

High Court fines Weir Group £3m

The Crown Office has secured £13.9 million under the Proceeds of Crime Act after a Scottish engineering company pled guilty to paying 'kickbacks' in return for contracts from Saddam Hussein's government. The confiscation order made against Glasgow-based Weir Group Plc is the biggest ever made by a Scottish court.

At the High Court in Edinburgh today, the company was also fined £3 million after pleading guilty to paying more than £3m in 'kickbacks', in contravention of UN sanctions against Iraq, through a Swiss bank account.

The Weir Group also admitted facilitating the payment of kickbacks by paying a fee of more than £1.4 m to their agent, an Iraqi national, to the same Swiss bank account. The agent made the payments to the Iraqi government on behalf of Weir.

The Lord Advocate, Elish Angiolini QC, said: "This case represents the biggest single confiscation order made so far in Scotland using the Proceeds of Crime legislation.

"It is the result of a highly successful collaboration between National Casework Division of the Crown Office and Procurator Fiscal Service, Strathclyde Police and the Serious Fraud Office."

She added: "In this year alone we have recovered over £24 million, a record amount under the Proceeds of Crime legislation.

"The Crown Office and Procurator Fiscal Service will continue to use the POCA legislation to ensure that unlawfully obtained assets are recovered and businesses get the message that financial crime does not pay."

The kickbacks were paid to the Iraqi Government from funds in the UN's Oil for Food Programme, which should have been used for humanitarian purposes.

An Independent Inquiry Committee set up by the UN has estimated that, in total, about US \$1.5 billion that could have been used to ease the suffering of the Iraqi people was paid as kickbacks to Saddam Hussein's government.