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MSU/2/9/1

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Dear Ms Beckford

In your e-mail of 4 December you asked to receive “any documents relating to the meeting(s) between Sir Kevin Tebbit and the US Assistant Secretary of State for Economic and Business Affairs, E Anthony Wayne, in July 2002. This includes but is not limited to any records or minutes of the meeting(s), and any briefing papers prepared prior to the meeting(s)”.

I have identified 5 documents relating to the meeting. No minutes of, or briefing papers for, the meeting have been found on the record.

In line with normal practice, the main record of the meeting was in the form of diplomatic reporting. Peter Gooderham, Counsellor, Political-Military Affairs in the British Embassy Washington, wrote a letter, classified Confidential, to Sir Kevin Tebbit, Permanent Under Secretary at the Ministry of Defence, dated 19 July 2002.

The letter is headed: ‘GRIPEN: ALLEGATIONS AGAINST BAE SYSTEMS’. The first paragraph of the letter contains no information about the meeting, but sets the context for the following paragraphs by referring to previous correspondence. It includes the statement that the US “had promised to produce a report that offered hard evidence to back US allegations of corrupt practice by BAE Systems in the Czech Republic”.

The next paragraph states that “the US Administration w

“Instead, you were invited to discuss the allegations at an interagency meeting, chaired by Tony Wayne (Assistant Secretary, Business and Economic Affairs, State) and including representatives from the Departments of Justice and Commerce. Wayne said there were allegations of bribery by BAE Systems dating back several years. Although the allegations had been predominantly sourced from press reporting, this was still an issue of concern across the US government, particularly in light of BAE Systems’ increasing business with DoD. What steps had the UK government taken to look into this?”

“You replied robustly. You had drawn the specific allegations about Gripen to the attention of Dick Evans, who had assured you that they were baseless. If the US believed there was substance in them, this would be a matter of serious concern to MOD and HMG more broadly. BAE Systems was not only the MOD’s principal supplier, but also a leading UK company with global interests. But to take further action, we needed specific evidence.”

The final sentence of paragraph four records a statement by Mr Wayne’s colleague, Heather Conley, Deputy Assistant Secretary for European Affairs, indicating that such evidence was not held.

The final paragraph refers to a different meeting that took place later the same day.

I will now turn to the other documents that contain information about the meeting to which you refer. A minute dated 7 August 2002, marked Confidential, and headed “Czech Republic and Gripen: Allegations Against BAE Systems”, is a record of a meeting held by Sir Kevin Tebbit. The second paragraph of this minute includes comments by Sir Kevin concerning his meeting with Mr Wayne. These refer to the presence of representatives of the US Departments of Justice and Commerce; the fact that US allegations were unsupported and to their admission of a lack of evidence; his having taken

A letter dated 9 August 2002, from Sir Kevin Tebbit to Tony Wayne, marked Confidential, makes reference to their meeting in its first paragraph. This recalls that at their meeting in July there had been “repeated but unsubstantiated allegations of corrupt practice by BAE SYSTEMS in their dealings with the Czech Republic.” Sir Kevin went on to indicate his concern at any suggestion that such matters were not taken extremely seriously and his wish “to make our position doubly clear.”

Finally, I have found an undated briefing note, apparently prepared in 2003, headed “BRIBERY AND CORRUPTION ALLEGATIONS – BAES”. Information relevant to your request is contained under a sub-heading “Background”, in two sentences as follows:

“In July last year, Tony Wayne (Assistant Secretary for Business and Economic Affairs) in State Department raised unsubstantiated allegations of corrupt practice by BAE SYSTEMS in their dealings with the Czech Republic during a meeting with PUS. PUS wrote on 9 August 02 in response, detailing the points made in the speaking note above, and that without any concrete evidence he considered the matter closed.”

