



Any reply or subsequent reference to this communication should be addressed to the Contractor-General and the following reference quoted:-

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**P.O. Box 540**

**KINGSTON 5**

**JAMAICA, W.I.**

VERY URGENT

April 6, 2009

The Hon. Delroy Chuck, MP  
Speaker of the House of Representatives  
Houses of Parliament  
81 Duke Street  
Kingston

Senator Dr. The Hon. Oswald Harding, OJ, CD, QC  
President of the Senate  
Houses of Parliament  
81 Duke Street  
Kingston

Mrs. Heather Cooke  
Clerk to the Houses of Parliament  
Houses of Parliament  
81 Duke Street  
Kingston

Senator the Hon. Don Wehby  
Minister without Portfolio  
Ministry of Finance and the Public Service  
30 National Heroes' Circle  
Kingston 4

The Hon. Audley Shaw  
Minister of Finance and Planning  
Ministry of Finance and the Public Service  
30 National Heroes' Circle  
Kingston 4

Ms. Sharon Crooks  
Financial Secretary  
Ministry of Finance and the Public Service  
30 National Heroes' Circle  
Kingston 4

**COPY**



Mr. Bruce Nobles  
President & CEO  
Air Jamaica Ltd.  
72-76 Harbour Street  
Kingston

Ms. Paula Llewellyn, QC, CD  
Director of Public Prosecutions  
Office of the Director of Public Prosecutions  
King Street  
Kingston

Senator the Hon. Dorothy Lightbourne  
Attorney General  
Ministry of Justice  
NCB Tower (South)  
2 Oxford Road  
Kingston 5

Dear Sirs and Mesdames:

Re: Further Documentary Evidence Submitted in Support of Special Report - Investigation Conducted into the Sale/Divestment of Air Jamaica Ltd.'s London Heathrow Slots to Virgin Atlantic Airways Ltd.

I write with reference to the captioned Report of Investigation of the Office of the Contractor General which was formally submitted to you under cover of a letter which was dated March 31, 2009.

The OCG has deemed it prudent, and as a matter of urgency, to formally submit the further and additional physical and documentary evidence which is enclosed herein in support of its captioned Report of Investigation. The decision to do this comes against the background of certain statements which were attributed in the Media today, to Dr. Omar Davies, the Former Minister of Finance and Planning, regarding British Airways (BA).

The statements which have been attributed to Dr. Davies have fundamentally and unequivocally contradicted the referenced documentary evidence. They have also raised very serious questions about Dr. Davies' credibility, beyond those which the Findings of the subject Investigation Report have revealed.

In a story which was published today, April 6, 2009, by RJR, at <http://www.radiojamaica.com/content/view/16934/26/> and entitled: **Face-off brewing between Contractor General and former minister**, the following statements, among others, were attributed to Dr. Davies:

*“According to Dr. Davies, the Contractor General also alleges that the sale process was unfair because Virgin was placed in an unfairly advantageous position ahead of a rival bid from British Airways. In refuting the allegations, Dr. Davies said he was satisfied that his role at the end of the slot divestment process was entirely lawful and added real value.*

**He insisted that the other competing bidder was also given the chance to improve its bid, but confirmed in writing that it would not be doing so.”**



*Dr. Davies also took the Contractor General to task for stating that he was not forthright in his responses.”*

In a second story which was also published today, April 6, 2009, by Power 106 Radio, at [http://go-jamaica.com/news/read\\_article.php?id=7818](http://go-jamaica.com/news/read_article.php?id=7818), and entitled: **Davies blasts CG over Air J route sale**, the following statements, among others, were attributed to Dr. Davies:

***“According to Dr Davies British Airways was also given the chance to improve its bid, but it confirmed in writing that it would not be doing so. He further asserts that the Contractor General’s determination appears to be based either on misinformation or his own misunderstanding of the facts....”***

The foregoing statements which have been attributed to Dr. Davies would clearly suggest that BA had indicated **and confirmed in writing** that it was not prepared to improve its bid, prior to Dr. Davies arriving at his decision on 23 April 2007 to write to Virgin Atlantic Airways (VS) to advise it that he had “approved” its proposal “in principle”.

However, in clear contradiction of Dr. Davies’ reported assertions, in a letter which was dated 27 April 2007 (four days after Dr. Davies had written to VS on 23 April 2007 to advise it that he had “approved” its proposal in principle, and four days after Dr. Davies had also written to Mr. Willie Walsh, the CEO of BA on 23 April 2007 to advise BA that he, Dr. Davies, had “decided that the agreement on the route should be made with Virgin Atlantic”), Mr. Walsh wrote to Dr. Davies, advising him, *inter alia*, as follows:

***“Thank you for your letter dated 23 April 2007 informing British Airways of your decision to enter into a cooperative agreement with Virgin Atlantic. From the outset, I must clearly state for the record how disappointed I am with this outcome ... I do not believe that British Airways has been given the opportunity to respond to any perceived shortcomings in our proposal, nor to extending the discussion as to what further support is required. ... I am asking you, and the Government of Jamaica, to reconsider this decision. We are available at your earliest convenience should you decide that a further meeting would benefit both parties”.***

Mr. Walsh’s letter, which the evidence suggests was faxed to Dr. Davies on 27 April 2007 by a Theresa Sabin, the Personal Assistant to the CEO of British Airways Plc., was also copied to the then Prime Minister of Jamaica, “The Most. Hon. Portia Simpson-Miller, O.N., M.P.”

A verbatim transcript of Mr. Walsh’s letter of 27 April 2007 to Dr. Davies is reproduced hereunder for ease of reference. The letter, which speaks eloquently for itself, is referenced in several places throughout the OCG’s Report of Investigation, including pages 10, 17, 29, 133, 149-150 and 163. Additionally, and for the avoidance of any further doubt as to the veracity of the OCG’s assertions herein and its Findings, a physical copy of the referenced letter, together with a physical copy of Dr. Davies’ letter of 23 April 2007 to Mr. Walsh, are also enclosed herewith for the record.

“27 April 2007

The Hon. Dr. Omar Davies, MP  
Minister of Finance and Planning,  
The Ministry of Finance and Planning,  
30 National Heroes Circle  
PO Box 512, Kingston 4  
Jamaica  
Fax No. 001 876 922 8804



PRIVATE AND CONFIDENTIAL

Dear Dr. Davies,

**Air Jamaica/British Airways Cooperation – London Route**

**Thank you for your letter dated 23 April 2007 informing British Airways of your decision to enter into a cooperative agreement with Virgin Atlantic. From the outset, I must clearly state for the record how disappointed I am with this outcome.** British Airways has been a key conduit for customers to and from Jamaica for over 60 years. We have been present to witness the birth of the independent nation state of Jamaica, and have maintained services through the good times and the bad. In short we have a demonstrated history of cooperation and support with both the Government and People of Jamaica.

In advancing the discussion over cooperation on the London route, we put forward a competitive and comprehensive proposal, ranging from the purchase of the London slot, to providing access to our extensive European and Global network. **The feedback we received throughout this process was positive, and we were not left with any impression there were any significant outstanding concerns.**

I fully understand that this decision must be made in the best interests of the people of Jamaica. **However, I do not believe that British Airways has been given the opportunity to respond to any perceived shortcomings in our proposal, nor to extending the discussion as to what further support is required.**

The London to Kingston routing does not currently deliver the operating margin we require to sustain long-term operations. This was a way for us to build a more sustainable business to Jamaica and without it we would have to question whether we could continue to make a viable return.

**Therefore, it should come as no surprise that I am asking you, and the Government of Jamaica, to reconsider this decision. We are available at your earliest convenience should you decide that a further meeting would benefit both parties.**

Yours sincerely

Willie Walsh

cc. The Most Honourable Portia Simpson-Miller, O.N., M.P.”

Very respectfully yours

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Greg Christie  
Contractor General

Enclosure