



ARMAMENTS CORPORATION OF SOUTH AFRICA LIMITED

CIRCULAR NO 3/99

TO: TO ALL PERSONNEL

20 January 1999

UNAUTHORIZED DISCLOSURE OF CLASSIFIED INFORMATION TO INSTITUTIONS OR PERSONS OUTSIDE THE DOD

1. The Department of Defence (DOD) has issued a Security Instruction (Instr No 5/98) in the above regard, which also impacts on Armscor and Defence contractors.
2. It has come to the notice of the DOD that certain employees of the DOD or employees of organizations outside the DOD who have access to DOD information are informally disclosing classified Defence information to institutions outside the DOD (including other government departments, political parties and organizations and private companies) without the proper authority to do so. This is inter alia done through informal exchanges between friends, relatives or former colleagues.
3. **Allegations have been made that certain other government departments are recruiting DOD or related personnel, using them as covert sources of information in the DOD.**
4. This situation has become untenable in view of the following:
 - 4.1 It complicates normal official liaison and cooperation with other institutions and coordination with other government departments and causes unnecessary distrust, thereby undermining the credibility of the public sector in general and of the Department of Defence and the Defence community in particular.
 - 4.2 It undermines the ability of the DOD to operationalise surprise and security as principles of war.
 - 4.3 It may be exploited for corruption.
 - 4.4 In extreme cases, members or collaborators of foreign intelligence organizations, extremist organizations or criminal groups may obtain access to Defence secrets by falsely claiming to represent a **bona fide** institution when approaching DOD and Defence community employees.
 - 4.5 Sufficient official channels of communication already exist for the formal exchange of **any** information with **any** institution that has a valid and legal interest in Defence information.
5. It is once again emphasized that the law contains explicit provisions regarding the disclosure, liaison and exchange of classified information. Such provisions are contained in inter alia:
 - 5.1 Section 118 of the Defence Act, Act No 44 of 1957 (as amended).

5.2 Section 11A of the Armaments Development and Production Act, Act No 57 of 1968 (as amended) and

5.3 The Protection of Information Act, Act No 84 of 1982 (as amended).

6. All members of Armscor as well as the Defence Industry are reminded anew of their legal obligation to refrain from disclosing, exchanging or liaising any classified information to and with any institution or person without proper authority. Failure to adhere to this regulation could lead to disciplinary action, which could adversely affect an employee's security clearance and consequently his/her career.

Yours sincerely

M E PHIYEGA
GENERAL MANAGER: CORPORATE AFFAIRS