

From: OCG Communications Department [<mailto:communications@ocg.gov.jm>]

Sent: Friday, June 08, 2012 10:31 AM

To: 'communications@ocg.gov.jm'

Subject: OCG Media Notification - Guyana Kaieteur News - Front Page Story - Chinese Official Sentenced to Death Taking Bribes From CJIA Contractor

Dear Members of the Media:

The Office of the Contractor General (OCG) wishes to bring to your attention the following story which appears as the front page lead story in today's edition of one of Guyana's two (2) leading daily newspapers, **Kaieteur News**.

The story concerns certain allegations which have been made about the **China Harbour Engineering Company Limited (CHEC)** and its parent company, **China Communications Construction Company Ltd. (CCCC)**, among other entities.

The story, which is reproduced verbatim hereunder, is entitled, **Chinese official sentenced to death taking bribes from CJIA contractor**.

The story can be found at:

<http://www.kaieteurnewsonline.com/2012/06/08/chinese-official-sentenced-to-death-taking-bribes-from--cja-contractor/>

Please also see a part Source Story which appears on the **China Caijing.Com News** Website at

<http://english.caijing.com.cn/2012-01-04/111588844.html>

"Chinese official sentenced to death taking bribes from CJIA contractor

June 8, 2012 | By KNews | Filed Under News

More shocking revelations have continued to rock the country about the Chinese firm that was controversially handed the US\$150M project to rebuild the Cheddi Jagan International Airport (CJIA).

In November 2011, former Chairman of the China's Hebei Port Group, Huang Jianhua, was sentenced to death for taking bribes from the China Harbour Engineering Company (CHEC) and its parent company, **China Communications Construction Company Ltd. (CCCC)**, among other entities.

CCCC, according to investigations by Chinese authorities, gifted Huang a house worth more than 4 million yuan (US\$628,000) after he arranged for them to win a bid in 2008 for the construction project at the Huanghua Port Wharf in China.

Executives of a sister company of CHEC, CCCC-TDC Binhai Environmental Channel Dredging Co. Ltd. gave Huang 40,000 yuan and US\$10,000 in three payments. Investigators found a trail of corruption by CCCC and at least two of its subsidiaries, including CHEC.

US\$47,000 THANK YOU

Court evidence, according to the caijing.com.cn website, shows that when Huang took his first bribe in 1995, he was the manager of Qinhuangdao Port Power Supply Company.

Back then, with the help of Huang Jianhua, Huang Suzhen, the then deputy manager of the Electric Department at (CHEC), won the contract for an 110KV substation project which was part of the

Qinhuangdao Port Coal Wharf Fourth-Stage Project. In exchange for Huang Jianhua's help, CHEC gave him a total of 300,000 yuan (US\$47,000) as a way to say thank you.

CPC Hebei Provincial Commission for Discipline Inspection began a probe of the official in July 2010. A year later, Huang was sentenced to death with a two-year stay of execution by the Intermediate Court of Zhangjiakou, Hebei on Nov. 3, 2011, for accepting over 20.23 million yuan (US\$3M) in bribes.

The Huang Jianhua affair is not dissimilar to that of Arafat 'Koko' Rahman, a son of the former Prime Minister of Bangladesh, Khaleda Zia, who was last year jailed for laundering millions of dollars in bribes taken from CHEC.

In a widely covered case by the media, Rahman was jailed, in absentia, for six years for laundering money he received as kickbacks from CHEC and the Bangladesh subsidiary of Germany's industrial giant, Siemens AG.

In June last year, Judge Mohammad Mozammel Hossain said in his verdict Rahman was guilty of smuggling more than 200 million takas (US\$2.089M) to Singapore. The judge also fined Rahman 190 million takas (US\$1.6M) and asked authorities to get the smuggled money returned.

Rahman was accused of taking bribes from CHEC and the Bangladesh subsidiary of Germany's industrial giant Siemens AG for helping them win Government contracts during his mother's 2001-2006 premiership.

US INVOLVEMENT

The United States, who was involved also in the investigations, had alleged that Siemens and CHEC bribed Rahman to secure the contracts. The U.S. said the bribes were routed through U.S. financial institutions, giving it jurisdiction.

Charging Rahman of money laundering, the Bangladeshi Anti Corruption Commission (ACC) case pinpointed his illegal dealings with CHEC in relation to a Tk 351 crore contract for constructing New Mooring Container Terminal at Chittagong Port.

The prosecution had said that Rahman obtained the money from CHEC in three installments— on May 6, May 31, and August 1, 2005.

CHEC is currently under fire in Jamaica after an independent probe revealed suspicious discrepancies over a US\$400 million contract awarded, on a sole-source basis, by the Government, to execute its Jamaica Development Infrastructure Programme. The loan agreement between the China Exim Bank, which financed \$340 million of the contract sum, and the Government, was signed in February 2010. Both agreements were executed several months after CHEC had been debarred by the World Bank.

Days before President Bharrat Jagdeo left office and before the November 28 General Elections in Guyana, his administration signed a US\$138M contract with CHEC in Jamaica. The secret signing was only brought to light after the story broke in the Jamaican press. The project will be the biggest capital project in the country after the US\$200M Skeldon factory, which was built by the Chinese and is still plagued by problems.

Revelations earlier this week by Jamaica's Contractor General, Greg Christie that the World Bank has banned CHEC and its parent company, China Communications Construction Company Limited, from its projects, have prompted calls for Government to pull back the CJIA contract.

Despite all the revelations and countrywide concerns including from, government has remained silent and is still committed to rebuilding the CJIA. Almost 1,000 persons will have to be relocated along with several farms and businesses.

In defending the CJIA contract to CHEC days after it was exposed in the Guyana media, Jagdeo had said that to secure the loan from China, Guyana had to commit to award the contract for the CJIA expansion to a Chinese company.”

Please accept our appreciation and kind regards.

Respectfully,

The Communications Department
Office of the Contractor General of Jamaica
C/o Craig Beresford, Senior Director of Monitoring Operations, Corporate Communications and Special Projects
C/o Sashein Wright, Communications Officer, Special Assistant to the Contractor General and Special Investigator
E-mail: communications@ocg.gov.jm
Tel: 876-929-8560; Direct: 876-926-0034; Mobile: 876-564-1806; Mobile: 876-297-1378
OCG Website: www.ocg.gov.jm