

20/08/2018

The Members,

The Presidential Commission to Inquire into Allegations of Large Scale Frauds & Malpractices in Sri Lankan Airlines,
Sri Lankan Catering Ltd & Mihin Lanka Pvt Ltd,
Block 5,
Bandaranaike Memorial International Conference Hall,
Colombo 07,

Dear Commissioners,

Procurement of Aircraft from Airbus by SriLankan Airlines

Transparency International Sri Lanka (TISL) has been following with great interest, the proceedings of the Commission of Inquiry (Col) into Allegations of Large Scale Fraud and Malpractices at SriLankan Airlines, SriLankan Catering Ltd and Mihin Lanka. TISL wishes to bring to the attention of the Commission a potential incident of corruption involving SriLankan Airlines, with global ramifications.

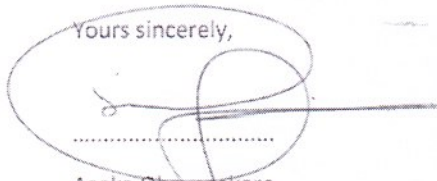
As you may already be aware, the aircraft manufacturer Airbus and its subsidiaries are under investigation in several jurisdictions for allegedly paying bribes in order to win billions of dollars of contracts. TISL believes these investigations are of particular interest to the Sri Lankan people given the fallout following the cancellation of SriLankan Airlines' planned purchase of Airbus A350 aircraft which led to the state having to pay in excess of Rs. 15 Billion as cancellation costs to the aircraft leasing company AerCap. The procurement of the A350 aircraft was also highlighted in the Weliamuna report, which flagged this transaction as warranting further investigation.

In June this year, TISL co-signed a letter along with Civil Society Organisations (CSOs) from France, Indonesia, Tunisia, the UK and the US, addressed to the heads of the UK's Serious Fraud Office, France's Parquet National Financier and the US Department of Justice, calling on the investigating agencies to ensure that the company and its executives are properly held to account. Key among the recommendations made by the CSO's is that countries where it is proven that Airbus or its agents have paid bribes, are fully compensated for harm caused.

The letter co-signed by TISL, the accompanying joint statement and a report compiled by Corruption Watch UK on the subject, have been attached herewith. TISL respectfully calls on the Commissioners to ensure a comprehensive and transparent investigation of the A350 deal especially considering the burden placed on the country as a result of the cancellation costs.

Thank you,

Yours sincerely,



Asoka Obeyesekere
Executive Director
Transparency International Sri Lanka

we acknowledge the receipt of the letter on 20/08/18 at 4.15 AM
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Enclosure:,

1. Joint Letter addressed to investigating authorities
2. Joint Statement pursuant to letter to investigating authorities
3. Report compiled by Corruption Watch on alleged corruption at Airbus