

Drug firms probed over Iraq cash



GlaxoSmithKline and AstraZeneca have been asked to hand over papers as part of a probe into bribes allegedly paid to Saddam Hussein's former Iraq regime.

The Serious Fraud Office is examining allegations of bribes paid to secure lucrative contracts in breach of Iraq's 1996 to 2003 oil-for-food programme.

The programme, established in the wake of UN sanctions, allowed Iraq to sell oil to buy humanitarian provisions.

Both drug companies deny wrongdoing and are co-operating fully with the probe.

UN report

The oil-for-food programme was set up following sanctions imposed on Iraq after the country invaded Kuwait in 1990.

A UN-commissioned inquiry later found that 2,200 companies in 66 countries had breached rules by paying \$1.8bn (£903m) in bribes to Iraqi officials to win oil contracts.

The Serious Fraud Office launched an investigation earlier this year into alleged breaches of the sanctions by British companies involved in the humanitarian programme.

A spokesman for GlaxoSmithKline said the company did "not believe that its employees or its agents in Iraq knowingly engaged in wrongdoing regarding the oil-for-food programme".

"In fact GSK went to considerable lengths to co-operate with UK government authorities responsible for the UK administration of the programme and to impose anti-corruption measures when dealing with intermediaries in Iraq at a time when the environment was extremely volatile and difficult," he added.

Medicine consignment

A spokeswoman for AstraZeneca confirmed it had received a formal request for documents from the Serious Fraud Office.

"The company will be providing the documentation," she said.

AstraZeneca previously confirmed it had sent medicines requested by the Hussein government under the oil-for-food programme.

It said the consignment had all relevant UN permissions and export licences from the UK Department of Trade and Industry and was delivered after coalition forces from the UK and the US had taken control of the country.

The Serious Fraud Office investigation, which is expected to cost around £22m, could become one of the biggest the organisation has ever carried out.

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