

East Timor Law and Justice Bulletin

01 July 2014

Timor-Leste Courts Rule for ConocoPhillips in Tax Cases: "Conoco Phillips Appreciates Dili District Court's Independence on Tax Cases"



ETLJB 01/07/2014 Jornal Independente Monday, 30 June 2014 - Timor-Leste Courts Rule for ConocoPhillips in Tax Cases: "Conoco Phillips Appreciates Dili District Court's Independence on Tax Cases"

The head representative of the International Company ConocoPhillips in Timor-Leste, Jose Lobato, said that he greatly appreciates the independent workings of the Dili District Court in dealing with the tax cases where the Timor-Leste government alleged that the company failed to pay a large amount of taxes.

Lobato said that they are still awaiting for the decision from the arbitration in Singapore regarding these cases.

But, Lobato said that he did not agree with the accusation made by the government that the company is yet to pay taxes for many months in the past.

The tax assessment by the government against ConocoPhillips each year was incorrect, because ConocoPhillips each year always paid the taxes due to the state and sometimes even paid more than they were obliged to, he said.

"(The government), if I am not wrong said that we did not pay our taxes, I don't know which taxes? Under which obligations have our company not paid? That I do not know? The obligations of the company are to pay royalties, taxes on profits and duties, sometimes we paid more than our obligations, because each year, we always paid our taxes as we were obliged to, and we believe we have paid everything as required under Timor-Leste law," said Jose Lobato.

Lobato made these remarks during a 2 day colloquium on 26-27 June last in which he was a speaker to deepen knowledge and disseminate information to the media regarding natural resource management pursuant to EITI standards organized by the Ministry of Petroleum and Natural Resources, held at the Jacinto Supermarket conference room, in Kuluhun, Dili.

The chronology regarding these tax cases goes back to 2010 when the government issued tax assessments under four classifications that the company had failed to pay taxes worth US\$227,000.00, alleging the company had failed to pay, despite the company having paid what it asserts was its full tax obligation.

According to him, after they had paid all of their taxes, the government continued to pressure them, so they looked for an amicable solution taking the government to arbitration court in Singapore, the decisions of which they now await from the judges.

"After having paid it all, we tried in good faith to resolve the case, tried to negotiate regarding the interpretation of some points claimed, that is what we tried to do," Lobato said.

Lobato said that it appears that at the time these cases were taken to the Dili District Court, the chief advisor leading the ministry of finance team was someone named Bobby Boye.

"We took the cases to the Dili District Court, then when these cases were taking a long time to be decided we took the cases to arbitration in Singapore, so the cases were both in the Dili District Court and in arbitration in Singapore," said the son of President Nicolau Lobato.

According to him these two sets of cases taken to the courts were properly decided under Timor-Leste law.

ConocoPhillips has always been confident that the tax assessments by the government were issued on the basis of bad advice, not in accordance with Timor-Leste law nor the Timor Sea Treaty," said Lobato.

The Dili District tribunal delivered its decision in relation to seven cases, but ConocoPhillips has taken 28 cases, with the courts deciding on seven cases only, but ruling in favour of ConocoPhillips and ordering the government to instead to the company US\$20,000 or so in costs, said Lobato.

"ConocoPhillips really appreciates the work of the Timorese judges in delivering this impartial and independent decision from the Dili District Court," he said.

"Indeed I am satisfied with the Dili District Court which has shown its impartiality, it's Independence in relation to a political decision, and this is very important for Timor-Leste because if we want serious investors to come to Timor-Leste, then the courts have to show they are independent," he added. Source: Jornal Independente Monday, 30 June 2014

Subscribe to: [Post Comments \(Atom\)](#)

[Oecusse District Court hearings in April 2014 domi...](#)

[HAK: Feb-Apr 2014 Timor-Leste Human Rights Monitor...](#)

[EWER Situation Review October 2013: Border conflic...](#)

[Extraordinary Meeting of the Timor-Leste Council o...](#)

[East Timorese Protect Land Rights Against Australi...](#)

[Timor-Leste's Court of Appeal and Counterpart Inte...](#)

[Gender-Based Violence in Dili and Baucau District ...](#)

[Security in Timor-Leste: A great leap backwards an...](#)

[Infanticide and baby abandonment in Timor-Leste d...](#)

[Husband attacks wife with hammer and knocks her un...](#)

[Drug Threat is a Challenge for the Security Instit...](#)

[Concerns about access to justice in Timor-Leste an...](#)

[Up-date for security situation in Timor Leste: Nat...](#)

[Meeting of the Timor-Leste Council of Ministers of...](#)

[Timor-Leste Courts Rule for ConocoPhillips in Tax ...](#)

[Extraordinary Meeting of the Timor-Leste Council o...](#)

[EWER: Situation Review April 2014, PNTL - F-FDTL j...](#)

▶ [June \(30\)](#)

▶ [May \(9\)](#)

▶ [April \(4\)](#)

▶ [March \(15\)](#)

▶ [February \(9\)](#)

▶ [January \(11\)](#)

▶ [2013 \(274\)](#)

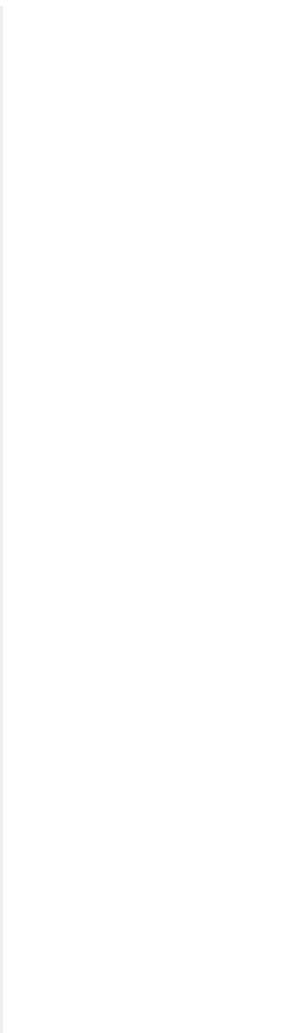
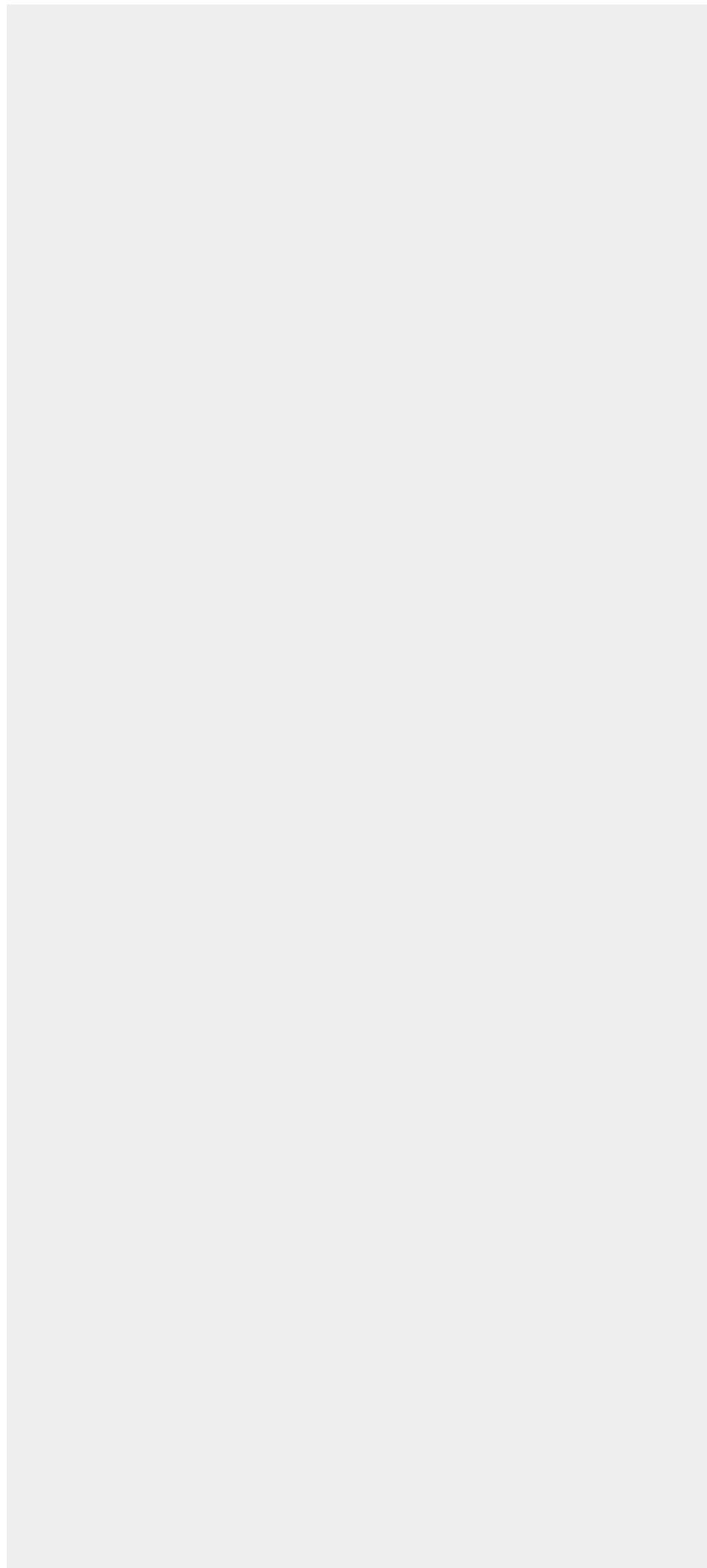
▶ [2012 \(656\)](#)

▶ [2011 \(444\)](#)

▶ [2010 \(715\)](#)

▶ [2009 \(1087\)](#)

▶ [2008 \(669\)](#)



My Blog List

- [Timor Archives](#)
CHART FUNDRAISING EVENT:
Melbourne, August 19 - A
forthcoming public talk on post-
election Indonesia by the
internationally-recognised expert on
contemporary Indonesian politics,
Sidney Jones, will raise...
1 month ago

Followers

Google+ Followers

[Follow @easttimor](#) 479 followers

Total Pageviews Since June 2008

1,236,831

[My Profile](#)

About Me



[Warren Wright](#)

[View my complete profile](#)

East Timor Law & Justice Bulletin. Awesome Inc. template. Powered by [Blogger](#).