

How Sarkozy's former spy chief worked on behalf of Kazakhstan

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On Wednesday March 4th, France's top appeal court ruled that billionaire Kazakh opposition politician and former banker Mukhtar Ablyazov could be extradited over an alleged six-billion-euro fraud. Meanwhile, behind the scenes in this complex affair, a mysterious website has revealed a mass of emails hacked from Kazakhstan leaders. They reveal that Bernard Squarcini, who was the head of France's domestic intelligence agency under President Nicolas Sarkozy, has worked as a consultant on behalf of the Kazakh authorities in relation to the Ablyazov affair. Talking to Mediapart, Squarcini admits the Kazakh government is a client of the firm he works for and that he has worked on the case, but denies claims that he tried to "infiltrate" Ablyazov's team of lawyers and supporters. **Agathe Duparc** reports on this murky affair.

Nicolas Sarkozy's former spy chief has been working on behalf of the Kazakhstan government in its bitter battle against one of that country's leading political opponents, Mediapart can reveal. Bernard Squarcini, who headed France's domestic intelligence agency, the **Direction centrale du renseignement intérieur** (DCRI), from 2007 to 2012, is a senior advisor for a global intelligence agency hired by the Kazakh authorities to help in the so-called Ablyazov affair. This involves attempts by Kazakhstan's allies Russia and Ukraine to seek the extradition from France of former banker and billionaire Kazakh opposition politician Mukhtar Ablyazov over an alleged banking fraud.

Squarcini, whose brief including advising the Kazakhstan government on the French extradition process, helped fix meetings with key figures in France for a Kazakh delegation that came to the country in 2014, Mediapart can reveal. But the former spy chief denies claims that he was involved in an attempt to "infiltrate" the dissident Ablyazov's entourage.

The Ablyazov case is a vast and complex affair, a titanic battle that is being fought out between the Kazakh capital Astana, London, Paris and Geneva through battalions of lawyers, private detectives, hackers, PR consultants and lobbyists of all kinds. A potentially crucial stage in the saga occurred on Wednesday March 4th, when France's top appeal court, the **Court of Cassation**, ruled that Ablyazov **could be extradited** from France. He was arrested at Mouans-Sartoux, north of Cannes in the south of France on July 31st, 2013. Russia and the Ukraine are seeking his extradition, claiming he embezzled up to six billion euros from the Kazakh BTA Bank of which he was chairman from 2005 to 2009. On October 24th, 2014, the appeal court in Lyon had also **ruled** that the Kazakh businessman could be sent abroad for trial. However, even after the Court of Cassation's ruling, extradition is not automatic; it has to be approved by a decree by the French government.

Ablyazov and his supporters say that the extradition claims by those countries is just a ruse and that they are in effect acting as puppets for Kazakhstan which does not have an extradition treaty with France and whose dictator, **Nursultan Nazarbayev**, is Ablyazov's sworn enemy. They insist the entire affair has been orchestrated at the highest levels by the Kazakh authorities and that Western justice systems are being used. Ablyazov's team say the extradition attempt is an act of vengeance by Nazarbayev's supporters against the one person able to eclipse the dictator, and claim his entourage will stop at nothing, including buying well-placed supporters in France itself.

Sur mediapart.fr, un objet graphique est disponible à cet endroit.

Meanwhile a **WikiLeaks**-style website called **Kazaword** has been publishing a mass of documentation - 69 gigabytes of it - relating to the background of the Ablyazov affair. In particular the website, which first appeared in August 2014, has revealed details of tens of thousands of emails hacked from the accounts of senior political and judicial figures in Kazakhstan. The leaked emails reveal the

names in France, and elsewhere, of senior figures who have been hired to bring down the billionaire banker. And among these figures is **Bernard Squarcini**.

In April 2014 Squarcini was convicted and **fined 8,000 euros** for checking the phone records of journalists from *Le Monde* to try to find the source of a leak that could have embarrassed Sarkozy. He has now retired from public service and in June 2013 he began working as a “**senior advisor**” for the company Arcanum AG. Arcanum is a 'strategic global intelligence firm' based in Zurich in Switzerland and a subsidiary of the American investment group RJI Capital Holding, founded by Bangladesh-born American **Ron Wahib**. It specialises in economic and strategic intelligence for governments and also employs a former director of Israeli intelligence agency Mossad, **Meir Dagan**, and the American general and former deputy head of the US special operations command, **Joseph DiBartolomeo**.

One of the firm's most high-profile clients is the Kazakhstan government. Among the many documents released by Kazaword, Mediapart has found hundreds of emails showing that Arcanum AG was part of the war machine put in place by the authorities in the Kazakh capital Astana against Mukhtar Ablyazov, alongside the large law firms also appointed by the Kazakh justice system. It appears from the emails that the company regularly sent “investigation reports” to the judicial authorities in Astana, for which they were handsomely paid. However the contents of these reports themselves cannot be accessed, as they were stored on a secure server.

According to Mediapart's information, Bernard Squarcini's role was to inform the Kazakh authorities on the progress of the Ablyatov legal proceedings and to lobby certain figures in France. Several emails found on Kazaword show that the former head of the DCRI carried out some of the groundwork in France for the visit of a Kazakh delegation to Paris from June 25th to 27th, 2014. Four people took part in that trip: former prime minister, former mayor of Astana and current defence minister Imangali Tasmagambetov; Kenes Rakishev, chairman of the board at BTA Bank;

Marat Beketayev, deputy minister for justice; and his former advisor Nourlan Nourgabylov, who is now head of the legal department at BTA Bank. The last two are in charge of the country's legal proceedings against Ablyazov.



Nicolas Sarkozy's former spy chief Bernard Squarcini. © Reuters

An email exchange between Marat Beketayev and Nourlan Nourgabylov, on the eve of this “essentially private” visit, says that their main point of contact will be Bernard Squarcini, who is described as “the head of the French secret services under N. Sarkozy and now working with Arcanum”. His role was to supply “information concerning the state of the proceedings” involving Ablyazov, and also to make “strategic recommendations, including on the meetings” in Paris. One of the staff at Arcanum told Marat Beketayev that the meeting would take place on June 25th “at a time that suits you”. He then adds, astonishingly: “Please find attached the biographies of JD, LO and XB who work for BC [Bernard Squarcini] behind the scenes.” These initials refer to **Julien Dray**, a senior figure in the Socialist Party who is currently a councillor on the Paris region council, Laurent Obadia, a former public relations advisor to L'Oréal heiress Liliane Bettencourt and currently director of communications at French multinational company **Veolia Environnement**, and Xavier Boucobza, a law professor and consultant at international law firm Fried, Frank, Harris, Shriver & Jacobson. These biographical notes, prepared by Arcanum, outline their education and training and their careers but also scandals, rumours, worrying connections or issues with the law, if any. For the most part it concerns information already in the public domain.

Was there an attempt to infiltrate Ablyazov's team?

These revelations have reawakened some curious memories for Mukhtar Ablyatov's defence team. Canadian lawyer Peter Sahlas told Mediapart how, in September 2013, they had come across Laurent Obadia who offered to help them “with PR” and to increase media exposure of the affair by “broadening the political spectrum to the right”. At that time Mukhtar Ablyazov had been in prison several weeks. Discussions then took place. Obadia also introduced professor Xavier Boucobza, who asked for “all the judicial files” to be sent to him so that he could write an “assessment” on the case. “I found that a bit odd and we declined,” recalls Peter Sahlas.

Then Obadia spoke about his “friend” Bernard Squarcini, who would also be ready to lend a hand. Sahlas did not turn this opportunity down. In mid-November 2013 the Canadian lawyer received a text from Obadia who had arranged an interview for him with “interesting people” at the upmarket L'Avenue bar on avenue Montaigne in Paris. In the middle of a swarm of top models Sahlas noticed a table of men who were wearing ties. He recognised Bernard Squarcini who was next to **Charles Pellegrini**, former head of the anti-gang crime unit the Office central de répression du banditisme (OCRB) and of the anti-terrorist unit at the Elysée. A good-natured conversation took place. Squarcini, who at that time was awaiting judgement on the telephone records court case, criticised journalists and the French justice system, whom he said were too often “used”. He said that, with his network, he was able to help and highlight the “enormous geostrategic stakes” that surrounded the Ablyazov case. As a sign of his good faith he sent, via Laurent Obadia, a brief note entitled 'French diplomatic comments on the A. affair' (*see below*), which did not contain any sensitive information.

It read:

“The French diplomatic service is following closely the reaction of the supporters and opponents of A. in relation to the recent decision by the Court of Aix-en-Provence.

The public prosecutor's office in Kazakhstan is following the process very closely and has reminded Astana of three sensitive points:

- The question of a re-extradition by Russia or Ukraine [*editor's note, i.e. to Kazakhstan*] is not on the agenda as the European Convention does not authorise such a procedure unless there is a formal agreement by the country that has agreed to the initial extradition.
- So, the authorities are pursuing their efforts with France in view of a direct extradition of A. to his country of origin.
- Relying just on the United Nations Convention relative to judicial cooperation between member states [*editor's note, apparently a reference to chapter 4, on 'international cooperation', of the United Nations Convention Against Corruption*] (Kazakhstan has not signed the European Convention, unlike France, Ukraine and Russia).

As for the opponents, they are working to avoid this extradition:

- peaceful gathering (40 p.) in front of France's Consulate General in Almaty, and the handing over of a petition to the French president: Janouzakov (formerly of the **Alga party**), Mrs Toregozina ('Conscience, Spirituality, Truth' Foundation), Kaleev (Bureau International des Droits de l'Homme).
- Intensive and aggressive presence on social networks with the aim of indicating the risks of torture in the case of extradition towards Russia and Ukraine, but without any precise foundation and simply with the aid of dramatisation.”

Sur mediapart.fr, un objet graphique est disponible à cet endroit.

Several days after the meeting at L'Avenue, Peter Sahlas reported this conversation to Mukhtar Ablyazov himself. “We have to be very aware of the risk of being used! And besides, we don't need that to win

our case,” was the gist of the imprisoned Kazakh oligarch's response. He was at the time confident that the courts would refuse the extradition demands by Russia and Ukraine, two countries where the justice system is well-known for being under the control of the authorities and where defence rights are frequently scorned. Nor had France and Kazakhstan signed an extradition treaty.

At the time both men were unaware that the former head of France's domestic intelligence agency had been hired six months earlier by Arcanum, who work hand in hand with the authorities in Astana. “As far as I am concerned we were certainly the target of an attempt at infiltration,” Peter Sahlas says today.

Contacted by Mediapart, Bernard Squarcini admits to his role in the Ablyazov case, which is “not a crime”, he notes. “I am employed by Arcanum for whom I intervene in several cases. On Kazakhstan it involved in particular giving an expert assessment on the French judicial system as far as extradition is concerned. They didn't know anything!” he says. This appears a curious response, given that Kazakhstan hires the services of a multitude of lawyers around the world precisely to deal with this type of question.

Squarcini dismisses the idea that he recruited Laurent Obadia and Julien Dray behind the scenes. “It was without doubt a working hypothesis but it was never put into action,” he explains, conceding only that Professor Boucobza was asked to carry out a “free legal expert assessment” of the Ablyazov case. But, Mediapart asked, by offering his services to Ablyazov's lawyers in November 2013, while he was working for Arcanum, had he not in effect been spying? “Ah no, because at the time this case [*editor's note, i.e. the Ablyazov case*] had not yet been allocated to me,” he says.

Meanwhile Laurent Obadia categorically denies having worked for Bernard Squarcini. “Apparently my name was used,” he explains. He confirms that he introduced Squarcini to the Ablyazov camp, but says that was done in good faith. “Several months

afterwards I learnt that he worked for the Kazakh government and I heard talk of Arcanum ... it's distressing!” he adds.

Julien Dray demanded that questions on the matter be sent to him in writing. However, on the telephone he recognised that he had frequent contact with Bernard Squarcini, an “old friend” he had known for for 20 years. At the time of writing his responses have still not arrived. Xavier Boucobza did not respond to Mediapart's calls.



President François Hollande and Kazakhstan leader Nursultan Nazarbayev during the former's official visit on December 5th, 2014.

Bernard Squarcini, meanwhile, is anxious that he should not be described as working for Kazakhstan. “It's Arcanum who employ me,” he insists, claiming that he had “never had contact with the Kazakhs”. However, his memory of events came back to him when reminded about his meeting on June 25th, 2014, with the Kazakh delegation in Paris. “Yes, I was asked to arrange the personal contacts before President Hollande went to Kazakhstan [*on December 5th, 2014*]. The former prime minister [*Imangali Tasmagambetov*] wanted to develop relations; we indicated who the people to see were,” Squarcini says.

According to Mediapart's information, the former spy chief's role was a central one. Documents found on Kazaword show that the firm Arcanum organised the entire visit and arranged the meetings, working in consultation with Nourlan Nourgabylov, who is the main fixer in the Ablyazov case. Indeed, this approach angered the Kazakh ambassador in Paris, Nourlan Danenov, who in an email complained bitterly to “Nourlan” that the “requests for meetings should have gone through official channels”. One of the Kazakh delegation's meetings was at the Elysée with Jean-Paul Ortiz, the diplomatic advisor who died a month later

from cancer. Another was at City Hall in Paris with Patrick Klugman, who is in charge of international relations for the mayor. Bernard Squarcini had done all he could to get the mayor herself, Anne Hidalgo, to meet the former mayor of the Kazakh capital Astana, Imangali Tasmagambetov, but she declined. “We’re not really inclined to develop partnerships with Kazakhstan and we’re starting to feel a bit on our own in that,” says one City Hall source.

A meeting did, however, take place with Jean-Paul Huchon, the socialist president of the Paris region council. “The meeting was a courtesy meeting and an introduction ... it lasted under two hours. The subjects discussed concerned the region’s powers and expertise in respect to transport and economic development,

but there was no follow-up,” Huchon told Mediapart in writing. Finally, there was a “working meeting” with Olivier Colom, a former advisor to Nicolas Sarkozy, who is today an international consultant for the Edmond de Rothschild banking and asset management group. He has not yet responded to Mediapart’s questions about the encounter.

• The French version of this article can be found **here**.

English version by Michael Streeter

Boite noire

This story was updated on March 4th, 2015, to reflect the ruling of the Court of Cassation on Mukhtar Ablyazov’s extradition.

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