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# PRESS RELEASE

*Mr. Kelly  
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The following is the text of a statement issued to our office. 7/1/93

*Mr. Hennessy  
for Nelson file*

British government knew of South African Arms

*15/11*

Sinn Féin President Gerry Adams today held a press conference in Belfast where he released a briefing paper outlining the various connections between British Intelligence; the loyalist death squads; British Army agent Brian Nelson and the importation of weapons from South Africa.

Mr Adams accused the British government of "having known in advance of the arms shipments" and of having allowed the weapons to enter the North and be distributed among the various loyalist death squads.

Mr Adams said:

"The arming of the death squads with new and modern weapons, which have resulted in almost two hundred deaths, is the direct responsibility of the British government and its intelligence agencies.

"Mr Mayhew says that the Nelson case is over - finished. it is not. Catholics are being slaughtered as a result of Nelson and the re-arming of the loyalists. We intend to continue to vigorously pursue this issue."

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Speaking at the Press Conference Mr Adams said:

"Yesterday the British Secretary of State for the North, Patrick Mayhew, has denied that weapons imported by Brian Nelson, with the knowledge of British Intelligence, are being used to kill Catholics. This is untrue.

"The modern weapons used in recent killings including the Milltown cemetery attack, the Ormeau and Oldpark Bookies attacks, and individual killings, are from the consignment brought in by Nelson with the assistance of British Intelligence.

"British Intelligence and the British government were kept fully informed of all Nelson's activities including a weapons shipment which came in in January 1988 and which included 200 AK 47 rifles; 90 Browning pistols; around 500 fragmentation grenades; 30,000 rounds of ammunition and a dozen RPG 7 rocket launchers.

"At Nelson's trial a 'character witness', a Military Intelligence Colonel referred to as 'J', stated that he was the commander of a Military Intelligence Unit in the North between 1986 and 1989 and had been responsible for Nelson.

"Colonel 'J' admitted that he gave monthly briefings to the British Army GOC in the North and other senior officers. He said that it 'would be normal for Nelson's information to be referred to at these briefings. The secretary of State for Northern Ireland might also be interested in such information'. (Irish Times 30.01.92)

"Evidence given in court and uncovered by journalists since then has revealed the extent of the importation of weapons and that Colonel 'J' knew of these events.

"Brian Nelson's case reveals the extent to which the British government is prepared to use covert operations and 'counter gangs' in order to advance its political objectives in Ireland.

"I reiterate my strongly held belief that the resurgence in Loyalist death squads can be traced back to three events;

Firstly, the founding of Ulster Resistance by Ian Paisley, Pater Robinson and others.

Secondly, the arming of the Loyalists, through Nelson, by British Intelligence.

Thirdly, the major reliance by loyalists on British intelligence files, sometimes erroneous, which are still being leaked.

"The failure of sections of the media to thoroughly investigate this issue is a source of great disquiet. The refusal of SDLP MPs to aggressively challenge the British through the British House of Commons; and the position of the Dublin government to largely ignore this key issue; is a matter of much frustration.

"The recent interest in the links between British Intelligence; South Africa; Nelson and the Loyalist death squads has largely occurred accidentally as a consequence of the BBC interview with the current British Army GOC.

"Wilsey's position and Mayhew's defence of him has an added edge to it because Mayhew was Attorney General at the time of the Nelson trial when a sordid deal was struck with Nelson to protect the British government and its intelligence agencies.

"Mr Mayhew says the Nelson case is over. It is not. When one considers Colonel 'J's' remarks in court it is quite clear that Catholics are dying in increasing numbers because of a British government policy to re-arm the loyalists. This issue cannot be allowed to rest it must be pursued.

"I intend distributing this document to TDs, MPs and MEPs, as well as human rights agencies. We will also distribute this document as widely internationally as we can.

British Intelligence:

Brian Nelson and the Re-Arming  
of the Loyalist Death Squads



## Britain's Re-arming of Loyalist Death Squads

### Introduction

Informal contacts between loyalists and South Africa were first established in the mid 1970's when some former UDR men went there as mercenaries'; by 1989, however, the situation had changed considerably "The Pretoria link with the Ulstermen has been developed over some considerable time and was (sic) a well established two-way traffic".<sup>2</sup>

The starting point for this new relationship was the visit to Belfast in 1985 of a 48 year old ex-merchant seaman originally from Portladow, who had gone to live in South Africa<sup>3</sup>.

Dick Wright's Ulster connections made him a useful intermediary - he was the uncle of Alan Wright, leader of the Ulster Clubs and co-founder of Ulster Resistance. He was also an agent for Armscor, the state-owned company which, in defiance of the 1977 United Nations arms embargo, set about making South Africa self-sufficient in military hardware.

Within a decade it had made the country one of the world's top ten arms exporters.<sup>4</sup> It was particularly anxious to acquire a missile system for use in Angola and Namibia. Israel (which had given South Africa its start in the arm business, supplying designs for ships, missiles and small arms)<sup>5</sup> was equally keen to get details of the most advanced missile available - the Starstreak being developed by Shorts in Belfast.

Wright visited the home in East Belfast of a senior UDA leader and offered to supply guns; the order would have to be worth at least a quarter of a million pounds, but missile parts or plans would be an acceptable alternative to cash.\*

The offer was taken seriously by the UDA - John McMichael sent UDA intelligence officer Brian Nelson to South Africa to investigate the possibility of a deal.\*

The crowds travelling from Belfast to London over the weekend of 7/8 June for the McGuigan/Pedroza fight provided cover for the first part of Nelson's journey.\*

During the two weeks in South Africa, Nelson was shown warehouses full of weapons. The conditions of the deal offered by his host became decidedly more attractive: the loyalists were to supply South African agents with secrets or parts - if possible a complete Shorts missile system - in return for a substantial shipment of arms and finance of up to £1 million\* .

Dick Wright as Armscor agent represented the South African state and in April 1988 Daniel Stern, a South African Diplomat was among those arrested in Paris with three Ulster Resistance leaders.

In 1985, Brian Nelson had been a British agent for at least 10 years.\*\* Official knowledge of the negotiations may have gone far beyond the reports of Nelson on his return. Private Eye claimed in February 1992 that Nelson's visit had been cleared not only by the Ministry of Defence but by an unnamed government minister.\*\*



The D.P.P.'s deal with Nelson at his trial was intended to ensure that no mention would be made of either the visit or the minister. (In 1987 a U.S. State Department report named Britain as one of the countries which had violated the U.N. arms embargo).<sup>12</sup>

In June 1987 the robbing of the Northern Bank in Portladdow provided the money for the deal to go ahead - £150,000 of the £300,000 taken in the raid was spent on South African arms.<sup>13</sup> This bought more weaponry than the UDA could handle, so the UVF and Ulster Resistance were made 'partners' in the enterprise. A top secret unit responsible for developing channels of communication on behalf of several loyalist groups was set up.

Roy Metcalfe, a member of the unit, represented Ulster Resistance in the negotiations. When he and Thomas Gibson were later murdered, the organisation claimed that they had been 'set up' by British Intelligence.<sup>14</sup>

Final arrangements were made in December 1987. Military Intelligence had been informed by Brian Nelson of developments at every stage of the proceedings; he passed on all the details including the method to be used to smuggle in the weapons.<sup>15</sup> No action was taken.

At the end of December 1987 Joseph Fanzio, a Lebanese intermediary employed by the U.S. arms dealer working for the South Africans, dispatched a huge consignment of arms which landed without difficulty in January 1988 somewhere along the Co Down coast.<sup>17</sup> 200 AK 47 automatic rifles, 90 Browning pistols, around 500 fragmentation grenades, 30,000 rounds of ammunition and a dozen RPG-7 rocket launchers disappeared without trace,

the haul having apparently been divided into three parts shortly after its arrival<sup>19</sup>.

If discovered, the arms would not have revealed their true origin; many were Czech-made weapons initially used by the PLO in Lebanon where they had been captured by the Israelis and sold to Armscor<sup>20</sup>.

The shipment had not been let in through negligence, mistake or oversight. The decision to allow it to go ahead had been taken (presumably at the highest levels) months before. Nelson states in a prison journal:

*In 1987 I was discussing with my handler Ronnie the South African operation when he told me that because of the deep suspicion the seizure would have aroused, to protect me it had been decided to let the first shipment into the country untouched.<sup>20</sup>*

Since Nelson had been involved in setting up the UDA's transport system, he knew the location of the farmhouse where the weapons would be stored.

In January 1988 Davy Payne, UDA Brigadier was arrested outside Portadown as he transported 60 rifles, rockets and handguns - most of the UDA's portion of the shipment. At the time the arrest was attributed to good luck and keen observation. Payne's arrest drew attention to Ulster Resistance - a telephone number written in Payne's hand turned out to be that of Noel Little, a civil servant, former member of the UDR and close associate of Ian Paisley and Peter Robinson (Little had stood for the DUP as a candidate in local government elections).

Little was warned on two or three occasions that he was under surveillance<sup>21</sup>. Even his questioning and release without charge did not interrupt Ulster Resistance's attempts to negotiate with the South

Africans. The Starstreak, being developed under a £225 million Ministry of Defence contract at Shorts was what the South Africans wanted.

A fully operational unit had been on display until a few hours before a raid in 1987 in which Ulster Resistance had stolen a Javelin aiming unit. The extraordinary coincidence did not raise any suspicions; Little's questioning and the warnings were ignored and three Ulster Resistance members travelled to Paris to negotiate with the South Africans, who had already made a down payment of £50,000.

They were offering not only the parts (which though not operational could be used for research purposes) but expertise in firing the weapons - one of the three Samuel Quinn was a senior NCO in the Ulster Air Defence Regiment of the Territorial Army. He trained recruits in the use of the Blowpipe missile. One of the weapons offered to the South Africans was a dummy Blowpipe, stolen from Newtownards, where Quinn served.

In April 1989, the three - Noel Little, Samuel Quinn and James King were arrested in Paris along with arms dealer Douglas Bernhardt and a South African diplomat, Daniel Storm.

Storm claimed diplomatic immunity and was expelled from France. A diplomatic row blew up - but there was more noise than genuine surprise on the part of the British authorities, who were well aware of Bernhardt's activities. A naturalised American citizen, born in South Africa married to an Englishwoman, he had operated a gun dealership 'Field Arms' in Mayfair for 3 years - it had received assistance from the Department of Employment<sup>22</sup>.

The security services knew of Bernhardt's loyalist connections; they knew he was the US dealer involved in the January 1988 arms shipment. They would also have been aware that Armscor agent Dick Wright had been employed as a marketing executive by 'Field Arms'. Noel Little later admitted that he had known Dick Wright for 'quite a few years'<sup>23</sup>.

No request for the extradition of the three was made. Although the Swiss authorities began an investigation of Bernhardt's Geneva-based container-leasing company Agencia Utica, the British made no request for an examination of Bernhardt or his company<sup>24</sup>. The Ulster Resistance members were released on bail. The British government expelled the three South African embassy personnel. Although the Foreign Office emphasised that they had been chosen at random, it must have been just another coincidence that one of them Jonathon (Etienne) Fourie who was considered the 'eyes and ears' of the London embassy had worked as a journalist in Northern Ireland in the 1970's<sup>25</sup>.

Two thirds of the arms shipment landed - with the full knowledge of British Intelligence - on the Co Down coast almost five years ago remains unaccounted for the other 1/3 was seized at a road checkpoint. The results of its arrival, however, are unmistakable. In 1985 the UDA and UVF between them killed only three people. Since January 1988 more than 160 people have been killed by loyalists. The AK 47 assault rifles were used in the killing of five men at the Ormeau Road Bookmaker's shop in February 1992; and the killings in Murray's bookies on Belfast's Cliftonville road in December 1992; Michael Stone attacked the mourners in Milltown Cemetery in March 1988 with Russian-made RPG 5 splinter grenades



and a Browning pistol from the same arms consignment<sup>26</sup>.

The weapons created a secure base for a renewed (and indefinitely sustainable) campaign of lethal violence by loyalist paramilitary groups. If his handler's explanation is to be believed, Brian Nelson must have been an extraordinarily valuable agent if his safety had to be paid for in hundreds of lives. How many more Brian Nelson's does British Intelligence have operating within the various loyalist paramilitary groups.

The above chronicles one episode of Loyalist/British intelligence gun-running activity. How many other shipments have been secured since then?

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