

CORRUPTION CIRCLE

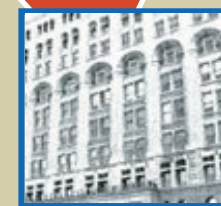
MISAPPROPRIATION OF BDT ONE BILLION



Prime Minister's Office

3. Prime Minister sanctions this additional procurement of 100,000 MT wheat and also allocates and releases funds of approximately Bangladesh Taka 1 Billion

2. Hawa Bhaban and PMO influence Ministry of Agriculture and Food Planning Monitoring Committee, an inter-ministerial committee, to recommend purchase of an additional 100,000 MT wheat in April 2002 (wheat production season ends in May).



4. On 22 May 2002, a month after approval and as wheat production season ends, six districts targeted for procurement of additional 100,000 MT of wheat and 88% of this total quantity is allocated against six districts without even consulting the District machinery and in complete violation of all rules and procedures of procurement.

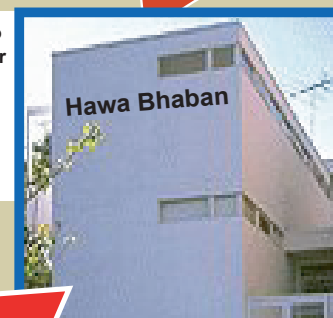


FOOD MINISTRY

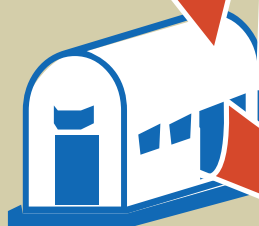
5. However, instructions to the field level in most cases were intentionally held back till third week of July 2002, so as to ensure that all the locally produced wheat were no longer available in the market, thus facilitating an "enabling environment" for procurement of imported Indian wheat in name of purchasing local wheat from farmers!

6. In reality, this scheme worked perfectly : poultry feed grade wheat (imported by traders chosen by Hawa Bhaban) was indeed procured in the food godowns in the targeted six districts in name of locally produced wheat. It is now an established fact that through this mechanism, not only has the Government Exchequer lost BDT 100 crores, the farmers have been deprived of state support of this amount and in the process the Prime Minister and senior members of the BNP-Jamaat Government have benefited financially to the tune of at least BDT 300 million.

1. "Hawa Bhaban" hatches initial design/scheme to misappropriate monies from Government Exchequer through procurement of imported low grade wheat (unfit for human consumption) from traders nominated by them in name of purchasing wheat from local farmers as part of "farmer's support programme".



Hawa Bhaban



WHEAT GODOWNS

BDT 300 million