

Sri Lankan Airlines Airbus Scandal and the Death of Kapila Chandrasena and my Brother Rajewea

By Sanjeewa Jayaweera



The death of Mr Kapila Chandrasena (KC), the former CEO of SriLankan Airlines, caused quite a stir in the country. A few politicians, particularly from the opposition, tried to take advantage of the confusion surrounding his death, whilst social media went into a frenzy, with everyone having a theory as to the cause of death.

Even Transparency International Sri Lanka (TISL), the independent anti-corruption watchdog, issued a public statement urging the Government to ensure a full, transparent, and credible investigation into the circumstances surrounding Kapila Chandrasena's (KC) death. TISL further emphasised that the Government bears a responsibility to protect the integrity of the judicial process and to ensure that individuals connected to high-profile investigations are able to participate in proceedings in a safe and secure environment.

While such concerns are understandable, I strongly believe that it is necessary to await the findings of the magisterial inquiry before reaching conclusions regarding the cause of death. To speculate irresponsibly, particularly to fit pre-existing political beliefs, is unfair not only to the deceased but also to his grieving family and loved ones.

First and foremost, I wish to convey my sincere condolences to the family of KC. I understand personally the trauma and anguish associated with losing a loved one unexpectedly and under tragic circumstances.

My Brother's Death

Unfortunately, the death of KC also resulted in renewed interest in the death of my brother, Rajeewa Jayaweera, in June 2020. Some individuals on social media attempted to link his death to the newspaper article he published on the Airbus scandal involving SriLankan Airlines, KC and his wife.

Some people even circulated photographs of my brother's body at the site of the incident across social media platforms. This was deeply insensitive and extremely distressing to my sisters and me. The loss of a sibling under tragic circumstances is something from which one never fully recovers. It took our family years to come to terms with his passing, and to have those painful images resurfaced in connection with an entirely unrelated event reopened old wounds unnecessarily.

On behalf of my sisters and myself, I wish to state unequivocally that my brother, Rajeewa Jayaweera, took his own life in June 2020 due to personal circumstances. His death had absolutely no connection whatsoever to his writings regarding the Airbus scandal. Neither the Rajapaksas, nor any political actor, nor any state agency was involved in his death. The magisterial inquiry into the matter returned a verdict of suicide.

Those who know me personally are aware of my forthright and combative nature. Had there been even the slightest credible suspicion surrounding my brother's death, I would never have rested until justice was pursued. Since this was clearly established as a case of suicide, I sincerely hope that those who continue to circulate unfounded theories will finally allow the matter to rest with dignity.

The Sri Lankan Airbus Scandal

The alleged payment of a USD 2 million bribe by Airbus SE to a shell company established in Brunei by the wife of a senior SriLankan Airlines official came to light following the approval of a Deferred Prosecution Agreement (DPA) between the UK Serious Fraud Office (SFO) and Airbus SE.

The DPA was approved on 31 January 2020 by Dame Victoria Sharp, President of the Queen's Bench Division, sitting at the Crown Court in Southwark. The award represented one of the largest global anti-corruption settlements in modern corporate history.

The Airbus investigation by the SFO extended far beyond Sri Lanka. It involved allegations of bribery and corrupt practices linked to aircraft purchases by AirAsia and

AirAsia X in Malaysia, SriLankan Airlines, TransAsia Airways in Taiwan, PT Garuda Indonesia, Citilink Indonesia, and military aircraft transactions involving the Government of Ghana.

The approved judgment contained specific references to the SriLankan Airlines transaction (page 12, points 41 to 44). It alleged that Airbus employees, contrary to Section 7 of the UK Bribery Act 2010, failed to prevent bribery involving individuals connected to the airline's aircraft procurement process between July 2011 and June 2015.

According to the Statement of Facts, Airbus engaged the wife of an individual connected to the aircraft acquisition process through a shell entity described as "Company Intermediary 1". Airbus employees allegedly offered up to USD 16.84 million in commissions in relation to SriLankan Airlines' purchase of ten Airbus aircraft and the lease of four additional aircraft. Ultimately, only USD 2 million was allegedly paid.

The judgment further stated that Airbus employees sought to disguise the identity of the beneficial owner behind the intermediary company and misled the United Kingdom Export Finance Agency (UKEF) regarding the intermediary's qualifications, aviation experience, and role in the transaction.

The Smoking Gun from Sri Lanka that Commenced the UK SFO Investigation

The matter became particularly significant because it was the concerns raised by UKEF regarding the SriLankan Airlines intermediary that ultimately triggered the wider SFO investigation into Airbus. UKEF questioned why an individual with little aviation experience and who was domiciled outside Sri Lanka had been engaged as a business partner in such a major transaction.

Airbus reportedly provided misleading and inaccurate responses to those concerns in February 2015. Unsatisfied with the explanations provided, UKEF escalated the matter, which subsequently contributed to the formal investigation launched by the SFO in July 2016.

Ironically, what appears to have been a poorly concealed and amateurishly structured bribe involving SriLankan Airlines ultimately became one of the catalysts for a global corruption investigation that resulted in Airbus paying penalties approaching EUR 4 billion across the United Kingdom, France, and the United States.

Under the settlement approved in the UK, Airbus agreed to pay approximately EUR 991 million into the UK Consolidated Fund, including disgorgement of profits and financial penalties. Simultaneously, French and American authorities imposed additional penalties amounting to nearly EUR 3 billion.

Aircraft Procurement and Corruption

The Airbus matter once again highlighted a longstanding global reality: aircraft procurement has historically been highly vulnerable to corruption. The purchase of aircraft involves enormous financial values, complex financing arrangements, confidential negotiations, intermediaries, export credit agencies, and political influence. These factors create conditions for improper payments and abuse of authority.

Globally, there have been numerous allegations over several decades involving commissions, hidden intermediaries, and questionable consultancy agreements linked to aircraft purchases by both commercial airlines and governments. It is generally believed that the average commissions paid are between 3% to 5% of the order value.

The Cost to Sri Lankan Taxpayers

One of the most undesirable aspects of the Airbus affair is the financial burden ultimately borne by ordinary Sri Lankan taxpayers.

In 2015, the Government of Sri Lanka decided to cancel the order for four Airbus A350 aircraft as they were deemed unsuitable. As a consequence of that cancellation, SriLankan Airlines incurred penalties estimated at approximately USD 140 million, equivalent to roughly Rs. 19.2 billion at the time.

While Sri Lankan taxpayers absorbed these enormous losses, the United Kingdom taxpayers benefited financially from the Airbus settlement. The UK Consolidated Fund received almost EUR 1 billion arising from the penalties imposed on Airbus.

The contrast is stark. Sri Lanka suffered substantial financial losses as a result of a transaction tainted by allegations of corruption, while foreign governments received the benefit of the resulting fines and penalties.

The Questions Raised by My Brother

My late brother, Rajeeva Jayaweera, wrote an article about the Airbus scandal in an article published in the Sunday Island on 16 February 2020, titled “SriLankan Airlines Airbus Deal”. In the article, he referred to a SriLankan Airlines Board meeting held on 27 October 2016.

According to his article, Board Minute 7.3 dealt specifically with reports that Airbus was under investigation in Europe for bribery-related offences. Rajan Brito, who was then a director of the airline, reportedly informed fellow board members about the investigations and tabled draft letters intended for Airbus, Rolls-Royce, and AerCap.

Those draft letters reportedly suggested that the aircraft transactions may not have been based solely on commercial considerations and sought information regarding the role of facilitators and intermediaries.

However, according to my brother's article, Brito's proposal to send those letters was reportedly ignored on the basis that the airline was negotiating favourable terms to cancel aircraft purchase commitments and that sending such letters might sour relations and disadvantage the airline.

However, my brother believed that the decision not to proceed with Brito's letters was controversial and highly questionable, and that the airline could have sought the assistance of the PNF to investigate the deal and seek financial restitution, given that the order was allegedly tainted by corruption, particularly given the emerging evidence of corruption surrounding the transaction.

Even today, an important question remains unanswered: did the Government of Sri Lanka or any subsequent Board of SriLankan Airlines seriously attempt to recover the USD 140 million cancellation penalty, along with any inflated amounts paid after the global corruption findings against Airbus became public?

The Slow Pace of Sri Lankan Justice

Following the public release of the UK judgment on 31 January 2020, Sri Lankan authorities moved relatively quickly to initiate legal proceedings against KC and his wife.

On 4 February 2020, arrest warrants were reportedly sought. On 6 February 2020, KC and his wife surrendered to the Criminal Investigation Department (CID) and were remanded until 4 March 2020, when they were released on bail.

The allegations reportedly related to accepting a USD 2 million bribe and engaging in money laundering activities. Press reports also indicated that travel restrictions had been imposed.

However, six years later, the matter still appears unresolved. Based on publicly available information, indictments were reportedly filed before the Colombo High Court in 2022. Since then, several hearings dealing with procedural and preliminary issues have reportedly taken place, but the substantive trial itself has yet to properly commence. With KC now deceased and reports suggesting that his wife may have absconded, the prospects of successfully prosecuting the matter appear increasingly uncertain.

Many Sri Lankans understandably feel frustrated by the slow pace at which corruption-related cases proceed through the judicial system. This frustration is particularly acute where allegations involve politically connected individuals or transactions involving massive losses to the public.

The public perception is that investigations move slowly, prosecutions are delayed for years, and accountability is often ultimately avoided through procedural delays, political changes, or the passage of time.

To be fair, corruption cases involving international financial transactions are inherently complex. They require cooperation between multiple jurisdictions, access to banking records, mutual legal assistance processes, forensic accounting, and substantial documentary evidence. Nevertheless, the extraordinary delays contribute to growing public cynicism regarding the administration of justice.

It is also worth noting that the UK proceedings against Airbus did not publicly identify KC by name. Much of the public discussion in Sri Lanka has therefore relied on local investigations and media reporting rather than the UK judgment itself.

According to information available in the public domain, the alleged funds connected to the USD 2 million payment ultimately found their way into an Australian bank account linked to KC. Given the reputation of Australian authorities for cooperating with international law enforcement investigations, many members of the public expected a faster and more decisive legal process in Sri Lanka.

In that context, a detailed public explanation by the Attorney General's Department regarding the legal and evidentiary challenges affecting the case may help improve public understanding and confidence.

SriLankan Airlines: A Continuing National Burden

The Airbus controversy cannot be viewed in isolation from the broader failures surrounding SriLankan Airlines over several decades.

The national carrier has accumulated debts estimated at approximately USD 1.2 billion, equivalent to nearly Rs. 350 billion. This translates to a burden of roughly Rs. 16,000 per Sri Lankan citizen, including millions who have never travelled on the airline.

Successive governments have interfered extensively in the airline's operations. Political appointments, weak governance, lack of commercial discipline, and poor strategic decision-making have contributed significantly to the airline's decline.

Far too often, individuals lacking meaningful aviation expertise have been appointed to key board and management positions. Political loyalty has frequently taken precedence over competence and experience.

The decision to terminate the management and ownership partnership with Emirates remains one of the most controversial episodes in the airline's history. Many industry

observers believe that the decision alone cost Sri Lanka billions of rupees in lost opportunities and operational deterioration.

Despite repeated financial losses and mounting taxpayer burdens, very few individuals have ever been held accountable for the disastrous decisions that contributed to the airline's decline.

The current Government faces an unavoidable reality. SriLankan Airlines cannot continue indefinitely as a financially unsustainable state enterprise funded by taxpayers already struggling under severe economic hardship. Decisions regarding the future of the airline must be guided by commercial reality rather than political ideology or emotional nationalism.

Ultimately, the Airbus scandal is not merely about one individual or one alleged bribe. It reflects deeper structural weaknesses involving governance, political interference, accountability, and institutional failure within Sri Lanka.

Sadly, a relatively young man has now lost his life amidst these events and controversies. Regardless of the allegations against him, that remains a human tragedy. At the same time, the country must continue to demand transparency, accountability, and institutional reform so that such scandals are never repeated.

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