

Sordid arms deal spectre haunts seats of power. (1995, October 08).  
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# Sordid arms deal spectre haunts seats of power

UNP General Secretary and MP for the Ratnapura district, Gamini Athukorala speaking during the Emergency debate raised the issue of controversial arms deals.

The MP also read out a letter sent by the China North Industries Corporation (NORINCO) to the Defence Secretary protesting against purchasing military equipment through another agent.

Following are excerpts of Mr. Athukorala's speech:

## Arms deal

"The whole country is aware of the controversy pertaining to a sordid arms deal. We are purchasing arms from an institute called 'NORINCO' - Our Hon. Deputy Minister will know better than me, that we have been purchasing arms from them since 1993, according to a pact due to end in December 1995. There have been instances, where arms have been bought from intermediaries, when a hasty deal necessitated by the war recently made us skip purchase from that institute. Among names mentioned in this deal, some in responsible high places too were mentioned. Mrs. Chandrika Bandaranaike Kumaratunga has assured that bribery and corruption will be dealt with severely.

"Similarly there were allegations against the ruling UNP, that they were making the war, like a beggar's wound, making a living out of it. So I make a responsible statement that some irresponsible people in the present regime, have made gains from these arms deals, which is a sad state of affairs.

The Hon. Dep. Minister for Defence:

"Can I have an opportunity to reply that please?"

Mr. Gamini Athukorala:

"As the time allotted to me is limited, I expect the Hon. Deputy Minister to reply that, when he speaks. The institute that supplies arms to the Chinese Army is 'NORINCO' of China. But at a time like this, another institute in China called Polytechnologist INC have signed up with us. As an ex Cabinet Minister I know that there is a need to see the manufacturer's licence, in case of tender. But in this instance, what has 'NORINCO' made clear. I will read that letter of 'NORINCO' institute.



UNP General Secretary Gamini Athukorala

Mr. Gamini Athukorala : -  
"Yes. We have an agreement with NORINCO till December 1995. There is no dispute about it.

The Hon. A. Ratwatta : -  
"I would like to explain on this matter now.

Mr. G. Athukorala : -  
"Anyway, you can explain later. The letter is sent by North China industries Corporation (NORINCO) on Aug. 15th '95. It is addressed to Mr. Chandrananda De Silva, Secretary Defence, Ministry of Defence, Colombo.

"I will read the whole letter.

"Recently we were shocked to hear that MOD have awarded/going to award an order of 50 million US\$ to another source through an agent in Hong Kong. As we know all items of this order are in the range of NORINCO's production and are covered by the Bonded Ware House Agreement. More surprisingly this order is in complete conflict with the order awarded to us by Sri Lanka Army in July 13, 1995.

"As a known fact NORINCO is the only manufacturer of all kinds of weapons and ammunition in China which your Honour may check from Chinese Embassy in Colombo or Sri Lanka Embassy in Beijing. Dur-

ing past years we have built close cooperation and good understanding with your government. It is on this mutual confidence and trust that we signed the government to government Bonded House Agreement".

Sir, I can table the entire letter for your information.

Deputy Chairman : -  
"Generally we do not meet the tenderer when calling for tenders as a Cabinet Minister. I too have worked as a Cabinet Minister in the past. We have never met the tenderer. I hope the Hon. Minister too is the same. But the Agent at Hong Kong has met the President Mrs. C.B. Kumaratunga... Not only that...

Anuruddha Ratwatta : -  
"We dealt directly in Beijing. There were no agents in Hong Kong or anywhere else.

Gamini Athukorala : -  
"But you do not have an Embassy in Hong Kong.

A. Ratwatta : -  
"Sorry, in China. Sri Lanka Embassy in Beijing. He dealt directly with the PLA and NORINCO. There is no agent. But there are some representatives in Sri Lanka of NORINCO and PLA both who are rivals. They will be misleading you.

Mr. G. Athukorala : -  
"Hon. Minister : - I will come to that later.