions about the plan to overthrow the RUF/AFRC coup. This letter had mysteriously failed to arrive at the Foreign Office the first time round. Legg concluded that Penfold gave the operation "a degree of approval", which he had no authority to do, but did not know such a shipment would be illegal.

Most telling, an "int update" reveals that

Lifeguard supplied a 40-foot-long container of ammunition to the rebel junta

the RUF, arrived. By then van Zyl was in Freetown. He helped unload the shipment of arms, which had breached the October 1997 UN resolution banning the supply of arms to all sides of the Sierra Leone conflict, thus sparking off the "arms to Sierra Leone" affair.

Other documents indicate that throughout the period of the Customs investigation into Sandline's arms shipment and the two government inquiries, Sandline continued to provide military assistance to Kabbah and the Nigerian-led peace-keeping force, Ecomog.

It continued to provide an MI-17 helicopter and aircrew to the Sierra Leone government for "operational tasking." The fee was US\$2,000 per hour, excluding fuel costs.

Other documents reveal the extraordinary clout Sandline, Branch Energy and Lifeguard had in Sierra Leone. *Punch's* evidence also reveals attempts by Sandline to shore up the position of Sir Peter Penfold, who unofficially lent his support to Ecomog/Sandline operations. The documents reveal that, when Penfold found himself in hot water, Sandline attempted to bolster his position by drafting a letter for Colonel Khobe, commander of Ecomog, which

two Lebanese accused of arranging an \$80,000 contract-killing on Sandline crew in Liberia were interrogated by Ecomog, on Sandline's behalf, with the intention of holding them as "POWs under the Geneva Convention".

At the Select Committee hearings, Spicer made much of the intelligence that his company gave to Britain's intelligence services. He revealed that, throughout 1997 and 1998, Sandline had passed a series of highly detailed intelligence reports to the Foreign & Commonwealth Office. He told the Select Committee: "I also would not pretend that there was no attempt to ingratiate Sandline with the Foreign Office."

In fairness to Sandline, Legg decided that much of the trouble was caused by ignorance of the fact that the arms embargo prohibited the supply of arms to both sides. This ignorance arose from repeated and systematic failures of communication.

The Sandline "int update" reports that we have seen told only half the story. The apparent involvement of Bowen with both sides of the conflict naturally leads to the question: how much did the government know? □

The employee who knew far too much

FOR SEVEN years, Johan van Zyl, nicknamed "Shorty", was a trusted member of the notorious British-South African mercenary group generally referred to as "Executive Outcomes".

The Sierra Leone government sought help from EO in quelling an attempted coup by the Liberian-backed RUF. The mercenaries ousted the RUF from the country's diamond fields and brought them to the negotiating table. To pay for the operation, the government agreed to share valuable titanium and diamond concessions with EO's

business partner, Branch Energy.

In November 1996, a civilian government led by Ahmed Kabbah signed a peace settlement with the RUF. Part of the deal was that EO quit the country. But EO's disappearance was largely cosmetic. Many of its personnel, including van Zyl, stayed on, transferring to Branch Energy and to a new "commercial security" company, Lifeguard Security, which had the contract to protect Branch Energy's concessions.

In October 1998, van Zyl was dismissed without warning.

Bitter about his treatment, he

intimated to one Sandline executive that he was prepared to go to the press with what he knew about the way EO had operated in Angola. After a long pause, the Sandline executive said: "I'm surprised at you, Johan."

He began to fear for his life. He told Branch Energy's Sierra Leone government liaison officer: "I'm not staying in one house. I'm moving around. I fear they will hire a hit man for \$500 to shoot me. I think I know too much."

Then last November he was killed in a freak road accident in South Africa.

In the days leading up to his death, he told friends that he was "a dead man". And he took the remarkable step of planting anti-personnel mines around his home.

Shorty was always meticulous in his work. To prove his unfair dismissal case, he had assembled a unique set of internal company documents, statements, recorded conversations and diaries. These documents provide a deep and damning insight into what Executive Outcomes, Sandline, Lifeguard Security and Branch Energy really got up to in Sierra Leone and Angola.