

2 Arrested in Malawi As Phone Deal Sours

By *srlinuxx*

Created 15/05/2005 - 1:27pm

Submitted by srlinuxx on Sunday 15th of May 2005 01:27:33 PM Filed under [Legal](#) [1]

A South African business tycoon and his Malawi lawyer were arrested following a protracted row over a business license for Malawi's third mobile phone operator, a top government official confirmed Saturday.

Police also issued an arrest warrant for Abdul Pillane, former chairman of the Malawi Communication Regulatory Authority, or MACRA, in connection with the same issue. Pillane, who was sacked by President Bingu wa Mutharika in March, is currently in South Africa for medical reasons.

Attorney-General Ralph Kasambara said police arrested Patroklos Tsaperas and his lawyer, Khuze Kapeta, for allegedly forging documents related to the granting of a business license to Malawi Mobile Ltd.

"I am not surprised that he (Tsaperas) was arrested because these people are not telling the truth," he said. "The documents they have were forged."

The move came as Malawi Mobile Ltd. is challenging a government decision to stop the company from rolling out its operations for allegedly flouting some clauses in the original contract.

Tsaperas said the way government is handling the issue may scare away potential investors.

"What we believe is that if government does not honor their obligations on these agreements, other investors will see and this will have a negative impact for investors to invest further," he said.

But government sources said former President Bakili Muluzi also was involved with the company and is using the other businessmen as fronts, contributing to the mobile company's troubles.

Austin Atupele Muluzi, who oversees his father's business interest, denied this.

"I believe that Malawi, as a poor country, we must encourage foreign investors to invest here; this investment will create jobs for Malawians and will improve telecommunications in the country," he said.

The global mobile phone company Ericsson was supposed to offer technical services to the project.

Mauritius Telecom, in which France Telecom has an interest, is steadily losing its cool over the delays in the project.

"As investors, we are quite upset with this situation, especially looking at the huge investment of US \$15 million initially which will be increased to US\$40 million in 10 years," said Neermal Saddul, Mauritius Telecom's executive director responsible for international development.

If it gets the go-ahead, Malawi Mobile Ltd. will join Celtel and Telkom Networks in the competitive mobile phone business.

Associated Press

[Legal](#)

Source URL: <http://www.tuxmachines.org/node/952>

Links:

[1] <http://www.tuxmachines.org/taxonomy/term/106>