



**OILWATCH SOUTHEAST ASIA REGIONAL ASSEMBLY**

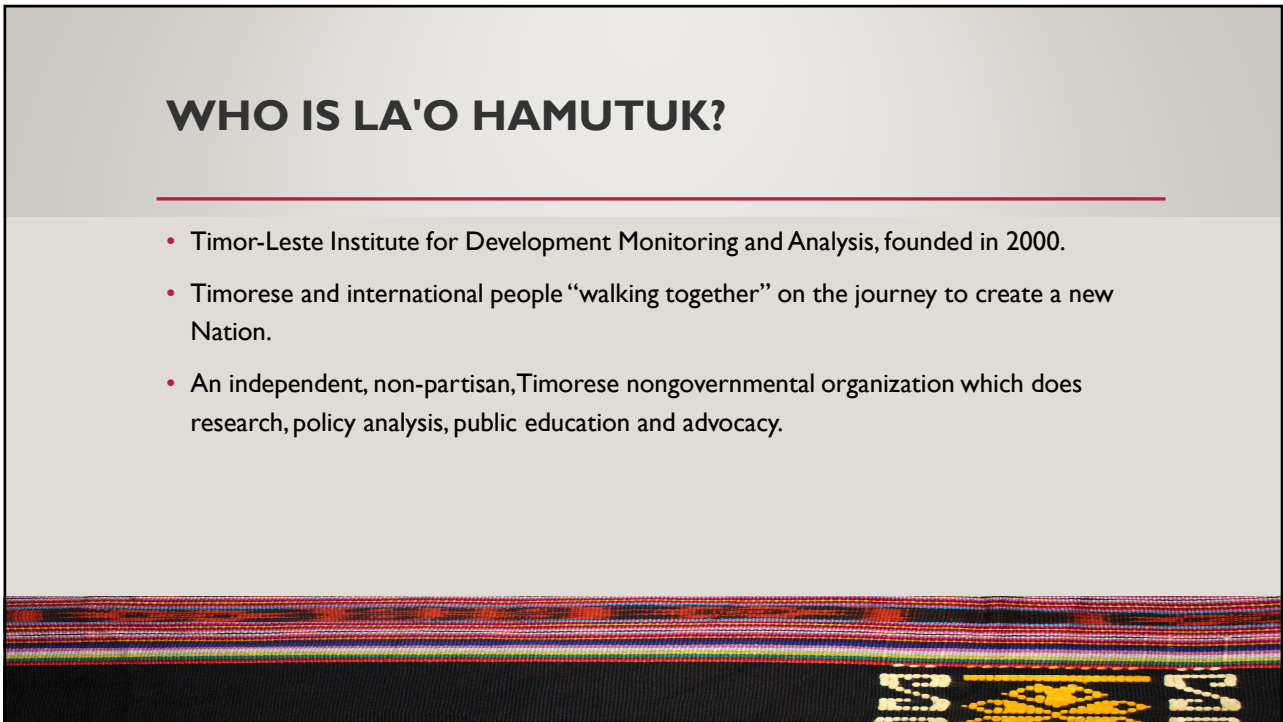


**THE OIL INDUSTRY AND THE PREVENTION  
OF CLIMATE CHANGE  
IN THE CONTEXT OF TIMOR-LESTE**

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**WHO IS LA'O HAMUTUK?**

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- Timor-Leste Institute for Development Monitoring and Analysis, founded in 2000.
- Timorese and international people “walking together” on the journey to create a new Nation.
- An independent, non-partisan, Timorese nongovernmental organization which does research, policy analysis, public education and advocacy.

## TIMOR-LESTE CONTEXT

- Timor-Leste is the newest country in Southeast Asia and having restored independence in 2002.
- Population in 2023 1.4 million, most of whom (66%) live by subsistence agriculture - but we also depend heavily on imported rice.
- Timor-Leste Economy depends on Oil and Gas exports. More than 80% of annual state budgets come from the Petroleum Fund, which holds invested petroleum revenues.
- Oil and gas production has just ended, as currently developed fields are used up. It could re-start if new fields are discovered and/or extracted, but possibilities are limited.
- Timor-Leste's greenhouse gas emissions, other than Scope 3, are very small as there is little industry and most people are poor.



## OIL ACTIVITY AND IMPACT OF CLIMATE CHANGE

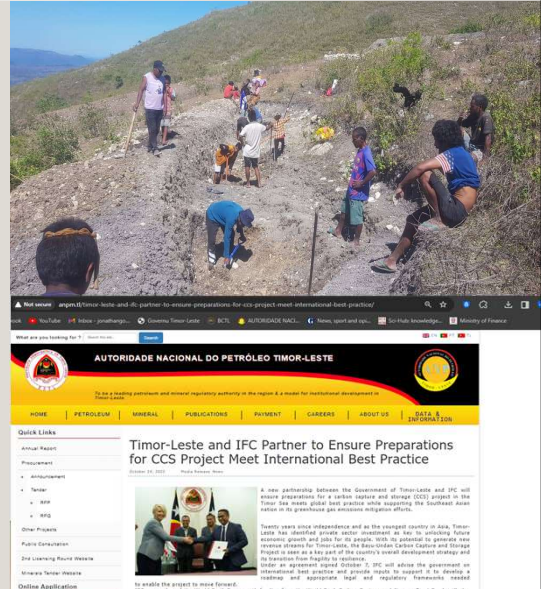


- The Bayu-Undan and Kitan fields have provided TL around \$25 billion, and another \$10 billion was earned by investing it. The state has spent almost \$17 billion from it, and \$18 billion is still in the Petroleum Fund (March 2024).
- In 2000 – 2005 Laminaria-Corallina field made around \$5 billion but TL got nothing.
- TL emits about 0.0016% of global greenhouse gases, although almost twice as much results from exported Timorese oil and gas used in other countries.
- Although production to date has been offshore, onshore exploration and projects have taken homes and productive land from local people.
- Prolonged dry seasons, reduced rainfall, and frequent flooding have led to unpredictable weather and erosion.
- Tropical Cyclone Seroja on April 4, 2021 killed 44 Timorese people and displaced more than 10,000, affecting around 34,000 households.



## ACTIONS TO PREVENT CLIMATE CHANGE

- Provide training and organise communities and youth to undertake popular actions to conserve rainwater and plant trees – Led by PERMATIL; LA'O HAMUTUK is involved – Permayouth.
- Traditional Ritual - "*tara bandu*", to regulate community-based environmental activities and contribute to a healthier environment.
- Timor-Leste has access to GCF funds including cooperation with international agencies to implement planting and biodiversity.
- A Climate Change Law was drafted last year and consultations are in process. La'o Hamutuk is preparing a submission.
- Timor-Leste is attempting to use the depleted Bayu-Undan gas field for CCS and has signed MoUs with Santos IFC to enable Santos to develop the CO<sub>2</sub>-intensive Barossa gas field in Australian waters. We reject this false solution.



## CHALLENGES FOR TIMOR-LESTE

- All our actions are ineffective unless developed countries commit to stopping their climate-damaging activities.
- The Government is aware that climate change is caused by the oil and gas industry but continues to work with the oil and gas industry. Many Timorese leaders are addicted to the fantasy of easy money from petroleum extraction and export.
- Although some communities cooperate to carry out popular actions, some communities are not yet involved, and some are asking for money to participate in trainings.
- After taking grassroots action to conserve water, some communities stopped these actions and are not continuing to do so elsewhere.
- The agencies give money to farmers to plant trees that can absorb CO<sub>2</sub> – were afraid when farmers transformed their fields to plant carbon trees because had economic value.

