

# REPORT ON PROGRAMME MANIPULATION

## CHAPTER SIX

### ISSUES RELATING TO ACTIVITIES OF HUMANITARIAN COORDINATORS

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#### I. INTRODUCTION AND SUMMARY

As part of its investigation, the Committee has reviewed the performance and activities of officials appointed to serve as Humanitarian Coordinator in Iraq during the Programme. The Humanitarian Coordinator was principally responsible for managing the Programme's implementation in Iraq, including supervising and coordinating the Programme's distribution activities and implementing the United Nations' observation mechanism to monitor the distribution and use of Programme goods in Iraq. The Humanitarian Coordinator reported directly to the Executive Director of OIP and headed the Office of the Humanitarian Coordinator in Iraq ("UNOHCI").<sup>820</sup>

In the course of the Committee's investigation, it has received allegations concerning the conduct of two former Humanitarian Coordinators—Hans von Sponeck and Tun Myat—with respect to their dealings with certain contractors under the Programme. As discussed below, the Committee does *not* find that the interactions of Mr. von Sponeck and Mr. Myat with Programme contractors violated existing United Nations Staff Regulations or Staff Rules. However, their activities illustrate two distinct ethical dilemmas confronted by United Nations staff members—one involving post-employment business activities (Mr. von Sponeck) and another involving responses to requests for official assistance from persons of their home countries (Mr. Myat).

In the case of Mr. von Sponeck, who had extensive dealings with Programme contractors very soon after he left employment with the United Nations, his circumstances highlight the need for the United Nations to strengthen its post-employment conflict-of-interest safeguards. Specifically, the United Nations should preclude staff members from engaging in business activities involving their former programs for a reasonable period of time after separating from the United Nations.

In the case of Mr. Myat, who responded to requests for assistance with Programme transactions from a contractor in his home country of Myanmar, his circumstances illustrate the need for the United Nations to clarify its rules governing the manner in which United Nations staff members respond to requests for official assistance from private parties based in their home countries. This clarification is needed in order to prevent the possibility or appearance of preferential treatment on the basis of national affiliation. In addition, Mr. Myat failed to file required financial disclosure forms over the course of several years, and the United Nations did little to prevail on Mr. Myat to comply with this obligation. It is clear that the United Nations must put into place more stringent safeguards to monitor compliance with and enforce existing ethical requirements, such as the filing of financial disclosure statements by senior United Nations officials.

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<sup>820</sup> "Programme Management Report," vol. III, pp. 17-18 (describing the functions of the Humanitarian Coordinator and UNOHCI).

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## II. HANS VON SPONECK

Mr. von Sponeck served as Assistant Secretary-General and Humanitarian Coordinator in Iraq from October 1998 through the end of March 2000. Throughout his tenure as Humanitarian Coordinator, Mr. von Sponeck outspokenly opposed the United Nations sanctions in Iraq, and he ultimately resigned his position in protest of the sanctions. After leaving his employment and while continuing his public efforts to persuade the United Nations to discontinue sanctions, Mr. von Sponeck participated in United Nations staff development events concerning Iraq, including speaking engagements and presentations discussing his written works about sanctions in Iraq.<sup>821</sup>

Mr. von Sponeck's well-known opposition to the sanctions and his experience as Humanitarian Coordinator made him attractive both to Government of Iraq officials trying to lift sanctions and to individuals and businesses seeking the assistance of an intermediary to obtain contracts from the Government of Iraq under the Programme.<sup>822</sup>

Mr. von Sponeck solicited financial contributions for his sanctions-related work from corporations seeking to do business with Iraq under the Programme, including funds for the placement of an advertisement against the sanctions in the *International Herald Tribune*. In September 2000, approximately six months after resigning from the United Nations, Mr. von Sponeck entered into a business arrangement to assist Josef Bauer, Chief Executive Officer of Bauer AG (a German company), by introducing company representatives to senior Iraqi officials who were influential in awarding Programme contracts. This company compensated Mr. von Sponeck for his efforts and assumed full financial responsibility for Mr. von Sponeck's expenses associated with any trips to Iraq on its behalf. Mr. von Sponeck also used such trips to further his anti-sanctions work.<sup>823</sup>

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<sup>821</sup> Hans von Sponeck interviews (May 16-18, 2005); Hans von Sponeck personnel file, United Nations Office of Human Resources Management, extension of secondment (Nov. 15, 1999); Hans von Sponeck letter to Kofi Annan (Feb. 10, 2000) (resigning as Humanitarian Coordinator); Hans von Sponeck e-mail to the Committee (Oct. 7, 2005) (appending a travel itinerary of his Iraqi engagements from March 30, 2000 to November 23, 2004).

<sup>822</sup> Adnan Jarrar interview (Apr. 24, 2005); Josef Bauer interview (June 29, 2005); Murtaza Lakhani interview (Aug. 7, 2005). When interviewed, a senior Iraqi official stated that he was instructed by a higher-level official to offer Mr. von Sponeck an allocation of oil under the Programme as a parting gift upon Mr. von Sponeck's departure from his United Nations position; this official recalled that Mr. von Sponeck angrily rejected the offer. Iraq official interview. Mr. von Sponeck denied that an allocation of oil ever was offered to him. Hans von Sponeck interviews (May 16-18 and Oct. 7, 2005). Mr. Jarrar served as Information Officer for UNOHCI during part of Mr. von Sponeck's tenure in Iraq and was present for public meetings that Mr. von Sponeck had with members of the media. Adnan Jarrar interview (Apr. 24, 2005). Mr. Lakhani is a businessman who transacted in oil under the Programme. Murtaza Lakhani interview (Aug. 7, 2005). The Committee does not suggest that it was illegal for a private company to seek Mr. von Sponeck's assistance to obtain business from Iraq under the Programme.

<sup>823</sup> Hans von Sponeck e-mail to the Committee (Oct. 7, 2005); Cambridge Solidarity with Iraq ("CASI"), "Not in our names!," <http://www.casi.org.uk/oldsites/iht/statement.html> (reproducing a statement in

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At the conclusion of that relationship, in the latter part of 2001, Mr. von Sponeck entered into a business arrangement with Murtaza Lakhani, owner of Continental Oil, Ltd. This business arrangement was less defined and lasted longer than his relationship with Mr. Bauer, terminating shortly after the fall of the former Iraqi regime in the spring of 2003. Mr. Lakhani facilitated financial opportunities for Mr. von Sponeck and assumed financial responsibility for certain expenses associated with Mr. von Sponeck's peace and anti-sanctions efforts in Iraq. In exchange, Mr. Lakhani sought to advance his business interests by requesting Mr. von Sponeck to influence prominent Iraqi officials. Mr. Lakhani stated that he did not know if Mr. von Sponeck spoke on his behalf with Iraqi officials, but he recalled that—after he enlisted Mr. von Sponeck's assistance—Iraq granted his request for additional oil under the Programme. Although Mr. von Sponeck has acknowledged that Mr. Lakhani sought his intercession with Iraqi officials, he stated that he was “non-committal” with Mr. Lakhani about what efforts he would make, and he denied speaking with Iraqi officials on Mr. Lakhani's behalf.<sup>824</sup>

Mr. von Sponeck's activities relating to the Programme in Iraq should have been subject to post-employment restrictions in order to safeguard against the possibility of an actual or apparent conflict of interest. Consistent with its earlier recommendations for a more robust conflict-of-interest framework, the Committee recommends that the United Nations consider—on the basis of other organizational models—the implementation of post-employment guidelines. These guidelines should restrict, for a reasonable period of time, a former employee's involvement in business activities concerning the former employee's United Nations program functions.<sup>825</sup>

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support of lifting the sanctions imposed against Iraq, which was printed in the *International Herald Tribune* on March 20, 2002, along with approximately 250 signatories); CASI, “Signatories,” <http://www.casi.org.uk/oldsites/iht/signatories.html> (noting the signatories to this statement, which included Mr. von Sponeck); Josef Bauer interview (June 29, 2005); Murtaza Lakhani interview (Aug. 7, 2005); Hans von Sponeck interviews (May 16-18 and Oct. 7, 2005).

<sup>824</sup> Murtaza Lakhani interview (Aug. 7, 2005); Hans von Sponeck interview (Oct. 7, 2005).

<sup>825</sup> Current staff rules impose a post-employment restriction on staff members from disclosing non-public information acquired by reason of their official position. ST/SGB/2005/5 (Mar. 15, 2005) (hereinafter “2005 Staff Regulations”), Regulation 1.2(i) and commentary; see also ST/SGB/2002/13 (Nov. 1, 2002) (hereinafter “2002 Staff Regulations”), Regulation 1.2(i) and commentary (including this same restriction in an earlier version of the Staff Regulations); ST/SGB/1998/19 (Dec. 10, 1998) (hereinafter “1998 Staff Regulations”), Regulation 1.2(i) and commentary (same). There is otherwise no broader conflict-of-interest restriction governing post-employment activities of United Nations staff members. “Programme Management Report,” vol. IV, pp. 187-88.

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### III. TUN MYAT

From April 2000 through July 2002, Mr. Myat of Myanmar served at the level of Assistant Secretary-General as Humanitarian Coordinator in Iraq. Thereafter, he transferred to the post of United Nations Security Coordinator in New York, which he held from July 2002 until his forced resignation in April 2004—in the wake of the bombing of the United Nations headquarters at the Canal Hotel in Baghdad.<sup>826</sup>

While Mr. Myat served as Humanitarian Coordinator, Dagon Timber Limited (“Dagon Timber”), a Myanmar company, successfully negotiated contracts for sale of teak wood to Iraq in November 2001 and March 2002—after this type of teak wood was allowed in 2000 for the first time to be imported into Iraq under the Programme. According to Mr. Myat, the type of teak wood was a specialized form of Burma teak that Iraq had long imported from Myanmar (Burma), and Dagon Timber was a premier exporter of this product. During this time period, Win Aung, the chairman of Dagon Timber, and Mr. Myat formed a lasting friendship, after meeting each other in Baghdad when Mr. Aung traveled there with a Myanmar trade delegation. When interviewed, Mr. Myat and Mr. Aung both stated that Mr. Myat did not assist Dagon Timber in obtaining these contracts from Iraq, and the Committee does not have contrary evidence suggesting that Mr. Myat intervened to assist Dagon Timber to obtain these contracts.<sup>827</sup>

After securing contracts under the Programme, Dagon Timber encountered a series of problems in delivery of its goods to Iraq, with consequential delays in receiving payment. Many of these problems arose in connection with the general state of disorder following the onset of military hostilities in March 2003. As reflected in a large number of e-mails over the course of approximately one year, in lieu of proceeding through established channels for resolving such problems within the Programme, Mr. Aung repeatedly sought and received assistance directly

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<sup>826</sup> Tun Myat personnel file, United Nations Office of Human Resources Management (May 31, 2000) (discussing Mr. Myat’s appointment as Humanitarian Coordinator); “Secretary-General Appoints Tun Myat of Myanmar as New United Nations Security Coordinator,” SG/A/800 (May 10, 2002); “Annan takes strong disciplinary measures after probe reveals security failures in Iraq,” *UN News Centre*, Mar. 29, 2004 (announcing the Secretary-General’s call for Mr. Myat’s resignation as Security Coordinator in response to findings of the Security in Iraq Accountability Panel regarding the bombing of the United Nations’ headquarters in Iraq at the Canal Hotel in Baghdad); Tun Myat interview (July 26-27 and Aug. 10, 2005); Rosemary McCreery letter to Tun Myat (Apr. 7, 2004) (accepting Mr. Myat’s tender of resignation). Ms. McCreery is Assistant Secretary-General for Human Resources Management. *Ibid.*

<sup>827</sup> Programme contracts, Iraq contract nos. 10-H-00104 (Nov. 26, 2001) (involving the Iraqi Ministry of Trade and Dagon Timber), 11-11-00126 (Mar. 5, 2002) (same); Tun Myat letter to the Committee (Oct. 20, 2005); Tun Myat interviews (July 26-27 and Aug. 10, 2005); Win Aung interview (Aug. 18, 2005). Mr. Aung has acknowledged that he agreed to pay after-sales-service and inland transport fees to the Iraqi regime in connection with the company’s two contracts. *Ibid.*; Company side agreements, COMM nos. 1001246 (Nov. 4, 2001), 1100189 (Mar. 5, 2002); Committee humanitarian kickback table, COMM nos. 1001246, 1100189 (indicating Dagon Timber’s payments of more than €700,000 in after-sales-service and inland transportation fees). The Committee does not have evidence that Mr. Myat was aware of these kickback payments.

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from Mr. Myat (who by this point in time was serving in New York as United Nations Security Coordinator). In turn, Mr. Myat repeatedly contacted relevant Programme officials at the United Nations to seek their assistance for Dagon Timber, while keeping Mr. Aung apprised of his efforts.<sup>828</sup>

When interviewed, Mr. Myat acknowledged that the proper channel for companies such as Dagon Timber to raise Programme-related problems would have been through the Permanent Mission of Myanmar to the United Nations in New York. Mr. Myat recognized that Mr. Aung solicited his assistance because he was a “co-national” and felt obliged because of their shared nationality to assist him. Mr. Myat, however, stated his view that his assistance to Dagon Timber was not improper and would be open to criticism only if he were trying to acquire business for Dagon Timber.<sup>829</sup>

Mr. Myat’s most recent letter to the Committee asserts that Dagon Timber approached him “because they were not receiving the required guidance, help and attention from OIP’s Contract Processing and from the CPA during the weeks and months following the war.” The Committee, however, does not have evidence that Dagon Timber attempted to resolve its difficulties through the Myanmar Mission or that Mr. Myat suggested it do so. Mr. Myat further states that he was doing “nothing more than on-forwarding Dagon’s e-mail messages to the relevant personnel at the Treasury or OIP.” To the contrary, Mr. Myat forwarded the e-mails to lower-ranking United Nations staff members, requesting that assistance be provided and that progress be reported back to him.<sup>830</sup>

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<sup>828</sup> Win Aung interview (Aug. 18, 2005); Win Aung or Moe Mya Mya e-mails to Tun Myat (Feb. 28, Mar. 17, 20, and 29, June 5, and Dec. 6, 29, and 31, 2003; Jan. 13 and 22, 2004) (involving correspondence between Mr. Myat and Mr. Aung or Mr. Aung’s wife, who was a Dagon Timber director); Tun Myat e-mails to Win Aung (Mar. 9 and 28, Apr. 2, Sept. 25, Oct. 7, and Dec. 31, 2003; Jan. 12, 2004). The following are e-mails between Mr. Myat and United Nations personnel in OIP or Treasury. The first series of e-mails occurred from March 20 to 27, 2003: Tun Myat e-mail to Jennifer Carpio (Mar. 20, 2003); Jennifer Carpio e-mails to Tun Myat (Mar. 20 and 27, 2003); Jennifer Carpio e-mail to Magnus Ahlin (Mar. 25, 2003). The second series of e-mails occurred from May 29 to August 5, 2003: Win Aung e-mail to Benon Sevan (May 29, 2003); Felicity Johnston e-mail to Tun Myat and Win Aung (June 6, 2003); Farid Zarif e-mail to Felicity Johnston and Darko Mocibob (June 7, 2003); Tun Myat e-mail to Felicity Johnston (Aug. 4, 2003); Felicity Johnston e-mail to Nishith Goyal (Aug. 4, 2003); Nishith Goyal e-mail to Win Aung (Aug. 5, 2003). The third series of e-mails occurred from December 12 to 18, 2003: Tun Myat e-mails to Farid Zarif (Dec. 12 and 18, 2003); Farid Zarif e-mails to Teklay Afeworki (Dec. 12, 2003); Teklay Afeworki e-mail to Farid Zarif (Dec. 12, 2003); Tun Myat e-mail to Teklay Afeworki (Dec. 18, 2003). Some of these e-mails included status updates from Mr. Myat to Mr. Aung on his efforts.

<sup>829</sup> Tun Myat interviews (July 26-27 and Aug. 10, 2005).

<sup>830</sup> Tun Myat letter to the Committee (Oct. 20, 2005); see, e.g., Tun Myat e-mail to Jennifer Carpio (Mar. 20, 2003) (forwarding e-mail and stating: “I’d be most grateful if you could kindly look into this matter advise me pse. Many tks.”); Tun Myat e-mail to Teklay Afeworki (Mar. 19, 2003) (forwarding e-mail with cover note stating “Help!” and “Grateful if you can put me in a position to reassure them pse.”); Tun Myat e-mail to Farid Zarif and Teklay Afeworki (Dec. 18, 2003) (“Very many thanks for your respective

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The Committee does not have evidence that Mr. Myat held a managerial or financial interest in Dagon Timber or that he personally benefited from Dagon Timber's contracts under the Programme. Mr. Myat granted consent to access his financial records, and—to the extent that financial institutions have timely responded to the Committee's requests for records—there is no indication that Mr. Myat received any remuneration from Dagon Timber.

In the course of reviewing Mr. Myat's financial condition, it was discovered that Mr. Myat did not file annual financial disclosure forms—an obligation imposed upon those United Nations staff members serving at the level of Assistant Secretary-General and higher. Despite annual written notifications to Mr. Myat reminding him of this obligation, it does not appear from a review of United Nations records that Mr. Myat filed financial disclosure forms from 2000 to 2004.<sup>831</sup> After being advised of the lack of record of his filing financial disclosure forms, Mr. Myat replied that he should have been more careful about administrative requirements, but he “kept putting it off and never got around to it.” Mr. Myat asserted that his failure to file financial disclosure forms for five years was an “innocent lapse” with “no devious intent.”<sup>832</sup>

A different question presented is whether Mr. Myat improperly used his office “for the private gain of any third party, including family, friends and those they favour,” in violation of Staff Regulation 1.2(g). On balance, however, because there is no evidence that Mr. Myat assisted Dagon Timber in obtaining its contracts, and because his efforts were directed only to redressing delivery and payment delays for contracts that already had been obtained, it is not clear that Mr. Myat's conduct violated this regulation.<sup>833</sup>

Nevertheless, Mr. Myat's extensive efforts on behalf of Dagon Timber seem to have amounted to far more than a simple courtesy response to a countryman's call for publicly available information or for general guidance about navigating the United Nations system. Anecdotal

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interventions; grateful if I could be informed further as and when confirmation from BNP is received thanks.”).

<sup>831</sup> 2002 Staff Regulations, Regulation 1.2(m) and commentary (prohibiting staff members from active association with management of or financial interest in business if it is possible for staff member to benefit from such association by reason of his or her position with the United Nations); 1998 Staff Regulations, Regulation 1.2(n) (requiring filing of financial disclosure forms by staff members at the Assistant Secretary-General level and above); “Financial disclosure statements,” ST/SGB/1999/3 (Apr. 28, 1999) (addressing staff disclosure obligations pursuant to Staff Regulation 1.2(n) and Staff Rule 101.2(o)); United Nations letters to Tun Myat (Apr. 12, 2000; Jan. 30, 2002; Jan. 29, 2003; Mar. 1, 2004) (discussing financial disclosure requirements under Staff Regulation 1.2(n) and requesting submission of the requested financial disclosure form by designated dates); Mark Malloch Brown letter to the Committee (Sept. 29, 2005) (stating that there is no record of Mr. Myat filing a financial disclosure statement from 2000 to 2004 and that “[i]t would seem that, notwithstanding the annual standard request sent to all concerned, Mr. Myat never filed any financial disclosure statement”).

<sup>832</sup> Tun Myat letter to the Committee (Oct. 20, 2005); Tun Myat interview (Oct. 19, 2005).

<sup>833</sup> 2002 Staff Regulations, Regulation 1.2(g) (prohibiting a staff member from using his or her office “for the private gain of any third party, including family, friends and those they favour”).

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evidence suggests that it is commonplace at the United Nations for staff members to be contacted for assistance by private parties from their home country. Given this reality, the Organization would benefit from providing clearer guidance to govern the conduct of staff members in responding to such requests, particularly where their efforts could be perceived as granting preferential treatment on account of shared nationality..

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**IV. RESPONSES OF HUMANITARIAN COORDINATORS**

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#### A. RESPONSE OF TUN MYAT

303 East 57<sup>th</sup> Street,  
Apartment 9D,  
New York,  
NY 10022.

October 20, 2005

Mr Reid Morden  
Executive Director,  
Independent Inquiry Committee  
825 Third Avenue, 15<sup>th</sup> Floor,  
New York,  
NY 10022.

Dear Mr Morden,

I received your letter dated October 14, 2005, providing a three paragraph summarized account of what the IIC intends to include in the next instalment of the Committee's report, in reference to me. While I believe that none of the issues is of sufficient import or relevance to warrant a mention in such a report, I nevertheless appreciate the opportunity given to comment thereon.

With regard to Dagon Timber, as I have explained to the Committee's investigators, the 'humanitarian aid contracts' in question covered the supply of "Burma Teak", not just "wood" or "timber" or even "teak" but very specifically "Burma Teak" and precisely described as such in the Iraqi Ministry of Trade's relevant tender document and procurement contract. This was because Iraq has had a long tradition of procurement of this particular type of timber from Burma (Myanmar) in the many years prior to the UN sanctions. Even after the advent of the Program in 1997, they were not permitted to procure "Burma Teak" until the Security Council agreed to the addition of Housing as a new major sector in the year 2000. Dagon Timber is the premier exporter of 'Burma Teak' in Myanmar and therefore it is hardly surprising that they won these two particular tenders in 2001 and 2002. After all, which other country would you think would have been able to supply "Burma Teak" cheaper than Burma (Myanmar)? To insinuate, as this paragraph attempts to do, that this company somehow won these contracts because a fellow country-man was the Humanitarian Coordinator in Iraq at the time is totally false and uncalled for. I must therefore request a deletion of this paragraph altogether.

It is true that when one of Dagon's shipments ran into a series of problems as a direct result of the outbreak of war in March 2003, they did solicit my help. They did so because they were not receiving the required guidance, help and attention from OIP's Contract Processing and from the CPA during the weeks and months following the war, given the utter confusion and uncertainty that prevailed then. In other words, they sought my assistance, not so much "in lieu of proceeding through established channels" as the draft report states but more accurately, out of some desperation and "in addition to proceeding through established channels". I am also quite intrigued to note the rather

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colourful and somewhat over-dramatic language used in the draft to describe the simple assistance I provided. As far as I can recall, it was nothing more than on-forwarding Dagon's e-mail messages to the relevant personnel at the Treasury or OIP. It is also ironic that despite the help which I tried to render and for which I seemed to be faulted by the Committee, I understand that the distressed part-shipment in question never made it to Iraq within the time limit stipulated by the CPA and as a result, Dagon never received payment for it.

With regard to my not having filed annual financial disclosures, this was clearly an innocent lapse on my part for which the fault is mine and mine alone. It certainly was not an omission with any devious intent, but merely an administrative infraction. The Committee's investigators have already carried out a very intense and thorough review of my bank and credit union records and statements going back over the last seven years, before they assured themselves (and me) that there were no inexplicable transactions nor were there any hint of financial wrongdoing on my part. In the circumstances, any reference to the annual financial disclosures in the Committee's report would be entirely out of context and would be highly prejudicial, misleading and unfair to me. I submit therefore that it be either deleted in its entirety or if this is not possible, I suggest that you add a commensurable statement to the effect that my financial affairs have been vetted by the Committee's investigators and fully cleared.

In the event that the Committee is unable to accede to my submissions for the complete deletion of the paragraphs in question, I respectfully request that this letter be appended to the Committee's report and published in full. I thank you for your consideration.

Sincerely,



Tun Myat

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## B. RESPONSE OF H.C. VON SPONECK

15/10/2005 18:19

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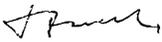
GRAF VON SPONECK

S. 01/02

Hans-C. GRAF SPONECK

✓ Copy  
For ( )  
Special Counsel  
IIC  
Fax 1-212-842-2555

For your information. Sincerely,

  
H.C. von Sponeck

16 October 2005

Mr. Reid Morden  
Executive Director  
Independent Inquiry Committee  
825 Third Avenue  
Fax: 1-212-842.2555

Dear Mr. Morden,

Thank you for your letter of 15 October 2005. The 3 paragraphs which you intend to include in the forthcoming report are a fair account of the contacts I maintained with Messrs. Bauer/Lahkani. For further clarification, particularly since the media will have access to the IIC document, I would ask the Committee to agree to the following amendments in two out of the three paragraphs:

a) para 1, sentence 2.: "...in pursuing negotiations for the export of milk powder." (Note: The Bauer AG is a milk product producing company. My agreement with Chairman Bauer to cooperate with him was based on his interest in exporting milk powder.)

b) para 2: I initially met Lahkani in 2001 in Geneva at a social function at which he agreed to make a contribution to an anti-sanctions ad in the IHT. He was introduced to me as a 'trader', not an oil trader. He spoke to me about his interest in importing rice and construction materials into Iraq and exporting oil from Iraq. The name 'Continental Oil' became known to me only after I received the third tranche of payment for the writing of articles for EastWest Records in Beirut in 2003.

Burgunderstr. 26, D-79373 MÜLLHEIM/BADEN - GERMANY  
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The names of Committee Investigators have been  
redacted from all letters included in the Appendices

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15/10/2005 18:19 00497631937911

GRAF VON SPONECK

S. 02/02

The reference in para 2 to 'financial opportunities' should be clarified to refer to payment for the writing of articles. 'Mr. von Sponeck's projects in Iraq' sounds mysterious and should also be clarified by referring to a peace initiative in which I was involved together with a group of persons from the US, Germany, Australia and South Africa. In the light of the above, I would be most grateful if the IIC could agree to the following re-wording of para 2 as follows:

"From late 2001 through early 2003, Mr. von Sponeck maintained a relationship with Murtaza Lakhani, a trader under the Programme doing inter alia business as Continental Oil. Mr. Lakhani contributed to the payment of a writer's agreement under which Mr. von Sponeck had agreed to write monthly articles for a Beirut-based news agency. He also took financial responsibility for certain expenses in connection with a peace initiative in which Mr. von Sponeck was involved at the time. In exchange, Mr. Lakhani sought Mr. von Sponeck's assistance on his behalf with prominent Iraqi officials in Programme matters. This did not happen, according to Mr. von Sponeck."

Such clarifications would be very important to me to show what exactly had been involved.

Para 3. No changes proposed

I am grateful if the above amendments can be included.

Yours sincerely,



H.C. von Sponeck