

East Timor hopeful of future LNG project



AAP – 17 hours ago

Woodside's decision to shelve its Sunrise LNG project has not dented East Timor's desire for the resource to be developed. Woodside last week walked away from plans to develop the Sunrise gas field off East Timor, citing regulatory and financial uncertainty in relation to the five trillion cubic feet resource.

The move put pressure on East Timor to consider using floating LNG technology or run the risk the project will not be developed. But East Timor's Minister of State Agio Pereira says the government still prefers to have an onshore LNG plant.

"The pipeline to Timor-Leste has been proven to be economically and technically viable and will be used when Greece is developed," he said.

He remains hopeful that the world-class gas reserve will be developed one day.

"We have no doubt that it will be exploited in the coming years and be an important resource for the further development of the nation," he said.

Mr Pereira also reiterated his government's desire for Australia and East Timor to come to an agreement on their maritime boundaries.

The Sunrise gas field lies in the Joint Petroleum Development Area, which is jointly administered by Australia and East Timor. But the pair have been unable to agree on tax issues and development plans.

"We do understand that fiscal certainty is important for business and believe that the best way to achieve long-term certainty and an optimal investment environment is to 'draw the line'," Mr Pereira said.

"The most straightforward way to achieve this would be by friendly engagement in this process by both countries under the principles of international law."