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# SNC-Lavalin paid \$160-million in Libyan bribes, RCMP says

By CHRISTOPHER CURTIS, THE GAZETTE March 6, 2013



**RCMP officers guard the lobby of the SNC-Lavalin building in Montreal as a raid is carried out on offices at the international engineering firm, Friday April 13, 2012. MONTREAL, QUE.: APRIL 13, 2012 – RCMP officers guard the lobby of the SNC-Lavalin building in Montreal as a raid is carried out on offices at the international engineering firm, Friday April 13, 2012. (John Mahoney/THE GAZETTE) Photograph by: John Mahoney**

Former SNC-Lavalin executive Riahd Ben Aissa had a “friendly” relationship with Saadi Gadhafi, offering him and other Libyan officials \$160 million in bribes to secure lucrative contracts for the Montreal-based engineering firm, an RCMP search warrant alleges.

The RCMP says Ben Aissa and fellow SNC executive Stéphane Roy played an integral role in trying to extract the son of deposed Libyan dictator Moammar Gadhafi from Libya as the country descended into revolution in 2011.

The allegations against Ben Aissa surfaced in a 59-page affidavit used by the RCMP to obtain a search warrant for the company's Montreal headquarters in April 2012 as part of a wide-ranging, international investigation into SNC-Lavalin's overseas operations.

Investigators had previously claimed Ben Aissa approved of millions in questionable payments to members of the Libyan government but it's now clear they believe he was at the head of an elaborate system of graft and corruption.

"We cannot establish the veracity of these allegations," company spokesperson Leslie Quinton said in a statement released Thursday. "(The affidavit) contains unproven information ... if the allegations are proven, we will act swiftly and with determination to repair that damage that could have been caused."

Ben Aissa and Roy resigned from SNC-Lavalin in early 2012. Roy was questioned by RCMP detectives but has not been charged with any crime. Ben Aissa has been in a Swiss prison since April, when he was jailed under suspicion of using his Swiss bank accounts to corrupt government officials in several North African nations.

Between 2001 and 2011, the Libyan government awarded SNC-Lavalin nearly \$2 billion in contracts to oversee the construction of water filtration plants, an airport, a man-made river and a prison.

Records show that in 2010, the Libyan contracts accounted for 6.6 per cent of the engineering firm's \$6.3 billion in revenue.

In her sworn statement to the Quebec Superior Court, RCMP corporal Brenda Makkad said she believes that, throughout this period, Ben Aissa actively sought to maintain a friendly relationship with Gadhafi — who was in charge of the country's major public works projects.

Based on information obtained from Switzerland's anti-corruption task force, Makkad alleges that four branches of SNC-Lavalin funnelled money to Gadhafi through Ben Aissa's Swiss bank accounts and overseas corporations that the executive owned. The RCMP says 343 bank transfers went from the engineering firm to Ben Aissa and, ultimately, into the hands of Gadhafi or other civil servants.

Beyond the alleged payoffs, Ben Aissa is also accused of having lavished the third-born son of Moammar Gadhafi with gifts and luxurious accommodations. SNC-Lavalin money was used to buy Gadhafi yachts, to pay for his Toronto condominium and hotel rooms during an all-expenses-paid trip to the Toronto International Film Festival in 2009, according to the search warrant.

Police also believe Ben Aissa arranged a moose-hunting trip and a salmon-fishing expedition for Gadhafi during a 2008 visit to Canada. Gadhafi was also allegedly given his own corporate credit card and a private security staff courtesy of SNC-Lavalin.

The search warrant also states that Roy and Ben Aissa were behind an apparent "clandestine" plot to extract Gadhafi from Libya and into Mexico during the 2011 revolution. While rebel fighters continued

making gains in Libya during the summer of 2011, receipts show that Roy used \$700,000 in company funds to hire Cynthia Vanier for a fact-finding mission throughout the Northern African country. Vanier was accompanied by Gadhafi's longtime Canadian bodyguard Gary Peters and an armed security detachment during what investigators say was a mission to find and extract Gadhafi from the war-torn country. Vanier has been in Mexican prison since November 2011, when she was arrested for allegedly trying to sneak Gadhafi into Puerto Vallarta.

The president of Niger granted Gadhafi political asylum in 2011 despite an Interpol red notice being issued against him earlier that year.

SNC-Lavalin has long claimed that if bribery ever took place, it was the result of a few rogue executives working on the firm's international operations. But new evidence suggests the company may be facing similar problems at home.

This week during the Charbonneau Commission into Quebec's construction industry, one construction executive said SNC-Lavalin was among a cartel of engineering firms that colluded to raise the price of public works projects in the province. In September, Quebec's anti-corruption police raided the McGill University Health Centre's headquarters to probe the company's bid to obtain the design contract for Montreal's superhospital.

Former SNC-Lavalin CEO Pierre Duhaime was arrested during the ensuing investigation. He resigned from the engineering firm in March 2012.

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