

LUTEPO CONVICTED

Pleads guilty to laundering K4.2bn, Cashgate

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Businessperson and former People's Party (PP) senior member Oswald Lutepo has been convicted on his own plea of guilty on charges of money laundering and conspiracy to defraud government of K4.2 billion between April and September 2013.

Following his plea in the High Court in Zomba yesterday, Lutepo becomes the seventh person to be convicted on Cashgate-related charges since arrests began in 2013.

His lawyer, Oswald Mtupila and Ministry of Justice and Constitutional Affairs spokesperson Apoche Itimu confirmed the development in separate interviews yesterday.

Mtupila said his client decided to plead guilty to save the court's time and resources at the commencement of trial.

Said Mtupila: "It is true that he [Lutepo]



Awaiting sentencing: Lutepo (in glasses) being assisted to board a vehicle after an earlier court appearance

» PAGE 2

« PAGE 1

has pleaded guilty to the charges levelled against him. Sentencing has been deferred to allow both parties to deal with issues of restitution and the State would like to make an application on several pecuniary orders."

Applications for pecuniary orders will be made as a form of punishment for Lutepo if he fails to pay the money laundered through his companies, among them International Procurement Services (IPS) and O and G Construction.

Lutepo convicted on own guilty plea

Lutepo was pushed on a wheel-chair when he appeared before the court in Zomba yesterday, according to eye-witnesses.

Mtupila said physically, Lutepo remains in poor condition.

The guilty plea also follows Lutepo's unsuccessful application to be declared unfit to stand trial owing to his poor health and mental condition.

Apparently, Lutepo's case was

a prerequisite to other Cashgate cases, including one involving former minister of Justice and Constitutional Affairs Ralph Kasambara who the prosecution said was complicit in the alleged theft and money laundering of government money amounting to about K5 billion.

Kasambara and fellow private practice lawyer Wapona Kita are co-accused in the charge of

conspiracy, possession of property suspected to have been stolen charges amounting to K55 million and laundering.

On the other hand, businessperson Pika Manondo and Kasambara are separately charged with possession of stolen property which is 11 vehicles, K22 million in Manondo's custody and K5 billion in both their custody, according to charge sheets.

Hired Cashgate prosecutor Kamudoni Nyasulu last year told the court that the State would parade evidence to show that money stolen from government was deposited into Lutepo's accounts which would then be withdrawn by Lutepo and given to Manondo before he allegedly gave it to Kasambara

» PAGE 3

Lutepo pleads guilty, convicted

and others.

The Kasambara and others case, which is before the High Court in Lilongwe, was awaiting completion of the Lutepo case in Zomba, according to initial directions from the court.

However, Kasambara has asked the presiding judge in Lilongwe, Chifundo Kachale, to recuse himself from the case, arguing that the Director of Public Prosecutions (DPP) Mary Kachale could not prosecute a matter before her own husband without offending the rules of natural justice.

Others convicted on Cashgate-related cases include former principal secretary in the Ministry of Tourism Tressa Senzani who is serving a nine months and three years prison terms for theft and laundering; former accounts assistant Victor Sithole who is serving nine years imprisonment for money laundering and illegal possession of foreign exchange.

This year, Wyson Dzinyemba Soko was sentenced to seven

years imprisonment for the theft and money laundering K40 million while former accounts personnel in government, Maxwell Namata, and businessperson Luke Kasamba are also serving prison terms on money laundering and theft charges.

The shooting of former Ministry of Finance budget director Paul Mphwiyo outside the gate of his Area 43 residence in Lilongwe on September 13 2013

opened a can of worms that exposed the plunder of public resources at Capital Hill later called Cashgate.

British forensic audit firm, Baker Tilly, established that between April and September 2013, about K24 billion in public funds was abused through payments for goods and services not rendered; inflated payments and payments without supporting documentation. ■