

Italian firm charged with bribery in Lesotho

March 3

An Italian construction firm has been charged with paying more than US\$1-million in bribes to secure a contract from the Lesotho Highlands Water Project - the latest in a series of foreign companies to face such accusations, prosecutors said on Thursday.

Impregilo SpA is expected in court next month in this tiny southern African kingdom, said director of public prosecutions, Leaba Thetsane. No date has been set.

The company is accused of paying US\$1 156 000 to the water project's former chief executive, Masupha Sole, to secure the contract to build the Katse Dam. Officials at Impregilo headquarters in Milan were not immediately available for comment.

Sole is serving an 18-year jail term for accepting bribes from international contractors and consultants to influence him in the awarding of contracts. They allegedly include companies from France, Canada and Germany.

According to an 18-page indictment, an agreement was reached between Sole and an Impregilo employee identified only as Allione on October 11, 1990.

The deal was labelled a "consultancy agreement," but the indictment says it "was in truth and in fact ... a bribe agreement".

Prosecutors said Michel Jacobus Du Plooy, a South African businessman, acted as an intermediary "so as to make detection of the agreement difficult, and also to facilitate the treatment of payments in the books of accounts of Impregilo".

Payments were made between February and May 1993 into Du Plooy's bank account in Switzerland, prosecutors said. He in turn is accused of transferring half of the amount to Sole, either in cash or to another Swiss bank account in Sole's name.

The agreement was allegedly amended around May 1993 to provide for additional payments, but no figures are given in the indictment.