

Script "The Gripen - Valurex International"

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Uppdrag Granskning
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Participants

In order of appearance:

Johan Lehander
Managing Director Gripen International, Saab:

Josef Bernecker
Former commander of Austrian Air force

Karel Kühnl
Minister of Defence, Czech Republic (2005)

Arne Hedén, Director of air and space section, Swedish Defence Material Authority, (FMV)

David Leigh
Journalist, The Guardian, expert on arms trade

Etienne Kiss-Borlase
Valurex International

Anders Frisé
Gripen International

Alfons Mensdorff-Pouilly's secretary

Archive:
From SVT, "Aktuellt"
1987-06-25

Reportage / Start

Synk**Johan Lehander****Managing Director Gripen International, Saab:**

- I have a very, very good check on which advisors we have agreements with for Gripen International.

Telephone:**Josef Bernecker****Former commander of Austrian Air force**

- You two work together for Valurex?
- Ööh, yes as consultants.

Synk**Johan Lehander****Managing Director Gripen International, Saab:**

- So, Alfons Mensdorff-Pouilly has not acted as an adviser in the Gripen campaign?
- No he hasn't.

Telephone:**Josef Bernecker****Former commander of Austrian Air force**

- He was doing some political or social lobbying...
- For...?
- Yes, for the deal...

Speaker:

Czech Republic 2005. The first Gripen aircraft are delivered outside Sweden's borders.

Live:**Karel Kühnl****Minister of Defence, Czech Republic (2005)**

-We welcome Gripen to Czech skies!

Speaker:

An important event for Sweden and Gripen's manufacturer Saab - even if it really wasn't Saab's business deal. This was to be entirely a deal between two states, Sweden and the Czech Republic. A leasing agreement, where the Czech Republic leases 14 Gripens for 10 years from the Swedish Defence Forces.

Synk:**Arne Hedén, Director of air and space section, Swedish Defence Material Authority, (FMV)**

-That is very, very, simple. There was no campaign whatever. We had a government to government negotiation, so there wasn't any campaign at all.

Speaker:

What about so-called agents? Agents whom the arms industry often employs, and who are to work for deals to go through. Sometimes with enormous secret commissions.

Synk:

David Leigh

Journalist, The Guardian, expert on arms trade

- Well, nobody knows that the agent is getting the money in secret in order to get a contract. The fact that millions of Pounds, or millions of Crowns, or...millions of Euros are going into a bank account that nobody knows about, enables bribes to be paid.

Synk

Arne Hedén

Head of Air and Space Section, Swedish Defence Material Authority, FMV:

- Question: -This is a business state to state, Sweden and the Czech Republic. Have agents been contracted for big commissions to win this leasing deal?

-That is a very simple question to answer, no acc... no agents at all have been contracted, so that doesn't happen, and it's very important and very good that you bring this question up, because when the state does business, that kind of thing doesn't occur. When others do business, that I can't comment on, because that I don't know, but it simply doesn't occur.

Synk:

Johan Lehander

Managing Director Gripen International, Saab:

-No, no no. It... it's not on.

-But can you be certain about this, who are the managing director. It's rather far...

-Absolutely, it's us who sit on the agreements. So, that is...yes.

Speaker:

But last week, our program Uppdrag granskning (Name of SVT program "Mission scrutiny") could present quite another picture.

GRAPHIC:

"Gripen aircraft interim five year deal/lease"

"Government or contracted authority: Czech Republic"

Speaker:

These are citations from secret documents which Uppdrag granskning has taken part of (and which are to be found within the Czech judicial system). The sender is Saab's partner BAE, and the recipient is:

GRAPHIC TEXT

"Advisor:

Valurex International SA
succursale de Genève"

Speaker:

In these documents, which are agreements, invoices and plans for partial payments, also transpire the sums which are to be paid to the agent - or advisor, as the business prefers to call them.

GRAPHIC:

5.33 million Euro

1 million US \$

2 million £

81 000,000 Swedish Crowns, SEK

Speaker:

A total of 81 million SEK

And the agent is:

GRAPHIC TEXT:

"Count Alfons Mensdorff-Pouilly is the primary contact for the rendering of the services under this agreement."

Speaker:

Alfons Mensdorff-Pouilly is no rookie in this business. The Austrian count has worked as a weapons agent for BAE since 1992, and Uppdrag granskning could last week reveal that he also had taken part in the earlier Gripen campaign in the Czech Republic, as one of several weapons industry agents, when Saab/BAE tried to sell 24 planes to the country. Mensdorff is now hired again for this state-to-state deal - where there was supposed to be no agents.

Synk

David Leigh, journalist The Guardian, expert on arms trade

- So we see an agreement, we see a demand for the money, and we see the money actually being paid down these off-shore routes. So we've got the whole transaction. It would be very difficult for Saab or BAE to deny that this transaction occurred, faced with this kind of evidence.

Synk

Johan Lehander, Managing Director, Gripen International, Saab

- I have a very, very good check on which advisors we have agreements with for Gripen International, and we don't have any agreement with any such adviser. So, Alfons Mensdorff-Pouilly has not acted as an adviser in the Gripen campaign?

-No he hasn't. I now answer for what I know, and within Gripen International we have no such agreement as you refer to, no.

-Valurex International?

-Never heard about.

Speaker:

We confront the Gripen management with the contents of the documents we had. But they say that they have no cooperation with count Mensdorff and haven't even heard of the company Valurex.

But is that right, really? We continue our investigation.

Graphics

Speaker:

Valurex International, a so-called offshore company with limited insight, which makes it difficult to check cash flows. Registered in Panama, but with a branch in Switzerland, and that's where the tracks lead. To an address in central Geneva.

Telephone:

Etienne Kiss-Borlase

Valurex International

- Oui hello?

- I would like to get in contact with someone representing Valurex International.

- I am actually the branch manager for Valurex in Geneva.

Speaker:

We take a chance and go straight to the point.

Telephone:

Etienne Kiss-Borlase
Valurex International

- The reason I would like to get in contact is because of the leasing contract with the Czech Republic
- Yes?
- Now, the deal that came through, that must have been June 2004 right?
- Something around this date yes!
- And the negotiations between Valurex and the Gripen Project was done through, was it BAE or Saab.
- BAE!
- And we are talking about the Czech republic and the leasing deal and not the former sales ... of the Gripen, we are talking about the leasing deal right?
- Yes!

Speaker:

So, BAE is negotiating with Valurex. The goods is Gripen, the market is the Czech Republic.
And we can tonight reveal that there is also documentation that shows that Gripen International not only knew about Valurex, but took part in negotiations about how much money the company and count Mensdorff were to get.

The headline goes:

Graphics

"Valurex"
"Czech Republic"
"Gripen"

Speaker:

In notes from meetings within Saab's partner BAE, which we have taken part of, and which are to be found in the Czech judicial system - it appears that Gripen International found the original commission to Valurex of 4 % too high.

Graphics

"Gripen International are uncomfortable with indemnifying BAE to this level because the basis of the deal may change. Ie: the Swedish government may supply used aircraft direct and the deal may become government to government."

Speaker:

The Swedish representative in these negotiations is, according to the document:

Grafik:

"Anders Frisén"

Synk:

Johan Lehander

Managing Director Gripen International, Saab:

- Who is Anders Frisén?
- He works with me, yes.
- As?

- Commercially responsible.

Telephone:

Anders Frisé

Gripen Interantional

- Anders Frisé.

- Hello, Anders Frisé, my name is Joachim Dyfvermark of Swedish Television...

- I make no comments in this context, but refer to our media spokesman Ove Wagenmark.

Speaker:

From this document, it becomes evident, that Saab and BAE will try to lower the indemnity to Valurex, and make it a a fixed sum instead of a percentage of the final deal.

Citation:

"The fee will be confirmed at a later date..."

Speaker:

So, in November 2003, the agreement with Valurex is written anew. The sum is now a fixed fee, and corresponds to 81 million SEK.

In June 2004, the leasing deal is a fact, and according to the documents, the payments to Valurex start in August the same year.

GRAPHICS :

"The fee /.../ is to be paid in partial payments as follows:

1,125 M Euro 31/8 2004 PAID

1,125 M Euro 31/12 2004 PAID

1,125 M Euro 31/7 2005 PAID

1 M US \$ 31/8 2005

1,2 M £ 31/8 2005

800 000 £ on delivery of the last 8 aircraft

1,125 M Euro 31/12 2006"

Telephone

Anders Frisé

Gripen International

- My question is about the company Valurex?

- I'll make no comment at all, I've already told you.

- I'll now hang up, I'll not continue speaking with you.

- Thanks for calling, goodbye(hangs up)

Telephone:

Alfons Mensdorff-Pouilly's secretary:

-I spoke to the count, he will not give you an interview.

-Can he give me a written comment?

-No, he will not give anything.

-Nothing?

-No nothing.

Speaker:

Count Mensdorff, the one who under the agreement was to act as an agent, won't speaker with us. But one of his closest collaborators does!

Telephone:

Josef Bernecker

Former commander of Austrian Air force

- I am looking for Josef Bernecker.
- I am Josef Bernecker.

Speaker:

Josef Bernecker is not just anybody. Ex-commander of the Austrian Air Force, well acquainted with the Swedish aerospace industry - since a long time back.

Archive:

From Swedish Television news program Aktuellt (Actualities) 1987-06-25

Here, in pictures from 1987, when he bought for Austria 24 second-hand Saab Draken combat aircraft. Already then, there was a link to the Gripen project.

Archive:

From Aktuellt
1987-06-25

Reporter:

-The Austrian Air Force commander today made it clear that he will set his stakes on an entirely new purchase - Jas 39 Gripen.

Archive synk:

Josef Bernecker

Air Force commander, Austria:

-Yes. yes, definitely. Because you remain in the same philosophy, and that is very important. You have established all the relations since years, you know to whom to make a contact with. That is very helpful in the complicate game of military modern aviation.

Speaker:

15 years later, after retiring, Bernecker starts working with the arms industry agent Mensdorff,. The customer is BAE - via the company Valurex International.

Telephone:

Josef Bernecker

Former commander of Austrian Air force

- You two work together for Valurex?
- Yes, as consultants. I do it on the military level, since - I know all my people from the past and Mensdorff on the political level...
- So he is kind of doing the lobby work on the politicians?
- Right! Right!

Speaker:

Surprised that he speaks with us, we ask about Valurex and the link to the leasing deal with the Czech Republic. And we are lucky. He starts to tell.

Telephone:

Josef Bernecker

Former commander of Austrian Air force

- I started with Mensdorff when I retired
- Yes!
- And at that time the deal was done already, so I was more or less in the aftermath of the whole thing.
- he was doing some political or social lobbying...
- For?
- Yes, for the deal...
- For the lease deal...
- But on behalf of Valurex.
- But Mensdorff is Austrian, how come... I mean Czech Republic is Czech Republic?
- You know, these noblemen, they are well connected, well netted all over Europe, so it's just that he knows a lot of people.
- Was that on behalf of BAE and Saab?
- Yes, I think so, yes, Yes, I think so, yes, or at least they knew about it.
- Saab?
- Yes, yes!
- Alright, because...
- ...or Gripen International.

Speaker:

So, Valurex International acted in the leasing deal - after all. The agreements were closed with BAE, the indemnity level was - according to the documents - agreed with Saab. The bill for Saab/BAE - more than 80 million SEK.

Synk

David Leigh, journalist, The Guardian, expert on arms trade

- Apparently, the deal was between two governments. Between the Swedish government and the Czech government. Why did they need to pay all this money under the counter, to an agent. It's a good question to ask them.

Speaker

We have a new opportunity to ask when the managing director of the Gripen project, Johan Lehander, is summoned to FMV, Swedish Defence Material Authority. The question is about the secret agreements.

Livesynk:

"What happens now?"

"I don't speak with you! You will have to make an appointment with Owe Wagenmark!"

Synk

David Leigh, journalist. The Guardian, expert on arms trade

-I think the answer is that the money was paid for influence, and how the influence was gained, that's a good question.

THE END

Credits

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Picture rights

10:01:02:00 - 10:01:11:00 , TV4, två plan i luften, röda mattan rullas ut.
10:01:17:00 - 10:01:32:19 TV4, skålar med planet, Gripenplan på marken åker mot kameran, militärer pratar.
10:01:36:29 - 10:38:12:00 TV4, Leni Björklund bland militärer.
10:12:20:00 - 10:12:30:22 Czech TV, Leni Björklund skriver under avtal
10:01:02:00 - 10:01:11:00 Czech TV, slutbild, Gripen åker mot kameran
General: SVT

Still images:

Alfons Mensdorff, Profil, Österrike

Josef Bernecker , BMLV (Bundesministerium für Landesverteidigung)
Josef Bernecker among Swedisch officers, Christer Bergqvist, Baltic Link 2000

Anders Frisé, Gripen Internationals website

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