

UK Parliament Probes SA Arms Deal March 31, 2004

SA's controversial arms deal is now being investigated in the UK.

The British parliament began an investigation yesterday into that government's beleaguered Export Credits Guarantee Department. It has been accused of turning a blind eye to corruption by UK companies vying for projects in countries like SA.

Two southern African deals would be scrutinised the department's financing of BAE Systems, supplier of the Hawk fighter-trainer aircraft, and its funding of four UK companies involved in the Lesotho Highlands Water Project.

The ministry which supplies insurance and guarantees to exporters helps UK companies win overseas contracts.

South African officials said yesterday that the UK government may be forced to review present deals involving UK companies if their parliament's report, due for release in June , revealed that it failed to adequately vet the companies or weed out corruption.

South African disarmament campaigner Terry Crawford-Browne of Economists Allied for Arms Reduction claimed yesterday that SA' s former defence minister Joe Modise was murdered to prevent him from exposing widespread corruption in the arms deal.

Crawford-Brown e says the information came from "African National Congress intelligence agents", but refused to be more specific. Government officials were unwilling to comment until they had seen CrawfordBrown's submission.

Transparency SA, that campaigns for environmental and social justice, and the Federation of British Industry are among the groups expected to make oral submissions to Britain's parliament on April 20.