

arms deal



Up in smoke: Sars contractors confiscate cigarettes at Masters International in Johannesburg on October 16. Photo: Lisa Skinner

the investigation is not over.

However, there is also little to suggest any relationship between Mahomed and Bredenkamp — except the intimacy of a US\$4-million loan.

In August this year Mahomed and Sahawi issued summons against Bredenkamp in the Harare High Court, claiming that Mahomed entered into an oral agreement with Bredenkamp to make a US currency-denominated loan to be repaid when Bredenkamp had sold his interests in the Mukondo mine in the Democratic Republic of Congo.

According to the summons, from January 2001 to November 2002 Bredenkamp was advanced a total of US\$4.27-million.

He repaid US\$400 000, leaving a shortfall of US\$3.87-million, plus interest at 6% an annum.

Mahomed said this week his lawyers were negotiating with Bredenkamp about the repayment of the loan. He described the advance as "an investment" and Bredenkamp as a competi-

tor: "The man has never done me a single favour."

However, Mahomed conceded they had once considered a joint venture, for which he had put up a deposit on the purchase of some cigarette machinery.

Last week also saw the arrest in London of Tribert Rujigiro Ayabatwa, whose Mastermind cigarette group also ran a short-lived joint venture with Mahomed called African American Tobacco.

In the Scorpions affidavit it was claimed that Mahomed's Sahawi operation also sold cigarettes sourced from Mastermind, without any VAT invoices.

Ayabatwa, a Rwandan, set up a Mastermind cigarette factory in East London in the 1990s but, since 2005, has been wanted in connection with another Scorpions case allegedly involving R55-million in excise tax and VAT fraud.

He was held last week on an Interpol warrant and released on bail pending an extradition hearing.

Bredenkamp responds

Questions were sent to John Bredenkamp's South African lawyer, Ian Small-Smith, at 8.05am on Wednesday this week, giving him until 10am the next day to respond.

Small-Smith sent the following reply: "I confirm that I act on behalf of Mr. Bredenkamp. We acknowledge receipt of your questionnaire on 22 October 2008. We believe it is irresponsible of you to expect us to respond thereto within a day.

"I have read through the allegations and point out that there are various factual inaccuracies and falsehoods in your document. Publishing it would be slanderous.

"I have been instructed to point out that Mr Bredenkamp's rights remain fully reserved should you proceed with the publication of this article."

Dangerous liaisons 3: JB and Mrs Charter

Sam Sole

One of the most remarkable alliances to emerge from the arms deal has been the romantic attachment between John Bredenkamp (68) and Janet Charter (48).

Janet Charter is the widow and heir of Richard Charter, the acknowledged South African agent for BAE-Systems, while Bredenkamp has never admitted to any role in the South African arms deal, despite a long association with BAE — and despite allegations he was a beneficiary of commissions on the deal.

It is not clear whether the relationship is emotional or based on a more hard-nosed assessment of common interests. These might include the possibility that, given the ongoing criminal investigations, BAE may be reluctant to fully honour any further commission payments and might seek to shift responsibility for any improprieties in the deal on to its agents.

Bredenkamp failed to answer questions about how or when he became involved with Janet Charter. He cited lack of time to respond.

He has previously stated that he met Richard Charter only three times before Charter's death in 2004, but failed to answer questions from the M&G about how the two men coordinated or divided up the representation of BAE in South Africa between Charter's Osprey Aviation and Bredenkamp's Aviation Consultancy Services.

Janet Charter, who now lives in

London, has previously failed to return calls.

The alliance may also be related to concerns over safety.

According to sources close to the family, Charter has expressed concerns over both her own safety and that of Bredenkamp and on occasion has questioned whether there might have been something untoward in the accidental death of her husband.

Richard Charter was drowned in a canoeing accident near his luxury farm on the Orange River on Sunday January 25 2004.

The M&G has established that Charter was due to attend a consultation with his lawyer on the following Monday relating to a possible request by the Scorpions to answer questions under oath in connection with his role in the arms deal.

According to someone familiar with the investigation, he had indicated he was willing to be cooperative, though he did not believe he was personally guilty of doing anything wrong.

According to several sources close to the family, Charter, normally an extremely calm and controlled person, was agitated in the period before his death.

He indicated he felt betrayed in some way by people in the ANC, and especially by late defence minister Joe Modise's former adviser, Fana Hlongwane.

Hlongwane has repeatedly failed to respond to attempts to pose questions to him about his role in the arms deal.

BARELY LEGAL: JOHN BREDEKAMP

Bredenkamp was born in Kimberley in 1940 and educated in Zimbabwe at Prince Edward School.

He joined Gallaher, the international tobacco concern, in Zimbabwe and was transferred to Holland in 1968. In 1976, he founded the Casalee Group of companies in Belgium. Casalee was primarily a leaf tobacco company but was also engaged in barter deals.

It was Casalee that apparently served as a sanctions-busting vehicle during the dying days of Rhodesia. Bredenkamp told a newspaper in 2000: "Yes, I was requested by the government of the day to help source supplies and equipment for the beleaguered country, and yes, I did so ... But no, for many years, I have not been involved in the arms business at all."

Bredenkamp also appears to have been involved in sanctions busting for South Africa. Minutes of the Strategic Fuel Fund for March 13 1989 carry a note stating: "John Bredenkamp, who has acted confidentially for SA govt. before, offers oil [Casalee]."

Casalee was also linked as an agent for supplies of landmines to Iraq during the Iran-Iraq war and other supplies to Iran.

It became the biggest non-US leaf tobacco company and was sold in 1993 to Universal Leaf Tobacco for US\$100-million.

In Zimbabwe Bredenkamp drew flak in some quarters for his closeness to the Mugabe government. He piggy-backed on the Zimbabwean military support for Laurent Kabila when Kabila seized power in the Democratic Republic of Congo and was granted copper and cobalt mining rights at the Mukondo mine in Eastern DRC.

At some stage this was in partnership with Zimbabwean fugitive Billy Rautenbach, but the two fell out when Rautenbach elbowed Bredenkamp aside.

Bredenkamp was cited in a United Nations report on resource exploitation in Congo, but later cleared, following extensive legal and political lobbying.

The UN report also accused him of being involved in the supply of spare parts for Zimbabwean BAE Hawk jets early in 2002 in breach of European Union sanctions.

In 2006 Bredenkamp was able to sell his stake in Mukondo to Israeli diamond trader Dan Gertler for US\$57-million.

He also has tourism interests in Zimbabwe, Mozambique and South Africa.

In September 2006 Bredenkamp was acquitted in Zimbabwe on charges that he used a South African passport on international journeys. Zimbabwean citizenship law does not permit dual nationality.

He is said to be struggling to have his Zimbabwean passport renewed. — Sam Sole

agency

£10-million had been transferred for the benefit of Bredenkamp.

Now the M&G has had insight into the same documentation, which sets out in more detail who exactly makes up ACS and how they benefited.

The three signatories on the Kayswell bank account are listed as Bredenkamp, Jules Pellissier and Graham Andrews. Pellissier, a former Rhodesian special branch policeman, is effectively the chief executive of ACS. Andrews is Bredenkamp's former accountant, now resident in the UK.

The beneficial owners of Kayswell are listed as Bredenkamp, Pellissier, Walter Hailwax, Richard Passaporitis and Trevor Wilmans. Hailwax, who runs the Namibian branch of ACS, sat on the board of Windhoek Maschinenfabrik, a military vehicle manufacturer owned by the Namibian Defence Force.

Passaporitis is based in Zimbabwe.

Wilmans, a former member of South African military intelligence, runs the South African operation of ACS and, according to former associates of Bredenkamp, also has good contacts in Botswana, where he is friendly with President Ian Khama.

The documents obtained by the M&G reflect payments of £2.5-million to Hailwax, £1.5-million to Passaporitis, £812 016 to Wilmans and £513 067 to Pellissier — as well as significant transfers to two entities, the Willow Trust and the Sebel Trust, that may be linked to one or more of the owners.

It is likely that transfers from BAE continued after 2005 — when the records obtained by the M&G come to an end — as such commissions are generally linked to contractual disbursements received from the buyer, in this case, South Africa.

Given these payments, the question being probed — by both the SFO and

the Scorpions — is what ACS did to earn its money in South Africa, given that Charter was the "official" registered agent for BAE.

Bredenkamp claims not to have been involved in the South African deal, but one former associate told the M&G Bredenkamp had personally met former defence minister Joe Modise on at least one occasion in South Africa during the lobbying process.

Modise is dead and the M&G was not able to verify this claim.

Bredenkamp failed to answer questions from the M&G about this allegation, as well as about what contact other members of ACS might have had with South African decision-makers.

Bredenkamp was also asked about whether it was correct, as alleged by one of his former associates, that he was on good social terms with

Richard Evans, the former chair and chief executive of BAE. Evans has been listed as a suspect in the SFO investigation.

Through his lawyer Bredenkamp said he had not been given enough time to respond to questions.

The documents obtained by the M&G also disclose payment of US\$5-million to ACS by Italian company Augusta as commission on the sale of helicopters to South Africa.

Meanwhile, the SFO investigation appears to be gaining momentum.

Last week an agent linked to lobbying for BAE in Czechoslovakia and Austria, Count Alfons Mensdorff-Pouilly, was arrested and questioned by the SFO before being released.

Another man was also questioned. It is understood to be Julian Scopes, a former head of government liaison for the BAE and now the company's operations chief in India.