Greater Sunrise: A Reflection on Partnership, Historical Responsibility, and Regional Order

By: Dionísio Babo Soares in Tatoli, 28 May 2026*

Allow me to begin by candidly framing what I believe is truly at stake in the development of the Greater Sunrise gas fields. It is, without doubt, a large-scale industrial and energy project located approximately 150 kilometres off the southern coast of Timor-Leste and about 450 kilometres northwest of Darwin, and currently operated as a joint venture by Timor GAP, Woodside Energy, and Osaka Gas Australia. However, in my view, it is more than that. It is, in a very real sense, an exercise in defining the bilateral relationship between Timor-Leste and Australia, and an opportunity for both States to clarify the kind of partnership they wish to build for the Indo-Pacific in the decades ahead.

It is therefore important to approach this issue with the composure and careful judgment it deserves, avoiding both maximalist rhetoric that disregards legitimate commercial considerations and a narrow technical reductionism that obscures the political and historical dimensions of the dossier.

First, it is necessary to recall that the relationship between Timor-Leste and Australia did not begin at the negotiating table over the Timor Sea. It has deep roots—some of them painful—that deserve to be acknowledged, not in a spirit of grievance, but as essential context for the present debate. During the Second World War, the Timorese people paid an extraordinary price for their support of Australian forces resisting Japanese occupation. Available historical estimates suggest that around forty thousand Timorese civilians lost their lives as a direct consequence of that collaboration and the subsequent reprisals. Acknowledging this fact is not about cultivating resentment; it is about recognising a bond. Moreover, between thoughtful States, historical bonds matter —they should matter— in long-term decision-making.

It must also be recognised, with equal candour, that later periods of the relationship were far less straightforward. Australia's de jure recognition of Indonesia's annexation, and the 1989 Timor Sea Treaty that followed, are now widely subject to critical reassessment in the scholarly literature. This is not to reopen old wounds, but quite the opposite. Subsequent developments, notably Australia's role in INTERFET and the 2018 Maritime Boundary Treaty, demonstrate that political trajectories can be revised and corrected. It is precisely because that process of correction has begun that it appears coherent to continue it.

Timor-Leste's aspiration to process Greater Sunrise resources on its own territory —specifically through a pipeline to Natarbora on the south coast— has at times been portrayed as an emotional or purely nationalist position. I would respectfully disagree with that characterisation. It is, in my view, a rational strategic choice, grounded in three considerations that deserve careful attention.

First, Timor-Leste's fiscal situation requires long-term planning. The Petroleum Fund, an international reference in prudent sovereign wealth management, has, in recent years, recorded withdrawals above the Estimated Sustainable Income defined by its governance framework. With the depletion of Bayu-Undan, the identification of a new revenue base has become urgent. Without such a base—and without adjustments in the expenditure trajectory—the country will face significant financial constraints within the next decade, a scenario that is avoidable and should be actively prevented.

Second, Timor-Leste has already invested considerable resources, under the Tasi Mane programme, in roads and the Suai airport, as well as in studies, planning, and investment decisions related to the highway and the logistics-industrial hub envisaged for Betano and Natarbora. These investments reflect a coherent development plan sustained across successive legislative cycles. Denying the viability of the pipeline at this stage would carry not only economic costs but also institutional ones, by undermining the predictability of the Timorese State in the eyes of its citizens and partners.

Third—and this point deserves emphasis—decisions of this magnitude in infrastructure are never purely commercial choices. They always carry a strategic and geopolitical dimension that States, not only industrial consortia, must weigh. Recognising this does not diminish the importance of technical and financial feasibility criteria; it places them in their proper context.

It should be stated clearly: supporting the pipeline option to Timor-Leste's south coast does not constitute a sacrifice of Australia's national interest. On the contrary, it represents an enlightened way of advancing it.

Australia has consistently identified, in its Indo-Pacific policy documents, the stability and prosperity of its near neighbours as a primary strategic interest. Few contributions would serve that stability better than the consolidation of a sustainable economic base in Timor-Leste. Conversely, the financial fragility of a small neighbouring State—particularly at a time of regional reconfiguration—entails risks that no short-term commercial efficiency calculation can offset.

There is also a question of consistency. Australia has, rightly, emphasised the importance of a rules-based regional order, respect for State sovereignty, and fairness among partners. The decision on Greater Sunrise will constitute a practical test—likely observed closely in ASEAN and beyond—of the alignment between those stated principles and the concrete choices that should give them effect.

Without dismissing the legitimate commercial concerns of Woodside and the other joint venture partners, it is useful to underline that the binary framing—Darwin versus Timor-Leste—no longer fully reflects the range of available technical and financial possibilities. Advances in modular LNG solutions, phased development models, and smaller-scale onshore configurations now offer alternative arrangements worthy of serious consideration. The oft-repeated formulation that "all options remain open" in joint venture communications will only carry full meaning if a constructive decision eventually matches such openness. One would expect, in my view, from corporate partners a genuine willingness to explore, in dialogue with Timor-Leste, solutions that reconcile commercial viability with sovereign development.

Timor-Leste's accession to ASEAN—a decisive step in its recent trajectory—adds a regional dimension to this debate that should not be underestimated. By virtue of its geography and history, Timor-Leste occupies a unique position at the intersection of Southeast Asia and the Pacific. The establishment of an energy-industrial base on its own territory would strengthen its capacity to contribute to regional energy security and deepen economic integration within the bloc. It is therefore in the interest of all relevant partners—including Australia, whose engagement with ASEAN continues to deepen—that this consolidation occur under appropriate conditions.

Allow me a final word. This reflection is not intended to dramatise the decision at hand, nor to reduce it to a binary choice between virtue and calculation. Decisions of the state rarely fit such a format. What seems clear, however, is that we are facing one of those moments where economic interest, historical responsibility, and long-term strategic vision converge—and where, precisely for that reason, inaction or indefinite delay would be particularly costly.

Australia is today a fundamental partner of Timor-Leste, just as Timor-Leste is of Australia. The Indo-Pacific to which both belong calls for a shared effort of construction, commensurate with each State's capacities. I believe that such construction is not only possible but desirable, and that Greater Sunrise can become an example of it. That, in my view, is the course that prudence and a sense of State responsibility require.

**This opinion is personal and intended for educational purposes. It does not bind any institution with which the author is affiliated.*