

Steve Bracks tapped as envoy on East Timor-Woodside gas project

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By John Kehoe, Economics editor

Former Victorian premier Steve Bracks has been appointed by the Albanese government as a special representative to help break an impasse involving East Timor and Woodside Energy over the stalled Greater Sunrise gas project.

The appointment of the former Labor premier is the strongest signal yet that the government is keen to ensure the development of the gas field, to shore up East Timor's finances and block China from potentially moving in.

Senator Penny Wong visited East Timor in September and warned President Jose Ramos-Horta of China's model of infrastructure finance.

The Greater Sunrise gas field is located 150 kilometres from East Timor and 450 kilometres from Darwin.

East Timor's political leaders want the gas piped to East Timor's south coast for local onshore gas processing to boost employment and economic development.

However, joint venture partner and project operator Woodside has argued the commercially viable option is to process the gas at the established energy hub of Darwin, partly because of the challenges of building a pipeline 3000 metres below the surface along the steep "Timor trough" to East Timor.

The two countries and Woodside are awaiting completion of a production sharing contract [PSC] between the parties, which is required under the revised 2019 Maritime Boundary Treaty. The governance and legal framework would include a petroleum mining code, tax and royalties, custom rules and emergency management.

The International Monetary Fund has warned the impoverished country's \$US17.4 billion (\$28 billion) petroleum fund could be depleted by 2038 and the country run out of money, unless the Greater Sunrise gas field goes ahead.

East Timor is guaranteed 70 per cent to 80 per cent of the royalties if the project proceeds, with Australia entitled to the remainder.

Mutually beneficial development

Foreign Affairs Minister Penny Wong said the appointment of Mr Bracks demonstrated the government's "commitment to the mutually beneficial and commercially viable development of the Greater Sunrise gas fields".

"Greater Sunrise is critical to Timor-Leste's economic development and resilience," she said in a statement.

"The Australian government wants to see the development of Greater Sunrise in a commercially viable way that supports the economic development of Timor-Leste and maximises the benefits to all parties, consistent with the 2018 Maritime Boundary Treaty," she said.

"As special representative, Mr Bracks will represent the Australian government and consult with the government of Timor-Leste and other key stakeholders, including the Sunrise Joint Venture.

“He has deep knowledge of Timor-Leste and close relationship with its people and leaders as a result of his close engagement over many years.”

The Greater Sunrise gas field is 56.56 per cent controlled by East Timor government-controlled company Timor Gap.

Woodside has a 33.44 per cent interest and the technical experience to get the project off the ground. Japan’s Osaka Gas has a 10 per cent stake.

President Jose Ramos-Horta visited Prime Minister Anthony Albanese in Canberra last month and claimed East Timor could become the next Dubai or Singapore if Woodside agreed to pipe gas there instead of Darwin.

Mr Bracks has been a supporter of East Timor for more than 15 years.

In 2019, he reportedly said the Morrison government should help East Timor attract a funding partner to develop Greater Sunrise, or otherwise China could move in.

Governance adviser to previous leader

In August 2007, following his resignation as premier after eight years, Mr Bracks worked as a pro bono governance adviser to the then newly elected prime minister Xanana Gusmao, who continues to push for the Sunrise gas to be processed in East Timor.

More recently, Mr Bracks wrote a forward to a book published in 2020 by Bernard Collaery, the lawyer of an Australian Secret Intelligence Service whistleblower known as “Witness K”.

The whistleblower exposed how Australian spies secretly recorded the office of East Timor’s first democratically elected prime minister, Mari Alkatiri, during 2004 negotiations with Australia for dividing the Timor Sea maritime boundary around Sunrise.

Mr Bracks wrote it was Australia’s “betrayal of the Timorese”.

“While our army was on the ground bravely bringing peace to a shattered land, in Canberra our Department of Foreign Affairs and Trade was scheming to deny Timor-Leste billions of dollars of desperately needed revenue,” Mr Bracks wrote in the forward to Mr Collaery’s book published in 2020, *Oil Under Troubled Water*.

Mr Bracks was premier from 1999 to 2007.

He is chairman of law firm Maurice Blackburn and chancellor of Victoria University.

He is a former chairman of industry superannuation fund Cbus Super, which manages the retirement income for workers in the building and construction industry.

Senator Wong said Mr Bracks brings a wealth of experience from both public and private sectors.

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Governo australiano nomeia aliado de Timor-Leste para desbloquear Greater Sunrise

Díli, 18 out 2022 (Lusa) – O Governo australiano nomeou Steve Bracks, um ex-primeiro-ministro do Estado de Victoria considerado ‘amigo’ de Timor-Leste como seu representante especial para ajudar a desbloquear o impasse em torno ao projeto do Greater Sunrise.

A decisão, que a imprensa australiana considera o “mais forte sinal até agora” de que Canberra está interessada em avançar no desenvolvimento do projeto no Mar de Timor, foi confirmada pela chefe da diplomacia australiana, Penny Wong.

Wong disse que a nomeação de Steve Bracks demonstra o “compromisso do Governo com o desenvolvimento mutuamente benéfico e comercialmente viável dos campos de gás do Greater Sunrise”, projeto que considerou “fundamental para o desenvolvimento económico e a resiliência” de Timor-Leste.

“O Governo australiano quer ver o desenvolvimento do Greater Sunrise de uma forma comercialmente viável que apoie o desenvolvimento económico de Timor-Leste e maximize os benefícios para todas as partes, consistente com o Tratado de Fronteira Marítima”, disse em comunicado citado pela *Australian Financial Review*.

“Como representante especial, Steve Bracks representará o governo australiano e consultará o Governo de Timor-Leste e outras partes interessadas importantes, incluindo o Consórcio do Greater Sunrise”, disse.

Wong destacou o facto de Steve Bracks ter “profundo conhecimento de Timor-Leste e uma relação próxima com seu povo e líderes como resultado” de um empenho em proximidade ao longo de vários anos.

O jornal *Australian Financial Review* refere que Steve Bracks tem fortes laços a Timor-Leste.

A nomeação surge depois da visita de Penny Wong a Timor-Leste em setembro e da posterior visita de Estado do Presidente timorense José Ramos-Horta à Austrália, em que o projeto do Greater Sunrise foi o tema dominante na agenda.

Localizado a 150 quilómetros de Timor-Leste e a 450 quilómetros de Darwin, o projeto tem estado envolto num impasse, com Díli a defender a construção de um gasoduto para o sul do país e a Woodside, segunda maior parceira do consórcio, a defender a sua ligação à unidade já existente em Darwin.

Nos últimos meses têm-se intensificado os contactos entre as partes, com o tratado de 2019 que definiu as fronteiras marítimas entre os dois países a prever a assinatura de um contrato de partilha de produção, além de outros quadros técnicos.

O projeto tornou-se particularmente urgente perante o risco de que Timor-Leste possa enfrentar, já em 2034, um precipício fiscal com o fim do Fundo Petrolífero que atualmente financia a quase totalidade do Orçamento Geral do Estado (OGE).

Este fim de semana o antigo Presidente timorense Xanana Gusmão – e negociador principal do tratado permanente de fronteiras - defendeu que não serão outros Governos e muito menos empresas a impedir que Timor-Leste consiga implementar o sonho de ter um gasoduto para a costa sul do país.

“Se os timorenses estão decididos que este é o caminho, não serão outros Governos e muitos menos entidades comerciais que nos irão afastar do nosso caminho, da nossa visão e do nosso sonho: o de construir um futuro sustentável para o nosso país e o nosso povo”, afirmou num seminário em Díli.

“Trazer o gasoduto para Timor-Leste exige visão, muito esforço e muito trabalho e capacidade de atrair investimento. Mas cabe a Timor-Leste e não a outros sonhar os seus próprios sonhos e lutar pelas suas causas”, disse.

O jornal australiano nota que em 2019 Bracks defendeu que o então Governo australiano deveria apoiar Timor-Leste a atrair um parceiro de financiamento para desenvolver o Greater Sunrise, ou, se isso não acontecesse, a China poderia vir a apoiar o projeto.

Bracks foi uma das vozes mais críticas da espionagem australiana a Timor-Leste em 2004 durante as negociações com Díli relativamente ao que acabaria por ser o Tratado do Mar de Timor.

Steve Bracks, que já visitou Timor-Leste mais de 40 vezes desde a restauração da independência em 2002, é considerado um dos maiores amigos do país na política australiana, tendo apoiado diretamente e pro Bono o Governo timorense em várias ocasiões.

A sua própria página online nota que o seu interesse em Timor-Leste começou quando era chefe do Governo do estado de Victoria, tendo visitado Díli em 2002 e 2003, neste último caso para apoiar a abertura do Balibo House Trust, na vila fronteiriça onde cinco jornalistas australianos foram mortos por soldados indonésios em outubro de 1975.

Quando Xanana Gusmão assumiu o cargo de primeiro-ministro em agosto de 2007, um mês depois de Bracks se demitir como chefe do Governo de Victoria, o político trabalhista ofereceu-se para apoio adicional a Timor-Leste.

Com uma doação do filantropo Harold Mitchell, acabou por nascer o Bracks Timor-Leste Governance Project no âmbito do qual visitou Timor-Leste mais de 40 vezes como conselheiro especial de Xanana Gusmão e, posteriormente, do seu sucessor, Rui Maria de Araújo.

A escritora e investigadora australiana Kim McGrath, autora do livro “Passar dos Limites - A História Secreta da Austrália no Mar de Timor”, tem gerido o projeto desde a sua criação.

Entre outras iniciativas, o projeto contribuiu para o rascunho do Plano Estratégico de Desenvolvimento 2011-2030, tendo apoiado igualmente Timor-Leste no processo de negociação da fronteira marítima permanente com a Austrália.

ASP // PJA
Lusa/Fim

Unofficial translation

Australian Government appoints Timor-Leste’s ally to unblock Greater Sunrise

Dili, 18 Oct 2022 (Lusa) - The Australian Government has appointed Steve Bracks, a former Premier of the State of Victoria considered a ‘friend’ of Timor-Leste as its special representative to help unblock the impasse around the Greater Sunrise project.

The decision, which the Australian press considers the “strongest signal yet” that Canberra is interested in moving forward with the development of the project in the Timor Sea, was confirmed by Australian diplomacy chief Penny Wong.

Wong said Steve Bracks’ appointment demonstrates the Government’s “commitment to the mutually beneficial and commercially viable development of the Greater Sunrise gas fields,”

a project she considered “critical to the economic development and resilience” of Timor-Leste.

“The Australian Government wants to see the development of Greater Sunrise in a commercially viable way that supports Timor-Leste’s economic development and maximizes benefits for all parties, consistent with the Maritime Boundary Treaty,” it said in a statement quoted by the *Australian Financial Review*.

“As special representative, Steve Bracks will represent the Australian government and will consult with the Government of Timor-Leste and other key stakeholders, including the Greater Sunrise Consortium,” it said.

Wong highlighted the fact that Steve Bracks has “deep knowledge of Timor-Leste and a close relationship with its people and leaders as a result” of outreach engagement over several years.

The *Australian Financial Review* newspaper reports that Steve Bracks has strong ties to Timor-Leste.

The appointment follows Penny Wong’s visit to Timor-Leste in September, and the subsequent state visit to Australia by Timorese President Jose Ramos-Horta, where the Greater Sunrise project was high on the agenda.

Located 150 kilometers from Timor-Leste and 450 kilometers from Darwin, the project has been deadlocked, with Dili advocating the construction of a pipeline to the south of the country and Woodside, the consortium’s second largest partner, advocating its connection to the existing unit in Darwin.

Contacts between the parties have been intensifying in recent months, with the 2019 treaty that defined the maritime borders between the two countries providing for the signing of a production-sharing contract, in addition to other technical frameworks.

The project has become particularly urgent given the risk that Timor-Leste could face, as early as 2034, a fiscal cliff with the end of the Petroleum Fund that currently finances almost all of the General State Budget (OGE).

This weekend, former Timorese President Xanana Gusmão - and chief negotiator of the permanent border treaty - argued that it will not be other governments and even less companies that will prevent Timor-Leste from implementing the dream of having a gas pipeline to the country’s southern coast.

“If the Timorese are determined that this is the way forward, it will not be other Governments and many less commercial entities that will keep us from our path, our vision and our dream: to build a sustainable future for our country and our people,” he said at a seminar in Dili.

“Bringing the pipeline to Timor-Leste requires vision, a lot of effort and hard work and the ability to attract investment. But it is up to Timor-Leste and not others to dream their own dreams and fight for their causes,” he said.

The Australian newspaper notes that in 2019 Bracks argued that the then Australian government should support Timor-Leste in attracting a funding partner to develop Greater Sunrise, or, failing that, China could come on board to support the project.

Bracks was one of the most critical voices of Australian spying on Timor-Leste in 2004 during negotiations with Dili on what would eventually become the Timor Sea Treaty.

Steve Bracks, who has visited Timor-Leste more than 40 times since the restoration of independence in 2002, is considered one of the country’s greatest friends in Australian

politics, having supported the Timorese government directly and pro Bono on several occasions.

His own online page notes that his interest in East Timor began when he was head of the Victorian State Government, having visited Dili in 2002 and 2003, in the latter case to support the opening of the Balibo House Trust in the border town where five Australian journalists were killed by Indonesian soldiers in October 1975.

When Xanana Gusmão took over as Prime Minister in August 2007, a month after Bracks resigned as head of the Victorian Government, the Labor politician offered additional support for Timor-Leste.

With a donation from philanthropist Harold Mitchell, the Bracks Timor-Leste Governance Project was eventually born, under which he visited Timor-Leste more than 40 times as special advisor to Xanana Gusmão and later to his successor, Rui Maria de Araújo.

Australian writer and researcher Kim McGrath, author of the book “Crossing the Boundary - Australia’s Secret History of the Timor Sea”, has managed the project since its inception.

Among other initiatives, the project contributed to the draft Strategic Development Plan 2011-2030, and also supported Timor-Leste in the process of negotiating a permanent maritime border with Australia.

ASP // PJA Lusa/End

<https://www.foreignminister.gov.au/minister/penny-wong/media-release/special-representative-greater-sunrise-project>

Special Representative for Greater Sunrise project

Press release from Australian Foreign Minister Penny Wong, 18 October 2022

As part of the Australian Government’s commitment to the mutually beneficial and commercially viable development of the Greater Sunrise gas fields, I announce the appointment of the Honourable Steve Bracks AC as Australia’s Special Representative.

Greater Sunrise is critical to Timor-Leste’s economic development and resilience.

The Australian Government wants to see the development of Greater Sunrise in a commercially viable way that supports the economic development of Timor-Leste and maximises the benefits to all parties, consistent with the 2018 Maritime Boundary Treaty.

As Special Representative, Mr Bracks will represent the Australian Government and consult with the Government of Timor-Leste and other key stakeholders, including the Sunrise Joint Venture.

Mr Bracks brings a wealth of experience from both public and private sectors, including as a long-serving Premier of Victoria. He has deep knowledge of Timor-Leste and close relationship with its people and leaders as a result of his close engagement over many years.

I look forward to working with Mr Bracks in this role.

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Australia names former state leader special envoy for East Timor gas project

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SYDNEY, Oct 18 (Reuters) - Australia on Tuesday appointed former Victoria state premier Steve Bracks as its special representative for the Greater Sunrise gas project in East Timor as both countries look to break a stalemate over how to develop the gas fields.

Australia and East Timor have not yet reached an agreement over whether to pipe the gas to a new liquefied natural gas plant (LNG) in East Timor or to an existing LNG hub in Darwin in Australia's north, as favoured by the project's operator, Woodside Energy .

"Bracks will represent the Australian Government and consult with the Government of Timor-Leste and other key stakeholders, including the Sunrise Joint Venture," Foreign Minister Penny Wong said in a statement.

The two fields that make up Greater Sunrise were discovered in the waters between East Timor and Australia in 1974, holding an estimated 5.1 trillion cubic feet of gas and 226 million barrels of condensate, a type of light crude oil typically found with gas.

Development of the project was first stalled by a bitter maritime boundary dispute that was resolved in 2018.

Australia wants the development of the project commercially viable, supporting the economic growth of Timor-Leste and maximising the benefits to all parties, Wong said.

Bracks has deep knowledge of East Timor and close relationship with its people and leaders as a result of his close engagement over many years, Wong said.

On a visit to Australia last month, President Jose Ramos-Horta urged Canberra to back the pipeline to East Timor and flagged Indonesia, South Korea, Japan and China could become [potential investors](#) in Greater Sunrise.

The project is key to Timor's future as its main source of revenue - the Bayu Undan oil and gas field - will stop producing later this year, leaving the country almost wholly dependent on its petroleum fund which currently holds about \$18 billion.

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