## Norway's link to graft claim

By Russell Searancke 12 September 2014 00:00 GMT

The recent arrest of one of the Timor-Leste government's main advisors working on petroleum tax issues has reportedly backfired on the government of Norway, writes Russell Searancke.

Bobby Boye (also known as Bobby Ajiboye) was arrested in mid-June by the US Federal Bureau of Investigation at Newark International Airport on charges that he allegedly orchestrated a scheme to defraud Timor-Leste of more than US\$3.5 million, said US Attorney Paul Fishman.

According to Timor-Leste sources, Boye was one of the main advisors working on petroleum tax issues for Timor-Leste's Ministry of Finance from 2010 to 2012, which is when the government brought tax assessment cases against ConocoPhillips and the remaining Bayu-Undan joint venture members, plus Woodside Petroleum for unpaid taxes.

Boye was arrested just before the start of the arbitration hearing brought by ConocoPhillips against the Timor-Leste government over tax assessments which have led to the US company paying US\$236 million "under protest".

The Norwegian connection came about because Boye was hired by Norway's Ministry of Finance, and worked as a tax advisor in Timor-Leste for Norway's Oil for Development programme.

The Norwegian newspaper Aftenposten reported that Timor-Leste took over the employment of Boye in about February 2012, although Norway continued to pay part of his salary.

The trouble began in 2012, with US Attorney Fishman alleging that Boye deceived Timor-Leste into awarding a lucrative legal and tax accounting contract to Opus & Best Services, a sham New York law and accounting firm that, unbeknown to Timor-Leste, was secretly controlled by Boye.

Timor-Leste subsequently paid more than US\$3.5 million to Opus & Best's New York business account, which was controlled by Boye.

He used the money to purchase four properties in New Jersey, three luxury vehicles, and two designer watches, alleged Fishman.

ConocoPhillips and Woodside Petroleum were not willing to comment on the implications of the Boye arrest on their current legal proceedings against Timor-Leste's tax authorities regarding their tax assessments.

The Norwegian government is reportedly carrying out its own investigations into the Boye episode.

