

ALEX SAAB: THE BUSINESSMAN INSIDE THE DEA INFORMANT INSIDE THE CLAIMED VENEZUELAN DIPLOMAT INSIDE THE ALLEGED PUTIN “LAUNDRY MAN”

When DOJ first announced the extradition of Alex Saab from Cabo Verde to the US in October 2021, they described him as a Colombian businessman accused of laundering money through Venezuela.

Alex Nain Saab Moran (Saab), 49, a Colombian citizen, will make his initial appearance in federal court in Miami, Florida, today after being extradited from the Republic of Cabo Verde. Saab is charged in an indictment with laundering the proceeds of violations of the Foreign Corrupt Practices Act (FCPA) in connection with a scheme to pay bribes to take advantage of Venezuela’s government-controlled exchange rate. He is expected to make his initial court appearance today at 1:00 p.m. before U.S. Magistrate Judge John J. O’Sullivan of the U.S. District Court for the Southern District of Florida.

Specifically, on July 25, 2019, Saab was charged along with Alvaro Pulido Vargas, aka German Enrique Rubio Salas, 55, also a Colombian citizen, in an eight-count indictment with one count of conspiracy to commit money laundering and seven counts of money laundering. The indictment alleges that beginning in or around November 2011 and continuing until at least September 2015, Saab and Pulido conspired with others to launder

the proceeds of an illegal bribery scheme from bank accounts located in Venezuela to and through bank accounts located in the United States. According to the indictment, Saab and Pulido obtained a contract with the Venezuelan government in November 2011 to build low-income housing units. The defendants and their co-conspirators then took advantage of Venezuela's government-controlled exchange rate, under which U.S. dollars could be obtained at a favorable rate, by submitting false and fraudulent import documents for goods and materials that were never imported into Venezuela and bribing Venezuelan government officials to approve those documents. The indictment alleges that the unlawful activity was a bribery scheme that violated the FCPA and involved bribery offenses against Venezuela. It also alleges that meetings in furtherance of the bribe payments occurred in Miami and that Saab and Pulido wired money related to the scheme to bank accounts in the Southern District of Florida. As a result of the scheme, Saab and Pulido transferred approximately \$350 million out of Venezuela, through the United States, to overseas accounts they owned or controlled.

But four months after that, in February 2022, the judge in his case in Miami, Robert Scola, ordered a document submitted before the extradition be unsealed. That revealed he had been a DEA informant, largely confirming the details behind his indictment.

[O]ver the course of nearly twelve (12) months, SAAB MORAN cooperated with agents from the Drug Enforcement Administration ("DEA"), provided DEA with information about his criminal activity, engaged in proactive

cooperation as a confidential source for the DEA, and forfeited money to the United States and DEA as part of an agreement to self-surrender in the United States in order to face charges for his criminal conduct. In light of SAAB MORAN's cooperation, which included providing law enforcement with information about the bribes that he paid and the crimes that he committed, the United States has concerns regarding the safety and security of SAAB MORAN and/or his family were this information to be disclosed to the Maduro Regime in Venezuela. See "Venezuelan charged in Miami money laundering case gunned down by motorcycle assassin," Sept. 2, 2020, available at <https://www.miamiherald.com/news/local/article245436795.html>.

[snip]

On August 8 and August 10, 2016, SAAB MORAN, represented by criminal counsel in the United States and his Colombian lawyer, met with special agents from the DEA and the Federal Bureau of Investigation ("FBI") in Bogota, Colombia. During these meetings, SAAB MORAN was debriefed and provided information relating to certain of his companies that contracted with the Government of Venezuela to build low-income housing, including how those companies were paid in connection with the contracts and how the money flowed after his companies received the funds. On November 28, 2017, SAAB MORAN, joined by his Colombian counsel, met with special agents from the DEA and an Assistant United States Attorney for another debriefing.

[snip]

On June 27, 2018, SAAB MORAN signed a cooperating source ("CS") agreement with

the DEA and became an active law enforcement source shortly thereafter, communicating with special agents from the DEA via telephone, text, and voice messaging. As part of his cooperation, SAAB MORAN also engaged in proactive cooperation.

[snip]

On April 4, 2019, SAAB MORAN, represented by his U.S. counsel, met with special agents from the DEA and prosecutors from the U.S. Attorney's Office and the Department of Justice in Europe. At that meeting, SAAB MORAN was provided a deadline by which to surrender to U.S. authorities in the Southern District of Florida in connection with his criminal conduct. SAAB MORAN was further advised that, if he failed to surrender by May 30, 2019, he would no longer remain a cooperating source and would be charged criminally in the Southern District of Florida.

Then, last October, Saab made an unsuccessful bid to claim that on top of being a businessman and sometime DEA informant, he was also a Venezuelan diplomat, the country's Special Envoy to Iran.

For the two years following his appointment in April 2018, Mr. Saab fulfilled his role as a Venezuelan Special Envoy. To that end, he was issued a diplomatic passport that specifically identified him as a Special Envoy ("Enviado Especial"). See Exhibit 1.3 This activity culminated in spring 2020, in response to the global COVID-19 pandemic that shattered Venezuela's already fragile social and economic condition when there was a need for Mr. Saab to negotiate for gasoline, food, and medical supplies.⁴ Even before the pandemic, Venezuela was facing an

emergency shortage of gasoline and medicine due to crippling external economic sanctions.

The Venezuelan government tasked Mr. Saab with three official diplomatic missions to Iran, in March, April, and June 2020, to procure equipment to maintain and repair Venezuela's oil refineries, as well as to obtain gasoline, goods, foodstuffs, and medicine that the country desperately needed. Mr. Saab also met with an Iranian diplomatic delegation in Venezuela. He was Head of Mission on each trip. Two missions were successfully completed, but the third was interrupted by Mr. Saab's interception and detention while he was in transit through Cape Verde.

Judge Scola was unpersuaded. He noted, among other things, that Saab was unable to present a diplomatic passport in Cabo Verde. Saab will appeal that decision.

But in December, the January 6 Committee revealed Saab may be something else.

In August 23, 2022 testimony to the January 6 Committee, former National Security Adviser Robert O'Brien listed a bunch of reasons he didn't think Mark Esper was a helpful Secretary of Defense. By far the most interesting of those is that, after Saab was arrested in Cabo Verde, Esper was unwilling to provide DOD resources to stave off a rescue attempt.

We had another situation where we had Alex Saab, who was Vladimir Putin's finance laundry man and the financial go-between between Venezuela and the Kremlin and Iran. And he was arrested in Caba Verde, a small island off of Africa.

We were concerned that there may be a rescue attempt mounted, and we wanted to

put – and the Caba Verdeans are good people, but they lack capability to defend against a – especially if there was a great power intervention to either kill or rescue Saab.

We needed a naval ship to get on post off the island to send a message of deterrence. Secretary Esper resisted that effort. And we ended up having to get a Coast Guard cutter, some poor guys who had just gotten back in off deployment, to cross the Atlantic to get there in time.

And Gina Haspel and Chris Wray and I and others had to do a few things to deter a rescue operation there because we didn't have help from the DOD.

The efforts to thwart any rescue attempts – presumably including the “few things” that O'Brien and CIA Director Gina Haspel and FBI Director Christopher Wray had to do to deter a rescue mission – were publicly reported in December 2020, as background to Esper's firing.

The mission was set in motion in early June, when Alex Saab, a Colombian businessman who is widely believed to be the architect of the economic deals that are keeping the Maduro government afloat, was arrested in Cape Verde when his private plane stopped to refuel en route to Iran from Venezuela. The United States sought his extradition under American money laundering charges, and judicial proceedings began.

“Saab is critically important to Maduro because he has been the Maduro family's frontman for years,” said Moises Rendon, a Venezuela specialist at the Center for Strategic and International Studies in Washington. “Saab has access to privileged information to Maduro's corruption schemes in and outside

Venezuela.”

The subsequent stealthy arrival of the American warship coincided with President Trump’s firing of Defense Secretary Mark T. Esper in early November. For months, Mr. Esper had fended off pleas from the State and Justice Departments to deploy a Navy vessel to Cape Verde to deter Venezuela and Iran from plotting to spirit Mr. Saab away from the island. Mr. Esper scoffed at concerns over a cloak-and-dagger jailbreak, and said sending in the Navy was a misuse of American military might. A Coast Guard cutter was dispatched in August instead.

With Mr. Esper out of the way, however, his replacement, Acting Defense Secretary Christopher C. Miller, a former White House counterterrorism aide, quickly approved the San Jacinto’s deployment from Norfolk, Va. The ship sailed across the Atlantic to keep a close eye on the lone captive.

But not the claim that he was, “Vladimir Putin’s finance laundry man.” Saab’s alleged tie to Putin gets more interesting when you consider allegations that Oleg Deripaska was laundering funds through Venezuela. I’ve asked both SDFL and Saab’s attorneys at Baker Hostettler for comment on the allegation, but have not yet gotten a response.

The longer Alex Saab sits in one or another jail cell, the more interesting he becomes, it seems.