

The Economic Impact of Greater Sunrise LNG Pipe Line to Timor Leste

By: Vicente Mau Bocy – economic observer

1.Summary:

- The Government of Timor Leste and its people, are very excited about the opportunity of the LNG from Greater Sunrise to be piped to onshore of Timor Leste. This would release a massive boost of funds into the private sector and be a contributing factor to the opening of many opportunities for many associated business industries. The resultant of this opportunity would bring about the creation of many thousands of jobs a huge drive for employment opportunities for Timorese, (skilled and unskilled) labor force.
- It is estimated that the field of Greater Sunrise contain the following reserves:
Condensate MMbbl 298; Gas Tcf 8.35. Sources (INTEC Eng.Pty.Ltd. June 2002)
- By building a LNG plant with 3 trains (processing units) with the capacity of 2 million metric tons of capacity by each unit, the total gas processing production of the LNG plant will be **6 million metric tones per year**, with an estimated **LNG supply life of 30 years** approximately.
- The distance from Greater Sunrise to landfall at Beassu or Betano is approximately 215 km with a maximum water depth of 3050m over a short distance of only 4 km. The reminding majority, the LNG pipeline would pass through water with a maximum depth of 2500 meters (**Toke Consultant July 2007**).
- The greatest and most difficult challenge is for the Government of Timor Leste to get an **agreement** with Woodside & partners (**especially (Conoco Philips)** and the Australian Government) to authorize the sale of gas at the well head in order to materialize this expectation into a successful action for the welfare of Timorese.

2.Analysis of economics impacts of LNG Plant

2.1 Goods and services generation

There is no doubt that with the establishment of a LNG Plant on Timor-Leste soil, will automatically drive an extraordinary business boom into the East Timor economy. In context of macro-economic performance, the LNG plant will tackle and address the massive unemployment issue by creating directly manner approximately 20,000 jobs throughout different, stages of construction of the plant, - indirectly, thousands of other associated jobs related to the demand for: varieties of food, vegetables, meat, poultry, as well as others related products items and services needed to meet the expected mass demands at the LNG plant.

By changes in the employment factor of the due to the LNG production, this would provide one of the sources of growth in real GDP.

2.2. High unemployment rates

The political crises occurred in 2006, one of the main causes, was the **chronic** level of unemployment, rate of **15,000** per year (World Bank report 2005) associated or combined with some extends of political manipulation from politicians in order to create a **disturbance** (the previous government) so that they could **retain** or **re-conquer** political power. The crises was very closely related to the 2007 election for President and Parliament. The young unemployed people with ages ranging between 17 – 25 years old are the most vulnerable and easily subjective to any kind of alienation for taking any actions at any time, without fully consideration or awareness of the consequences either for good acts or irresponsible acts in society. Some of the young segments are subject to all kinds of exploitation for what ever purposes.

As common sense, high unemployment rates are a major social problem. Jobs are difficult to find. The unemployed suffer a loss in their self esteem, standards of living, personal distress and sometimes a lost opportunity in career opportunities. When people suffer long periods of unemployment they are at risk of **poverty, ill health, de-politicization** and other personal and social problems. When unemployment reaches double-digit percentages – and even well short of that- it becomes the number one social and political issues. (the Australian Macroeconomic scene page 13)

2.3. Magnitude of revenue that would be derived products from LNG in stage one

Estimated revenue per year from 6 millions Mt LNG derived products such as:

Rate (per Mt)	Revenue US\$ (Early October 2007)	
1. Naphtha & Benzene	222.50	1, 392,478.343.00
2. Urea	567.00	141,750.000.00
3. Kerosene	485.00	589,307.765.00
4. LPG	530.00	39,518,920.00
5. HSD2 Diesel	455.00	101,778,950.00
6. LNG	463.00	2,778,000,000.00
Total estimated gross revenue		US\$ <u>5,032,833,978.00</u>

2.4. The aromatics for stage two

The aromatics also constitute a potential cash generation associated with employment creation that is pivotal to the prosperity of Timorese people. The following plants will be constructed:

- 1) Paraxylene plant – feeds the PET produce 1, 293, 550 Mt pa
- 2) PTA plant – feeds the polymer plan produce 1,988, 186 Mt pa
- 3) Polymer plant – feeds polyester yarn produce 2,305, 106 Mt pa
- 4) PET chip plant (feedstock for biodegradable plastic) produce 2,631,712 Mt pa.

These aromatics products are value added to earn foreign exchange and create permanent jobs for Timorese labor force.

2.5. Others Associated advantages & benefits onshore LNG Plant facilities

Soon after the completion of an LNG plant (natural gas liquefaction facility) together with the associated refinery and aromatics processing plants onshore in Timor Leste, it constitute an attracting point to pipeline neighborhood Gas reserves particularly from Masela Block (Abad 1) to Timor Leste as well.

Due to the distance to Darwin or any sites in Indonesia territory (West Timor or Ambon), options to Timor Leste facility, sounds to be more economically viable.

Beyond that the current 6 wells in JDPA would be definitely a must to use the future facility on Timor Leste .

3.The elements of opposition

The opponents for the pipeline to come to Timor Leste, comprise of the following :

- 1. The Australian government**
- 2. Northern Territory Government**
- 3. Woodside and partners specifically the American company Conoco - Philips including one of largest shareholders of Greater Sunrise Woodside (Shell Petroleum)**

Some of the main reasons for this opposition

- Security issues and political stability
- Technical challenges due to the depth of the water
- They question of Timor Leste capability to acquire financial resources.
- They question Timor Leste ability to sourcing technical personnel

3.1.Northern Territory government has received enormous value added benefits to the business sector and community in general and revenues raise by state government. They now boast a Conoco Philips LNG in Darwin facility at detriment of the people of Timor Leste. Refer to Bayu Udang pipeline.

3.2 Timor Leste replies

Timor replies to elements of opposition to the pipeline and LNG plant on Timor Leste shore:

- **This project would Create large number of jobs directly and indirectly;**
- **This will assist dramatically with security issues**
- **This would also underpin and stabilize the political instability.**
- **The technical challenges due the depth of the water are now, challenges no longer because there are several companies through out the world they can complete the laying of an LNG pipeline from Greater Sunrise to the shore of Timor Leste.**
- **Challenges of sourcing funding, is insignificant to the size of the project;**

technical viability- According to the opponents arguments the **depth of water** is a major or solid argument to pipe the Greater Sunrise gas to Darwin, is based on the grounds of the existing LNG facility plant and port facilities in Darwin.

Why can't Timor Leste have the same opportunity?

4. Technical solutions:

4.1. J Lay method and J-FLEX.

The J lay system, is by far the most efficient method employed in deep waters up to 2500 meter in recent years. Several of the major international marine contracting companies have J Lay vessels.

The Heerema group of the Netherlands, the Italian ENI Saipem group, J Ray Mc Dermott out of the USA all claim to have vessels capable of laying pipe lines with a lay tension of up to 1050 tons. However it should be understood that both ENI Saipem and Heerema have stated that the lay tension of a 28 " line with a 1.75" wall thickness would result in a lay tension of 950 tons it must be understood that this 950 ton lay tension relates to a dry pipeline. The same diameter line when filled with water has 2,200 tons lay tension which places it far beyond the capacity of these vessels.

4.2. There is however another option: J – FLEX

The J-Flex method has been developed J-Flex 3600 being capable of laying the largest diameter line 36 " at a depth of 12 000' / 3658 meters with a fully flooded line and with the lay tension capability to handle 3000 tons This allows a safety margin of 800 tons.

Another advantages is that J- Flex system allows a pipeline to be laid at 2.or 4 times the speed of the J lay method.

The challenges associated with the laying of the line from Greater Sunrise to Beassu are extremely interesting given the depth of water (3058 meters / 10030 feet) this would be the deepest line ever laid to date where the pipeline is in the area of 28inches O.D..

The pipe will also have a wall thickness of 44.5 mm / 1.75 "which has its own unique challenges. When welding Schedule 140 carbon, great care must be taken to obtain the required penetration without creating stress fractures due to the high temperatures imparted to such a small surface area.

The Deepgulf J-Flex 3600 has the onboard capacity to heat treat and stress relieve the pipes prior to and after the welding process is completed. This guarantee that the pipe is inert and free of any internal stress prior to and after line is completed.

Sources : **(Toke Consult & Deep - Gulf Inc 2007).**

5. Moving oil and gas from ultra deep offshore reservoir

There seems to be only two options: **shuttle tankers or pipelines.**

Shuttle tankers require services from an on site, one million barrels on Floating Production Storage and Offload facility (FPSO). The option has an enormous environmental impact.

A pipeline requires ancillary services, either from a smaller floating facility pipelines. The environmental impact is minimal. Pipelines are the preferred solution wherever workable.

5.1.DeepGulf- has developed and patented new technologies and solution from ground up. The technologies are collectively known as **J-Flex** advantages. Toke Consult has reached a reciprocal agreement with Deepgulf to perform the task to construct the pipeline from Sunrise to Timor Leste if the government concede the fully authority.

5.2.DeepGulf – opens for the first time the Ultradeep Offshore Frontier installation of large 24 inch pipeline in 12,000 feet of water.

With this current information, of scientific technology, the buzz puzzle bizarre word saying “ technically is not viable” for the pipeline to come to Timor Leste becomes baseless and irrelevant.

6. Financial issues of this multi \$ billions investment-

There are plenty of investors whom are keen to fund this multi US\$ billion dollar investment. Subject to the issue of an operators license from Timor Leste government and confirmation of the sale of gas at the wellhead by Woodside & partners and others stakeholders.

There really should be no hesitation by Woodside & partners and their associated stakeholders to approve the sale of the gas at the wellhead to the propose Timor Leste LNG facility.

This would display the seriousness to assist the economic development of this tiny nation that finds itself with a developing nation status.

Does Woodside & partners and associated stakeholders want this tiny nation to keep begging for neighborhood welfare assistance for ever ?

Do Woodside & partners and associated stakeholders really want to give one project in their massive portfolio of oil and gas exploration, development and processing to the newest nation in Asia to assist it with genuine economic development and political stability for a sustainable future for the people of Timor Leste?

Woodside& partners are multi-billions dollar business organizations. Will it really jeopardize their multi-billions profits to allow one local project to happen in Timor Leste ?

“Woodside & partners. We would like the opportunity to buy the gas at the wellhead; we will construct and install the rest of facilities that are required to fully process, transport, clean and make ready in a export quality status ready for shipment, to a first and or second or third party without any financial assistance from Woodside& partners, Australian government, Northern Territory Government and Timor Leste government.

We don't need your financial support, we just want the opportunity.”

What is the most famous saying in Australia “ lets give our mates a go”. I am sure our Australian colleagues fully understand and appreciate the essence of this slogan.

6.1. The security issues. The Timor Leste case is far different and distinct to those security problems that currently occur in Afghanistan, Middle East Iraq etc. Even in Iraq, with ongoing high turbulence security problems someone can watch daily on CNN or BBC, the giants oil leaders such as Shell, Exxon, Evron, Conoco Philips etc still running their business on trouble spots.

As general knowledge, the Timorese people are **tired of local troubles and problems** and which to return to normal life. The trouble makers masters now are **“out of power”**, so now, normality will start to return to everyday life.

The pipeline as mention above would be a panacea to assist unemployment issue, and thus, in return, will support to consolidate the political stability for current and future.

The multi issues such as: technical, financial, security, plus other issues raised by opponents, is merely a mask to cover up the truth facts.

What are the truth intentions_of Woodside and partners? Is that to maximize the huge profit_to detriment the people of Timor Leste?

Their traps aimed _to deceive the Timorese people so that Woodside & partners can confiscate the Timor Leste wealth in the light of truth justice of jurisdiction on median line maritime borders between Australia and Timor Leste, which unfortunately was negotiated by Australia and Indonesia, while Indonesia was illegally administering Timor Leste. The Australian took this opportunity negotiating with Indonesia about oil and gas right in Timor sea, while Timor Leste was incapacitated. Now that Timor Leste is and Independent state it refuses to redefine and accept the truth rights of Timor Leste to the oil and gas, that falls within Timor Leste side of the truth median line between Australia and Timor Leste.

The real and objective fact, for any vulgar person is to remember that Greater Sunrise sits in Timor Leste maritime borders. Australian government and giants oil and gas companies are fully aware of this reality.

7.Social impacts

A LNG plant in any other part of the world would simple imply and spark a domino effect for community benefit . One of the paramount benefit of such a giant investment project, is to directly create employment for a large number of local people which in turn would especially help to heal the current social stress.

I sincerely believe that with job creation the social disturbances and riots on the streets would disappear once the people are busy with their jobs activities.

According to Toke Consultant research and findings, the employment created by this propose LNG plant facility and pipeline from Greater Sunrise will cover the following employment sectors:.

Accommodation and catering 2 000; Housekeeping& Laundry, 1200; cold storage 240; dry stores 90; boning room 90; transport, 200; fruit and vegetables growers 1500; meat poultry & dairy growers 500; construction site for local labor 2500; heavy engineering fabrication 200; heavy transport 60; supply of sand gravels & cement 500; supply of fuels and lubricants 50; plant and equipment hire 40; waste management disposal; and industrial maintenance 150.

The main focus of developing the capacity to build a well trained professional skills base through internationally recognized training schemes to allow the Timorese to continue with the rebuilding and development works so desperately required.

Through the establishment of regional trades training facilities as described a sense of national pride will be generated which will eventually spread through out our country. This will assist the Timorese to match the required qualifications in order to satisfy the project employment requirements., instead to import offshore skilled labors. In country professional labor force will retain cash circulation in the territory.

Trades training in the following fields: Plumbing & Gas Fitting; Electrical, Carpentry and Joinery; Turning & Fitting, Refrigeration & Air Conditioning, Automotive Engineering; Auto Electrical; Sheet Metal; General Engineering; Welding & Boiler Making; Hydraulics; Electronic Radio and Television Technicians; Diesel Fitting and Injection systems; Oil Field Instrumentation Installation and Commissioning; Fire Protection System and Sprinkler Fitting;

Hospitality and Tourism School – The aim is to offer broad spectrum of hospitality courses to local Timorese, so that they may choose their own career path and develop their skill to their desire level to meet the industry demand. The graduates will guarantee employment initially under the umbrella of LNG processing facilities then be offer placement in the tourism industry in Timor Leste

The high certification in Tourism and Hospitality program will be degree courses and management of the respective sectors.

Agriculture school – aimed to assist the local farmers with new standards in agriculture technology and management by using modern agriculture techniques.

By imparting the necessary knowledge, education and expertise and equipment to local farmers, this will allow the local farmers and the country of Timor Leste to be less dependent on imported food, meat and poultry.

The positive aspect of this program will be that revenue will remain in the country, rather than flowing offshore. This value added process is part of economic development program been put to the government of Timor Leste under the umbrella of the locally proposed LNG processing facility.

With the increase yearly farmer income this allow the farmers and their family a better quality of life that they will not have if this project does not goes ahead.

The average income of substance farmer of Timor Leste is +/- \$ 350 per year less that a dollar per day.

The Timorese people would like genuinely to provide for their family and education of their children but they find most difficult on the current level of their income.

Hospital – There shall be a modern front line fully equipped and staffed clinic to provide professional quality health care to safeguard the health of thousand of staff working at LNG plant as well as the local area

Recreation facilities- A variety of sporting fields will be made available to all those employees within the LNG processing facility.

These facilities among others includes : golf course, tennis court, swimming pools, basket ball courts soccer fields etc.

The local community will also have the opportunity to uses these sports facility. These facilities could be use in the future for national or international sports events.

By capacity building and skills development of Timorese in the above fields, this will give the Timorese an opportunity to work at a range oil rig or LNG plant across the Globe. This expertise would become a valuable asset to Timorese to be part of the economic and sustainable development of their own country.

It is vital that Timor Leste has a strong and well trained reserve of skilled trades personnel. With this reserve of professionals and tradesmen, Timor Leste can be assured to have the capability to continue with the ongoing sustainable development of the country.

8. Where are the bottleneck problems:

There seems to be 3 main bottleneck problems .The stakeholders of Greater Sunrise:

1. Woodside and Partners,
2. Australia government - Federal
3. Northern Territory government .

Three of them all are vigorously demanding that pipeline from Sunrise must go to Darwin due on irrelevant arguments mentioned above.

Whilst the Timor Lest government and its people desperately desire the pipeline should come to Timor Leste onshore to improve economic and sustainable development, to improve the quality of life for all Timorese and allow this tiny nation to drag itself out of the current poverty status.

“Please Woodside and partners and the Australian Government and the Northern Territory Government allow our Timorese people, the same dignity and opportunities that you offer and guarantee the people of Australia, America, Japan and Italy on daily basis”.

“ We would like the same rights and dignity to jobs, to the quality of life, to the quality of our children future, to sustainable development and at the same standards that everybody in above these listed countries enjoy every day of their lives”

8.1. Comments: 1

Woodside currently hold the operator license of Greater Sunrise. We think that, it's time to Woodside and partners to support the Timorese government to bring the pipeline from Sunrise to Timor Leste. :

We don't understand the Woodside & partners "**extreme ambitions**" for Sunrise gas, even though last month at the APEC meeting in Sydney "**Woodside Petroleum has signed the biggest ever export deal by an Australian Company a \$ 45 billion agreement to supply liquid natural gas to China.** (Currier Mail, 9/7/2007)

This signing contract, refer to the gas reserves at the Browse Basin field in West Australia.

In addition to that, Woodside s operator of the Australia's first and largest LNG project, the \$20 billion North Shelf Venture. The LNG plant, on Burrup Peninsula, 1220 north of the West Australia capital city of Perth.

Current production capacity of the plant is 11.9 million tones of LNG a year from four production units (trains). An upgrade of that plant to produce a further 4.4. millions tonnes a year, is under construction.

Production (million tones) 2003: 1.3; 2004 : 1.5; 2005: 1.9; 2006: 2.0 (source Woodside Petroleum Website).

Woodside also control abundant reserve of gas in Australia, such as the gas projects off Western Australia's **Kimberley, Sunrise, Pluto and Browse.** (source Woodside Petroleum Australia).

Based on these ongoing massive projects, of multi-billions dollar, the pipeline of Sunrise to come to Timor Leste, would not reflect any minimum financial losses to Woodside& partners.

8.2. Comments 2:

The likely problematic would come definitely from Conoco Philips, because they had invested a LNG plant in Darwin that worth about \$ 4 billion some years ago. Therefore they do their best to achieve their expected goals.

The same token, the Northern Territory, strive their deals at all price so that pipeline would goes to Darwin on the basis of short and long run economic benefit to Northern Territory.

8.3. Comment 3;

Australia's abundant reserve of LNG- Australia has significant oil and gas reserve and is one of the few countries within the Organization for Economic Co-operation and Development that is a significant net energy exporter.

Australia is the world's sixth largest exporter of liquefied natural gas with Woodside's main export destination being Japan, Korea and China, with spot cargoes (one-off orders) to other parts of the world. The bulk of the company's oil exports go through Singapore.

Australia 's oil and gas reserves are mostly in north-west and south-west of the country and are estimated at 3.5 billion barrels of oil equivalent.

Woodside has significant interest in both regions. Of the company's total proved plus probable reserves of almost 1.3 billion barrels of oil equivalent, more than one billion were centered on the North West Shelf in Western at the year end 2004.

(Source: US energy Information Administration, December 2004)

Having all these pictures in mind of abundant large reserves of oil and gas in Australia soil, I must wonder and totally surprise, the state government of Northern Territory, the federal government in Canberra, associated with giants oil and gas companies such as Woodside, Conoco Philips, Shell, all of them, not having a **sense of human sensibility**, and **fairness** to give an opportunity to poor nation Timor Leste to have a LNG plant at their home land to support Timor Leste development for the well being of its people.

I am wonder such nations as US and Australia as pioneer, and champions to upholding the principles and values of human rights, democracy, justice, to help poor nation, but in reality, when related to the mineral resources that worth some billions dollars, they don't care and pretend to ignore, by presenting false arguments to **rip off** Timor Leste rights.

Why ConocoPhiphs and Australian government does not agree the pipeline of Sunrise to come to Timor Leste? Is any threats associated if Sunrise pipe to come to Timor Leste? Is that Australia administration and the giants oil companies prefer Timor Leste people living under the poor standards for another century similar to Portuguese for four and half century in the past ?

8.4. Some frequent questions that stuck in Timorese minds:

Australia is well known one of the wealthy nation in the world, with small population and having largest reserves of massive natural resources.

Why Australian government, since the previous from 1975 to the current, continuously greedy to deny the Timorese rights and sovereignty over the Timor Sea gas and oil reserves?

When the Australian leadership stop this cynical, and controversial attitude towards the poor people of Timor Leste, by given them the freedom, to decide over their own resources at Timor Sea?

Woodside and Conoco Philips are the giants of oil and gas multi-national companies over the world. They posses astronomical wealth in this world today.

Why Conoco Philips strongly reluctant for the Sunrise pipeline to come to Timor Leste? Is any major financial losses to Conoco Philips treasury, regarding the Sunrise pipe come to Timor Leste?

When the Australian government, associated with Woodside& partners, having the real clue of compassion, social and moral responsibility to support, for an establishment of a LNG plant in Timor Leste to process the gas from Sunrise? Once the support has done,

it will lead definitely for a drastic change of the living standard of whole poor Timorese lives.

9. Political implication

The footages of news of electronic and visual media had spot light very clearly that most of the wars in the world today, currently occur in developing countries. One of the main core reason is **poverty**. Once the people are **poor, starving, jobless**, high number of illiteracy, associated with ill-administration of public domain, corruption emerge and spark to sky, this will trigger injustice, dictatorship. All these variables leads to a volatile political instability to a given point in time. The calamity of the war who does suffer more are vulnerable people such as children women elderly people.

US administration and Australia, were the main players to push in Indonesia troops to invade Timor Leste in early December 1975, for various known and unknown reason and forced Indonesian troops to pull out in mid September 1999.

Without the US and Australia government intervention, Timor Leste Independence, never come to **a real dream** and Timor Leste remains for ever 27 Province of Indonesia.

The universal history will register the US and Australia contribution and assistance for Timor Leste Independence.

We Timorese also never forget and register in our History, the UN role to run the Popular Consultation on August 30 1999 through-out various mission such as UNAMET, and its aftermath UNTAET, UNMIT.

Nevertheless our gratitude to Mr. Howard Australia PM by sending INTERFET and later on to new troops to stabilize the April 2006 crises in collaboration with New Zealand troops and cops, Malaysian, and Portugal to restore peace and order in our country.

If we look at Singapore, tiny nation, Brunei, rare to public knowledge any political riot or unrest. The absence of political turmoil due the fact, those countries has a sustainable economy, couple with good governance. All its citizen people enjoy a fair income and GDP per capita is reasonable high.

By having pipeline from Sunrise to Timor Leste onshore will tap in to Timor Leste economy approximately \$ 800 million in tax per year plus royalties, this will end up more than a billion dollar per year. Having this amount of fund, could fund for major infrastructure such as road, ports, water, power, airports as main driver for country development. Education especially tertiary, public health, agriculture, social safety network deserve especial attention so that Timorese become well-educated and healthy. Once the Timorese all having a decent life with reasonable income per capita, cement with higher literacy numbers the political turmoil seems less to happen.

The key determinant of political stability is economy stability .

Once Timor Leste well developed could become a important **deterrent** of security purpose for US and Australia allies in the region such as Singapore. The global terrorism is increasing in developing countries because there is a **big gap** between North and South countries in terms of wealth distribution.

The new paradigm and challenges to keep people **quite and happy** in developing countries is given them a **job** so that people can gain **self esteem** for self realization in their lives. This mission also includes the duty and moral and social responsibility of multi-national companies together with government to shape an enabling environment in such way to reduce poverty alleviation and diminish potential social tensions.

Sunrise pipeline to Timor Leste is one “ **of sine quo non** “ prerequisite to Timor Leste security and prosperity, now and in the future . This implies the dependency from external sources will reduce gradually and totally extinguish in a period of 10 years time. Therefore US-aid and Aus-aid financially , could direct to others countries. What Timor Leste might still need is expertise

10. A snapshot of the past

The Keating administration reached an awful agreement with Soeharto government by signing the treaty of maritime borders with Australian on the plane that flu over the Timor sea in December 1989 The signing ceremony was held in the plane witness by high rank government officials from both countries. The signatories of that shameful and illegal document were toasted with champagne between Mr. Gareth Evans and his counterpart Ali Alatas.

As consequence of that agreement Timor Leste lost the oil and gas reserves from Laminaria, Bufalo and Caroline .

The signing of that agreement is a strong violation of UN chapter due the fact Portugal still remind as administering power.

Nevertheless, because of the power of billions of dollar lies underneath the Timor sea waters, the Australia government that uphold values of West democracy, cover their eyes and minds to international laws and violating as well the Australian Constitution. I strongly believe that, the Australian Constitution, does not give any kind of mandate to the government of Mr. Bob Hawke, to sign any treaty with the Indonesia, given the fact that mineral resources in Timor Sea does not belong either to Indonesia or Australia. The treaty that had signed in favor to Australia, was just to justify Australia support for Timor Leste annexation to Indonesia.

The most horrendous and antagonist contradiction, politically the Australian government had changed its political stance towards Timor Leste annexation, by supporting Timor Leste to gain its Independence on May 2002. Nevertheless in relation to Timor, Sea Treaty, illegally signed in December 1989, between Indonesia and Australia, the issue of Timor Leste boundaries and its natural resources, remain static as before.” The same shits reminds even the flies had changed”

Strategies to adopt for Sunrise pipe to come to Timor Leste.

There are several. The main ones amongst others are the following:

- I. Timor Leste government should pursue all formal and informal avenues in such way to attain desired goals and objectives;
- II. The whole Timorese must lobby the people of Australia, so that they can put pressure to their government (similar in the past for the TL Independence) so that the government agree upon the pipeline to come to Timor Leste;
- III. By using the channel of catholic church influence in co-operation with the Australian and American churches to contact with the stakeholders of Sunrise.

Bearing in mind that the role of Timor Leste church during the resistance period was vital to Independence Therefore if the Bishops of Timor Leste, request their counterparts in Australia and America, to give a hand to support the pipeline from Sunrise to come to Timor Leste, I strongly believe that Woodside & partners stance will be flexible to agree the pipeline to come to Timor Leste.

11. Conclusion:

- a. The barriers for the pipeline to come to Timor Leste according to opponents views and rationales are no longer valid points, because the existing modern technology of deep water can solve;
- b. The pipeline to Timor Leste leads to employment generation and can be the central of poverty reduction;
- c. The pipeline will encourage to increase variety of investments, business development and economic growth.
- d. The pipeline leads to tab in to the government treasury approximately one billion dollar that consist in tax and royalties payment.

12. Expectation

Will a future Labor Party government make any significant difference by recognizing the Timor Leste rights to its oil and gas on Timor Leste side on median line?

Let's wait and see if a new Labor Government will make any difference.