

Unravelling Timor-Leste's Greater Sunrise strategy

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Disputes over the resource-rich Timor Sea have consumed bilateral relations between Timor-Leste and Australia. In 2006, Timor-Leste's then foreign minister José Ramos-Horta and his Australian counterpart, Alexander Downer, signed the Treaty of Certain Maritime Arrangements in the Timor Sea (CMATS). The treaty aimed to distribute revenues derived from the lucrative but disputed [Greater Sunrise oil and gas field](#) ^[1].

In brokering this so-called '[creative](#)' solution ^[2], Australia and Timor-Leste set aside intractable disagreements over establishing permanent maritime boundaries and developing a petroleum export pipeline. These crucial issues remain unresolved and many Timor-Leste representatives and activists are displeased with current treaty arrangements. Allegations of Australia [spying during negotiations in 2013](#) ^[3] and [stealing documents](#) ^[4] from Timor-Leste's Australian lawyer have compounded this dissatisfaction.

Timor-Leste's government now pursues a 'fair' settlement of permanent boundaries, which, in its view, would entail Timor-Leste [controlling all of Greater Sunrise](#) ^[5]. But Australia currently [refuses to negotiate permanent boundaries](#) ^[6].

Timor-Leste's oil dependence makes the maritime boundary dispute a significant domestic issue. Oil and gas exports account for around 90 per cent of Timor-Leste's GDP. [Estimates suggest](#) ^[7] that revenues from the joint development area could run out in the early 2020s.

The core national interests of Timor-Leste have been presented in the public discourse as symbolic rather than material. Various Timorese leaders have suggested that Timor-Leste's interests are primarily in completing its sovereignty. [Prime Minister Rui Maria de Araújo recently argued that](#) ^[8] 'establishing permanent boundaries is a matter of national priority for Timor-Leste as the final step in realising our sovereignty as an independent state'. Timorese representatives link the Timor Sea dispute with its struggle for independence against Indonesian occupation, propagating the questionable notion that without permanent maritime boundaries Timor-Leste's sovereignty remains incomplete.

Symbolic narratives around sovereignty are useful in provoking domestic and international support. They mirror the anti-colonial nationalism that characterised Timor-Leste's 24-year resistance movement, the legacies of which continue to shape Timorese domestic politics. Recent rallies in Dili also demonstrate how the Timor Sea dispute feeds into a broader [anti-Australian public sentiment](#) ^[9]. The narratives position Australia as an illegal 'occupier', encouraging a form of national unity that emerges *vis-à-vis* a common enemy.

The sovereignty narrative bolsters the political legitimacy of leaders. The intensification of the dispute has the hallmarks of a political sleight-of-hand as it distracts citizens from pressing socioeconomic and governance problems. The claim that Timor-Leste's interests in delineating maritime boundaries are primarily about sovereignty is not entirely convincing. If permanent maritime boundaries, not material resources, were paramount to securing Timor-Leste's sovereignty, one might assume that Timor-Leste would agree to a boundary that does not place Greater Sunrise in its possession.

Since 2006, Timor-Leste's representatives have sought to win the right to develop a pipeline from Greater Sunrise to the South Coast of Timor-Leste. Australia, and corporations such as Woodside, refused and negotiations stalled. Winning sovereign control of Greater Sunrise through the settlement of permanent maritime boundaries would allow Timor-Leste to build its pipeline.

The pipeline is at the centre of the ambitious development agenda of successive Timorese governments, headed first by Xanana Gusmão and then Rui Araújo, which have invested heavily in national infrastructure projects.

Timor-Leste's [2011 Strategic Development Plan](#) ^[10] committed to developing three key sectors: agriculture, tourism and petroleum. It supported the view that the pathway to development was through developing oil refinery industries. The plan argues that through its training and employment opportunities, the petroleum sector generates broader socioeconomic gains than 'the simple selling of oil and gas'.

Oil and gas form the centrepiece of the petroleum industries being established on the coast of Tasi Mane in the island's south. This is currently one of Timor-Leste's high-priority infrastructure developments. Spending on the Tasi Mane Project — a coastal corridor of petroleum infrastructure — is [projected to exceed US\\$1.4 billion from 2016 through 2020](#) ^[11]. By way of comparison, the proposed 2016 budget [is just over US\\$1.5 billion](#) ^[12].

According to academic James Scambray, the ambition of the Tasi Mane Project — comprising three industrial clusters, an airport and a 155 kilometre highway — 'suggests a [political rather than economic motivation](#) ^[13]'. Others have criticised Tasi Mane as a ['fantasy' project](#) ^[14] and a [wasteful 'white elephant'](#) ^[15].

Still it has been prioritised ahead of agriculture and tourism. And the increased infrastructure spending has come at the expense of social welfare programs. Problematically, the viability of Tasi Mane rests upon the Greater Sunrise pipeline. It is hard to see Timor-Leste's petrochemical industries becoming internationally competitive against well-established industries in Southeast Asia.

The pipeline remains crucial for understanding Timor-Leste's foreign policy approach. The government has abandoned unproductive pipeline negotiations with Australia in pursuit of a greater prize: permanent maritime boundaries that give Timor-Leste control over Greater Sunrise. Success would enable the Timorese government to establish the pipeline, justify its Tasi Mane investment and advance its development ambitions.

It is a high-reward, but high-risk strategy. Ultimately, its success will rely on Australia changing its perceived interests in the Timor Sea — an unlikely scenario.

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URLs in this post:

[1] Greater Sunrise oil and gas field: http://www.laohamutuk.org/Oil/Boundary/fa019_east-timor_map.pdf

[2] 'creative' solution: <http://www.austlii.edu.au/au/journals/AltLawJI/2004/87.html>

[3] spying during negotiations in 2013: <http://www.abc.net.au/news/2015-11-25/east-timor-greater-sunrise-spy-scandal/6969830>

[4] stealing documents: <http://www.abc.net.au/news/2014-01-20/an-etimor-begins-icj-proceedings-against-australia/5209798>

[5] controlling all of Greater Sunrise: <https://theconversation.com/whats-behind-timor-lestes-approach-to-solving-the-timor-sea-dispute-57883>

[6] refuses to negotiate permanent boundaries: <http://www.smh.com.au/federal-politics/political-news/pm-malcolm-turnbull-disappoints-east-timor-on-talks-on-maritime-boundary-20160301-gn798f.html>

[7] Estimates suggest: <http://laohamutuk.blogspot.com.au/2015/04/timor-lestes-oil-and-gas-are-going-fast.html>

[8] Prime Minister Rui Maria de Araújo recently argued that: <http://www.smh.com.au/federal-politics/political-news/east-timor-takes-australia-to-un-over-sea-border-20160411-go39tl.html>

[9] anti-Australian public sentiment: <http://www.theguardian.com/world/2016/mar/22/australia-illegally-occupying-maritime-territory-of-timor-lestes-protesters-say>

[10] 2011 Strategic Development Plan: <https://sustainabledevelopment.un.org/content/documents/1506Timor-Leste-Strategic-Plan-2011-20301.pdf>

[11] projected to exceed US\$1.4 billion from 2016 through 2020: <http://www.laohamutuk.org/Oil/TasiMane/11TasiMane.htm>

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[13] political rather than economic motivation: <http://www.tandfonline.com/doi/abs/10.1080/14672715.2015.1041281>

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[15] wasteful 'white elephant': <https://www.thesaturdaypaper.com.au/news/politics/2015/11/28/maritime-arrangements-and-timor-lestes-oil-ploy/14486292002682>