

Venture 2

Military Hardware

Stricktly confidential at the time

Anti Aircraft missiles and launchers

1. Type of item

<u>Name</u>	<u>Quantity</u>	<u>Est. Unit Price</u>	<u>Remarks</u>
a) Milan	30	17.000	Very difficult to obtain
b) Carl-Gustav (Swedish)	30	?	Not difficult to obtain
c) AT4 (Swedish)	30	?	" "

NB Other types to be considered. List given in merit of priority.

2. Type of item

<u>Name</u>	<u>Quantity</u>	<u>Est. Unit Price</u>	<u>Remarks</u>
a) Stinger (U.S.A)	30	65-75.000	Very difficult to obtain
b) Red Eye (U.S.A.)	30	45-55.000	Not " "
c) RB-70(?) (Swedish)	30	??????	" " "
d) Sam-7 (5000m range)	30	35-40.000	" " "
e) Sam-7 (3000m range)	30	30-40.000	" " "

NB Other types to be considered. List given in merit priority.

All prices in U.S. Dollars

[REDACTED]

Dear Sir,

I will in this letter try to explain the reasons for the problems we have ran in to. During my trip I visited the three most relyable dealers in this market. All three where very aggravated by the whole situation in this matter, because of all the different requests they had got during the last nine months, with various numbers and models.

One of the suppliers plain refused to negotiate with Daniel because of all this back and forth running from the past. However, they where willing to discuss the matter with me. Their research took seven days, including one person travelling to the East. He reported back that the "ruskies" would not allow any sales of this item outside the Warsaw Pact at this moment. He said the situation may change during the second half of 1988, but this is very uncertain. The reason for this change in trade attitude may very well be the fact that during this period of past negotiations, somebody might have got aware of the shipments final destination. (This was not said, but somewhat firmly expressed anyway.)

The two others said straigth out that "SA-14 might as well be forgotten at this moment." - Which indicates they have received the same message. However, all three could offer the improved version of the SA-7B, the MII. Their prices varied a lot, with the best offer running at \$ 123.375,- a set from a dealer who's got a large number sitting in Western Europe at the moment. This items are delivered with certified production date, manuals, and necessary tools/ spares. A trainer/ tester assembly is also available. I belive this offer should be taken into consideration, as the major problem in your operations against enemy aircraft, the front engagement, this way would be solved. Concerning the other upgrades on this product, it will all add up to better combat surviveability and results (our letter of January 19.).

It is with deep regret I have to inform you of this unfortunate changes in the possibilities, but again I'll have to remaind you that this kind of dealings should never be allowed to drag out over such a period of time.

In regard to the recent request from the Norwegian bank to your bank in Bruxelles, the norwegians are very afraid of breaking any norwegian laws, and this is why they wanted a product specification. However, this matter has been solved as we have given them garanties that no violations of Norwegian law will take place under this contract.

I have discussed this matter with our bank several times since I returned from the U.S., and they assured me in our latest meeting (January 27.) that a telex would be sent to your bank in Bruxelles, cancelling their request for further information. They do not have any further questions in regard to this transaction. They have also assured me of their professional discretion, and their interest in making all parties involved satisfied. The fact is however, that they must have made a major internal error by consulting with your bank, instead of as normal, with us.

At the end I will have to point out three factors which would still prevent delivery from taking place, change in U.S.S.R. policy, or not.

- 1) I have not received your E.U.C.
- 2) We have not received authorization from the Somalian Port Authorities to land, and unload, the weaponry at the Mogadishu Port.
- 3) I have not received any proposal from you in regard to how and when you would concider paying the agreed commision.

If you would like to proceed to inspect the MII here in Europe, I need confirmation at your earliest convelnance, as to notify the supplier, and arrange for the demonstration. In regard to your L/C, I can ensure you that we will take no further steps towards the eventual transfer, until you have advised us what you want to happen. However, the same L/C or part of this may be used to purchase any selected number of the MII's, if you find this to be a satisfactory conclusion, after the inspection is held. If you do not want to proceed, we will request our bank to reject the L/C immediately, to avoid any unnecessary loss of interest. Again I would like to stress that we will do anything within our powers to see a satisfactory outcome of this case, and to support your continuing struggle.

Looking forward to hear from you.

Sincerely yours,

[REDACTED]

I would here like to draw some conclusions from the meetings I had with the different factory representatives, and inform you about the latest offer we have received.

The SA-14 as it is delivered to the Warsaw Pact countries, is "not to be sold" outside the Warsaw Pact. This version is slightly different from what is being offered to us as an alternative. The SA-14 is delivered with an indication device, of friend/foe, as we know.

The alternative, SA-7B/MII (Strella), has the same updated warhead and seeking capabilities. This includes:

- * Improved warhead
- * Less sensitive to sunlight
- * Reduced flare sensitivity
- * Cold/ Hot seeking capability (front engagement)

This version of the SA-7's is reported to have achieved very good results in testing against the MIG-21 and helicopters.

1) The warhead has been improved to an extent where it will not detonate its charge before actually hitting the plane. This was a major problem with the earlier models of the SA-7 series, where the jet in many cases where allowed to return to base, with only minor damage reported.

2) The I/R seeking device has been improved in regard to earlier problems with missiles distracted from its target by the sun, or other hot objects as desert heat, or flares discarded from the target. This is now reported to have been solved, and flares will not cause abortion of flight, after the missile has identified its primary target.

3) The introduction of Cold-seeking capability brings a whole new concept to the engagement of SA-7s in anti-aircraft warfare. This will now give the operator possibility to engage an approaching aircraft in the beginning of its run, as the missile is capable of detecting the heat generated around the nose of the plane.

We have received a final quote from one of our suppliers today, and this is the reason this quote was not included in the preliminary report. They have a large shipment of these items underway somewhere, and right now they are stocked in Western Europe. This gives us an opportunity to inspect the goods easily. The price is also favorable: USD 123.375,- This is including our commission. Airfreight for this load to Mogadishu runs at USD 60.000,- Seafreight is also available and will be necessary to avoid further changes in the L/C (from B/L to AWB). Oceanfreight will be quoted to us at inspection. The supplier will demonstrate this item to us, at an European Airfield, before we close the deal.

This gives the following setup:

16 sets SA-7B/MII (Strella) ea. \$ 123.375,- total \$ 1.974.000,-

A trainer and simulator will be in addition. However, they'll come as specified in our contract complete with manuals, tools, and necessary spares, factory new.

The reason for this favorable price is that they are now sitting in stock somewhere in Europe and as soon as you confirm, we can go and inspect them together.

We're very sorry for any inconvenience this back and forth-going have caused you, but I hope we can end up with good results in the end.

I would also, at this time, like to draw your attention to the other possibility we discussed earlier. As I mentioned to Mr. Ali in London, we are going to meet with the financier this week, and if everything is agreed upon, we would offer you to join in the program. We would need 150 of your best people. The return would be \$ 5.000.000,- I'll get back to you on this as soon as I've got the results.

Looking forward to hear from you.

Sincerely,

Dr. Nerayo

Reference is made to our telephone conversation last week.

Following our meeting with Dr. Assefaw in Oslo the 3rd and the 4th of october regarding the purchase of insecticide, the following points were discussed/confirmed:

- The insecticide type is 14 kilos
- the quality is brand new
- the cost is 100 for 1x3 kilos
- the cost is negotiable when buyer and seller meet

Next step could be a meeting between Dr. Assefaw, the sellers and yourself. The sellers are headquartered in washington D.C. Any meeting is to be done in the presence of Dr. Assefaw. We have made it clear to him that all parties attending the meeting should shoulder their own expenses. There is still great deal of confusion by Assefaw on his own roll and how to handle the matter. He is also insisting on a letter of intent.



ESTRATTO CONTO

INVIATO N. 3 DEL 10/6/1987
 FOGLIO N. 1

CONTO ESTERO

N. 817638 PRESSO 6300 - ROMA

DATA	VALUTA	A VS DEBITO	A VS CREDITO	OPERAZIONI
19-3			3199379,06	RIPORTO SALDO
23-3	17-3-87	9,20		COMM. SPESE SU OP. ESTERO
23-3	17-3-87	15823,38		DIVISA ESTERA - NEGOZIAZ.
23-3	19-3-87	6312,44		GIROCONTO
23-3	17-5-87	11,40		SPESE
23-3	13-5-87	11912,05		ASSEGNO C/C N. 449
2-4	25-2-87	16940,00		ASSEGNO C/C N. 444
2-4	30-3-87	2402,34		GIROCONTO
2-4	31-3-87	9804,52		GIROCONTO
2-4	31-3-87	15175,22		GIROCONTO
3-4	1-4-87	45172,61		GIROCONTO
13-4	9-4-87	14328,73		GIROCONTO
16-4	14-4-87	15240,60		GIROCONTO
16-4	14-4-87	2004,44		BONIFICO DA VOI DISPOSTO
16-4	14-4-87	19994,38		BONIFICO DA VOI DISPOSTO
22-4	17-4-87	4142,55		GIROCONTO
29-4	27-4-87	25,66		DIVISA ESTERA - NEGOZIAZ.
29-4	27-4-87	22301,61		GIROCONTO
30-4	23-4-87	5532,01		GIROCONTO
4-5	23-4-87	26127,31		GIROCONTO
5-5	30-4-87	15000,00		BONIFICO DA VOI DISPOSTO
5-5	27-4-87	11,78		COMM. SPESE SU OP. ESTERO
7-5	30-4-87	35,94		COMM. SPESE SU OP. ESTERO
7-5	4-5-87	3399,30		BONIFICO DA VOI DISPOSTO
14-5	13-5-87		25209,47	DIVISA ESTERA - NEGOZIAZ.
14-5	7-5-87	6600,84		DIVISA ESTERA - NEGOZIAZ.
5-6	5-6-87		39991,50	ORDINE DI BONIFICO
8-6	2-6-87	14518,50		DIVISA ESTERA - NEGOZIAZ.
8-6	2-6-87	163,00		DIVISA ESTERA - NEGOZIAZ.
8-6	2-6-87	3539,52		GIROCONTO
9-6	3-6-87	2844,39		DIVISA ESTERA - NEGOZIAZ.
9-6	3-6-87	554,70		DIVISA ESTERA - NEGOZIAZ.
10-6	2-6-87	22,62		SPESE
10-6			2972534,07	SALDO

* COORDINATE BANCARIE *
 ABI 01005 CAD 03230 CONTO 817638
 DELL'ARI U.S.A.
 AB N. 12673
 NS. COPE 65-651411/A

ISMAL A-MED A.I

C/C JABER VIA MACCIAVELLI SC.A/5

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ZCZC 231879

AA TX00239102500317

+++

STAVANGER 05.10.1987

TELEX TO : DR. NERAYO/T. MICAEL

FROM : E. TEFAY
EAST FRIGG PROJECT
TELEX NO. 73174
STAVANGER, NORWAY

REFERENCE IS MADE TO OUR TELEPHONE CONVERSATION LAST WEEK.

FOLLOWING OUR MEETING WITH XXXXXX IN OSLO THE 3RD AND
THE 4TH OF OCTOBER REGARDING THE PURCHASE OF INSECTICIDE,
THE FOLLOWING POINTS WERE DISCUSSED/CONFIRMED:

- THE INSECTICIDE TYPE IS 14 KILOS
- THE QUALITY IS BRAND NEW
- THE COST IS 100 FOR 1X3 KILOS
- THE COST IS NEGOTIABLE WHEN BUYER AND SELLER MEET

NEXT STEP COULD BE A MEETING BETWEEN XXXXXX THE
SELLERS AND YOURSELF. THE SELLERS ARE HEADQUARTERED IN
WASHINGTON D.C. ANY MEETING IS TO BE DONE IN THE PRESENCE OF
XXXXXX. WE HAVE MADE IT CLEAR TO HIM THAT ALL PARTIES
ATTENDING THE MEETING SHOULD SHOULD THEIR OWN EXPENSES.
THERE IS STILL GREAT DEAL OF CONFUSION BY XXXXX ON HIS OWN
ROLL AND HOW TO HANDLE THE MATTER. HE IS ALSO INSISTING ON
A LETTER OF INTENT.

REGARDS
E. TEFAY
EAST FRIGG PROJECT

NNNN

++++ MESSAGE ACCEPTED ++++

1. BANKSTATEMENT OF (MIN.) USD. 2.000.000,-
2. END-USER CERTIFICATE FOR FRENCH
3. SA-7b / SA-14:
LETTER OF CREDIT IN NAME OF: MALMBROOK LTD.

ROYAL BANK OF SCOTLAND
22 SAINT MARY AXE BRANCH
LONDON EC 3 A 8 DD
ENGLAND

ACCOUNT NO: MALMUSD NO. 1


BANK OFFICER: MR. G.P. WEBB

TELEX NO.: 885227

4. LETTER OF CREDIT WORDING: THIS AMOUNT IS IN ACCORDANCE
WITH CONTRACT NO. 20003-TI, PAYABLE AGAINST BILL OF LADING
SHOWING FREIGHT PRE-PAID PLUS ONE COMMERCIAL INVOICE AND
ACCEPTANCE CERTIFICATE SIGNED BY:_____

(PLACE THE NAME OF THE PERSON(S) WHO IS AUTHORIZED TO INSPECT
THE ENGINES AND GEAR BOXES, AND TO RELEASE THE LETTER OF
CREDIT FUNDS.)

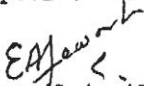
5. LETTER OF CREDIT TERMS: LETTER OF CREDIT MUST BE CONFIRMED,
TRANSFERABLE, AND DIVISIBLE.
6. ALL BANKING CHARGES WILL BE AGAINST BUYERS ACCOUNT.




Dear Sirs,

In reference to the contractual agreement between Euromissile and the Government of Somalia, dated and signed on February 22, 1988, please be informed that the authorized signatory for the buyer's acceptance certificate/inspection certificate is Mr Ismail Ahmed Ali.

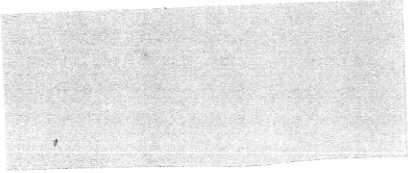
Specimen of Signature


Ismail A. Ali

Yours Faithfully,



END



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../2

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Looking forward to hear from you.

Sincerely,

EPLF TELEFAX	
From	ሃይማኖት : ተገባዩ
Fax No.	04-503901

To			ወ/አ/ሠ
Fax No.			873-7376242
Date	Time	Page 1 of	

መሪዎቻችን : አባል : ዘመናዊ : ናብ : ወያ : ደህንነት

ገንዘብ " ለ፡ ዘላለም ፡ BUDGET

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ዘመናዊ " "



Tel: 01-837 9236/7

Our Ref:

FACSIMILE TRANSMISSION

ተፈላጊነትን ያወቅዳል

- [illegible]

N.B. Please phone 01-837 9236/7 if the transmission is incomplete or garbled.

Special programme of ERITREAN RELIEF ASSOCIATION Registered as a Charity No. 272815
Central Office, 391 City Road, London EC1V 1NE
Bank: National Westminster Bank, 104 Tottenham Court Road, London W1P 0EN
A/C No. 39437043

END



ERITREAN PUBLIC HEALTH PROGRAMME

BCM BOX 865, London WC1V 6XX

Telex: 265871 (MONREF G) Quote Ref: MMU 316

Tel: 01-837 9236/7

Your Ref:

Our Ref:

FACSIMILE TRANSMISSION

TO: EMNETU TESAY
 FAX NO: 474503632
 FROM: NERAYO
 DATE: 12.2.88 TIME: 12.15 (pm)
 NO OF PAGES TO FOLLOW: 1

ተቀባሪውን 300 ስጦታ

- 1) ከተዘረዘሩ ሁሉ ስንት ንብረት ነው (16-2-88)
 ንብረት ንብረት ወርሃው ከክፍል ስለተከፈለ
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 ስንት፡፡ ስንት ስንት 11 pm.

N.B. Please phone 01-837 9236/7 if the transmission is incomplete or garbled.



Special programme of ERITREAN RELIEF ASSOCIATION Registered as a Charity No. 272645
 Central Office: 391 City Road, London EC1V 1NE
 Bank: National Westminster Bank, 104 Tottenham Court Road, London W1P 0EN
 A/C No. 39437043

END

መሰረተ: ኒዲ: ዘመዶች: ናብ: ዋና: ደረጃ

3000 " ለቲ: ዘሃ-ሰሃ: BUDGET

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ዝረገተ: ትላልቅዓክን: ሃንተሃንገ: ክንቅጽላ

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ዓሳተ: ደረጃ: ንሎ:

ናብ: delivery time: ግን: 3 ወርሕ
ዘደረገ " "

ERITREAN PEOPLE'S LIBERATION FRONT

FACSIMILE TRANSMISSION

From

Name: ሃይማኖት

To

Name: ሃይማኖት

Address: Stavanger, Norway

Address: Liberated Eritrea

Telefax no.: 4-503632

Telefax no.: 873-1310242

Date: 23.11.88

Number of
pages

1

If all pages not received

properly, call immediately on

503126

መልእክት

ፋማክ: ምሽት: ብድረ: ብተለዩ: ምርጥ-ብ: ምሽት: ሐይም: ፋብ: ዓዲጸንግሐዝ
ዘከ: ተዘራራብ: ፊር: ሂተን: መልእክትን ሙን: ንመሳሳሊ ሪፖ: ጽፑ: ጽደ: ዘሐድ-
መልእክት: ድማ: ይሰደራሃ: ጽሑ:-

Package 1 (Insecticide) ስፔ: ሐይም: ዘከ = 2.0

= 1.3

Package 2 (Anticeptic)

3.3

ሂደት: ብገረብ: ንጽሕ: ደና: ቀለን: ዝነግርሑ?

NB. ሂተ: ንጽሕ: ፋብ: ዓዲጸንግሐዝ: ንዕኩ: 25/11/87 ጽፑ: መሳሳሊ: ዘከ:

Friday 30 october, 1987

CHARGE AGAINST STINGER SPY

It is now confirmed that Soviet Union have got confidential material about the American built anti aircraft missile launcher stinger via greece. Now a greek is accused and charged in a court in greece.

Government officials and judges have confirmed yesterday that a 37 year old greek will be charged for supplying confidential information to the Russians. This information is believed to have enabled the Soviet Union to copy the design and produce an anti-aircraft weapon with the same specifications as the stinger.

The same source say that Michael Magaloeconomoun, vice president of Standard electric, a daughter company of ITT in Greece is formally charged for spying for the Soviet Union. The sources say that the director himself will not escape charge. Besides a young employee in the same company is also charged. The last two are likely to be charged for compromising state and allied security through their carelessness. Therefore they will not stand in court charged with spying. Nevertheless they will be charged for not having an eye on the activities of mr. Magaloe.....

The Soviet Model

Earlier this week official sources in the west said that just before receiving the stinger technical specifications, the Soviets were about to develop their own model called SA-14. But after receiving the stinger specifications they copied and produced them and today they are available in the international weapon market with price tag higher than the original American model.

Stinger is a light launcher carried on the shoulders of a man to shoot an aircraft. It has proved to be very effective in Afghanistan where the rebels have used them against Soviet helicopters and bomber aircrafts. Western based sources say that nine such launchers have been in the hands of Iranians earlier this year. And last october there is strong belief they were actually used against American targets in the Persian gulf.

The charge

Morgenbladet (this newspaper) journalist had access to read the entire charge against mr. Magalo..... There it is stated that " the accused has supplied a foreign power secret documents belonging to the state of Greece and the NATO alliance." He is also charged for abusing his position in the multi-national communication company by transferring between 2-3.000 microprocessor chips which are vital in the design and production of the stinger. This weapon was designed and developed by cooperation of NATO countries where Greece is a member. The main contractor in the production has been the LORANS company in West Germany.

Nerayo the rest of the article is not very important. It only mention the contact between the accused man and three KGB agents in Greece. One of the KGB agents later defected to the west leading to the arrest of the accused. It also mentions the delicate relation between Greece and the rest of the alliance etc etc.

EQUIPMENT PROCUREMENT INQUIRY STATUS

Meeting No. _____ Date _____ Participants _____

Equipment name _____ Model/Year _____

Manufacturer _____ Quantity Available _____

Delivery time _____ Delivery location _____

Cost per unit _____

Transportation cost _____

Other costs _____ Total cost _____

Payment condition/arrangement _____

Equipment Inspection by buyer : Where _____ When _____

Equipment testing by buyer : Where _____ When _____

Buyer requirement _____ Vendor requirement _____

Understanding reached by participants of the meeting _____

Buyer representative's assesment of situation _____

Remarks _____
